

*Hip, Cool Cities In Michigan:
The Creative Class and its Economic Power*

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Community and Economic Development Program Policy Report • December 2003

Community and Economic Development Program,
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Michigan State University

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Just as the Great Lakes state is graying, it's losing its most valuable resource. The post-college and pre-parenthood group is fleeing in droves to hip, cool cities such as Chicago, Minneapolis, Boston and Austin, Texas. "The Bill Gateses of tomorrow are leaving and taking Michigan's future with them," said Paul Hillegonds, president of Detroit Renaissance, a nonprofit group promoting business development there. "We need to stop this now or the state will die."¹

I. Introduction

As young people leave Michigan in droves, state government and business leaders are finally recognizing the massive economic and cultural impact that youth have on a state's well being. Governor Jennifer Granholm has asked the leaders of more than 250 Michigan communities to help her focus on ways to make Michigan's communities more attractive for new jobs and new citizens.² Major cities in Michigan that could become "cool" are looking into ways to make their community "more appealing to the 25-34 age group... [including creating] a cool cities advisory panel, which will look into ways to attract that younger age group."³ Many factors contribute to a city becoming "cool." What exactly those factors are is up to students, business leaders, and civic leaders to find out.

The Michigan Land Use Leadership Council, convened by the Governor to address these very issues, spoke of "the desirability and benefits of walkable and rollable, compact, mixed-use, mixed-

income, racially diverse, livable urban cores and neighborhoods that are characteristic of 'cool' cities"⁴ as a recommendation in order to best attract and retain the population in question. Furthermore, the council noted that "the lack of viable central city areas in Michigan places our state at a distinct competitive disadvantage in attracting and retaining the young, highly recruited workers needed to encourage private economic investment and sustain economic prosperity. Vibrant cities could also position Michigan as a national and international tourism destination."⁵ Importantly, the council also recognized and extolled the contribution of "vibrant small, medium, and large downtowns, including stable residential populations, to the economic health of regions."⁶ The council's recommendations to revitalize downtowns into cool destinations in order to attract the Creative Class include:

- Promoting new private investment and reinvestment in already developed areas
- Addressing existing government barriers to downtown revitalization
- Discouraging state decisions and policies that subsidize and support sprawl
- Targeting investments to maintain public infrastructure already in place
- Allowing timely assembly of lands and property needed for urban redevelopment

¹ Range 5/23

² Boyd 9/19

³ McEvelly

⁴ Council 31

⁵ *Ibid.*

⁶ *Ibid.*

- Expediting government decisions on the appropriate reuse of environmentally impaired property while protecting human health and the environment
- Providing for “green infrastructure” as a catalyst to make urban areas more livable and to complement efforts to protect water quality
- Encouraging a wide array of options to provide for affordable housing with reasonable proximity and access to employment opportunities
- Promoting the adaptive reuse of historic buildings in urban cores
- Supporting government collaboration with local neighborhood organizations in the development and evaluation of revitalization efforts⁷

The council hoped that the state would support public and private efforts to create and maintain “livable” urban areas where people want to live, work, invest and grow a business, learn, shop, and recreate and where there is a range of equitable housing options for all income levels by:

a. Complementing local government’s efforts to create “green infrastructure” such as:

- 1) *Creating inner-city trails/pathways/open space/parks*
- 2) *Promoting public access to and enjoyment of urban waterfront assets*
- 3) *Using tax reverted lands to create open space that encourages development*
- 4) *Developing public and private partnerships (e.g., Detroit Riverfront Conservancy and the Southeast Michigan Greenways).*

Further, the council supported and applauded the governor’s “cool” cities initiative by encouraging citizens and local governments to identify policies, practices, and tools that can be used to attract highly trained, educated, and employable individuals to live and work in Michigan cities, and recommended that the state should develop policies that retain and attract a diverse population, including recent college graduates, skilled workers, artists, entrepreneurs, highly educated individuals and all others who seek to live and work in diverse, vibrant urban communities.⁸

The Creative Class

The primary focus behind the initiative to make Michigan’s cities cool is to retain the population that is leaving, the young, creative professionals that social scientist Richard Florida calls the “Creative Class.” The Creative Class is the segment of the population in the United States, usually between the ages of 25 and 34 whose economic function is to create “new ideas, new technology, and/or new creative content.”⁹ This class of people numbers roughly 38 million,¹⁰ and thus represents a fairly large segment of the population to be courted. Occupations of those in the Creative Class include those in science and engineering, arts, music, and entertainment, architecture and design, and education, as well as creative professionals in other fields such as business, law, finance, and healthcare.

This class of people is marked by its lifestyle, its level of social interaction, its diversity, its desire for authenticity, its sense of identity, and, perhaps most relevant to planning, its need for a high

⁷ Council 32

⁸ Council 35

⁹ Florida 8

¹⁰ *Ibid.*

standard of quality of place. Florida determines a city's 'coolness,' or its ability to serve as a desirable place for members of the Creative Class to live, by a combination of indices. The indices are of the number of members of the creative class already living there,

- the amount of high-tech firms in that city or metro area,
- the amount of innovation that comes from that area's firms, and
- the diversity of the area, especially concerning the gay population.

Michigan's cities are lacking compared to other cities in the region and across the country. By Florida's methods, Detroit received a ranking of 39th of 49 metropolitan areas with a population of more than one million people. Among all 132 metropolitan regions nationwide, Detroit was ranked as follows:

Rankings	
Ranking	68
Creative Class	42
High Tech	147
Innovation	27
Diversity	150

Table 1 Detroit's Ranking on the List of Cool Cities (Source: CreativeClass.org)

Further, the urban center of Detroit, a potentially attractive area for members of the creative class, has been steadily declining over the years as its population steadily moves to the suburbs. This is reflective of a larger trend that has been occurring in American cities over the past several decades. On a statewide level, from 1995 – 2000, there was a negative net migration of approximately 16,000 young, single, and college-educated people, at a rate of -86.7%.¹¹ In order for Detroit to be successful in

retaining its creative population, and in attracting any new, there will need to be significant changes that happen, on many levels. Identifying and recommending some of these changes are the goal of this report.

II. Method of Policy Analysis

This report provides information on what it means to be a 'cool city,' from the standpoint of human, physical, and public policy perspective, and will include recommendations on how the State of Michigan can help its cities become cooler in these regards. Our principal collaborative partner has been Mr. Robert Johnson at the Michigan Department of Consumer and Industry Services. There is an identified need for this work. The Governor has requested cities around the state to draft reports detailing several points:

1. What defines a cool city? What makes our city particularly special or cool?
2. How can the state best help our city - and other communities - be "cool"?
3. What does a cool city look like? How does it use its space? What kinds of services are offered?
4. What does your city - and other communities like it - do to attract jobs and people to your community? What could it do?
5. What does your city - and other communities like it - do to attract young professionals and young people to your community? What could it do?

This work provides suggestions and sound recommendations that will help the State of Michigan answer those

¹¹ U.S. Census Net Migration Report 2000

questions, and revitalize its downtowns into cool cities.

III. State of the State

Michigan's cities are not in great shape when it comes to keeping their creative class. Between 1995 and 2000, Michigan lost a total of 40,998 people aged 20-29 and gained just 865 new citizens in the 30-34 age bracket.¹²

IV. Cool Cities

Key Measurements

High-Tech Index: The basic measure for high-technology industry, the high-tech index ranks metropolitan areas based on a combination of two factors: (1) its high tech industrial output as a percentage of total U.S. high-tech industrial output; and (2) the percentage of the region's own total economic output that comes from high-tech industries compared to the nationwide percentage. According to the Milken Institute researchers, the former favors large metropolitan areas, while the second favors smaller regions with large technology sectors. By combining them, the High-Tech Index creates a less biased measure.

Innovation Index: The Innovation Index is a measure of patented innovations per capita. It covers the calendar year 1999 and is based on data from the U.S. Patent and Trademark Office.

Gay Index: This index is based on research by Gary Gates from the Urban

Institute in Washington, D.C. The Gay Index is essentially a measure of the over- or under-representation of coupled gay people in a region relative to the United States as a whole. The fraction of all such gay people who live in a given metropolitan area is divided by the fraction of the total U.S. population who live in that area. The resulting number is a ratio: a value over 1.0 suggests that gays are under-represented. The Gay Index has been calculated for major metropolitan areas across the U.S. in 1990 and 2000, and is based on the decennial U.S. Census.

Bohemian Index: Calculated in the same fashion as the Gay Index, the Bohemian Index is a measure of artistically creative people. It includes authors, designers, musicians, composers, actors, directors, painters, sculptors, artist printmakers, photographers, dancers, artists, and performers. It is based on the 1990 U.S. Decennial Census Public Use Microdata Sample.

Talent Index: This is a measure of the human capital in a region, based on a region's share of people with a bachelor's degree and above. It too is based on the 1990 U.S. Decennial Census Public Use Microdata Sample.

Melting Pot Index: This index measures the relative percentage of foreign-born people in a region. It is also based on the 1990 U.S. Decennial Census Public Use Microdata Sample.

Composite Diversity Index: This composite measure combines the Gay Index, Bohemian Index, and Melting Pot Index.

¹² U.S. Census 2000

Creativity Index: This is a composite measure that is based on four indices for the most current year available: the Innovation Index (1999), High Tech Index (2000), Gay Index (2000) and the Creative Class (1999).¹³

What is “Cool”?

As cities begin to look forward into the new millennium they continue to face the age old challenge of creating economic growth. Recent history in American cities suggests that economic growth has been dependent upon location. In this sense, cities create economic growth because of the close proximity of good transportation or because of the local natural resources that attract businesses. “According to this conventional view, the economic importance of a place is tied to the efficiency with which it can make things and do business.”¹⁴ However, as cities develop into the 21st century this traditional way of thinking will no longer apply. Rooted in the work of Jane Jacobs, a new economic growth theory has developed in many cities called the “human capital theory.”

Human Capital Theory

The Human Capital Theory is based on the observation that economic growth is dependent on people. This theory plays significantly with the creative class and the “cool city” initiative. Historically, it was regarded that urban economic growth was dependant on their close proximity to either abundant natural resources or effective transportation routes. This theory may explain the historic economic growth of

cities like St. Louis, whose location on the Mississippi and as the gateway to the west made the city a trading and economic hub or Pittsburgh with its close proximity to the iron ore that feeds the steel mills. “According to this conventional view, the economic importance of place is tied to the efficiency with which it can make things and do business.”¹⁵

In the 21st century this theory seems less relevant. Today, the key economic measures appear to be retaining a highly educated and productive workforce. Ross Devol of the Milken Institute notes that, “you attract these people and you attract the industries that employ them and the investors who put money into their companies.”¹⁶ Patricia Beeson an urban economist with the University of Pittsburgh has found evidence that suggests that cities that have invested in higher education infrastructure have more growth than cities that invest in transportation infrastructure.¹⁷ Writer Joel Kotin, describing the human capital theory suggests that,

Traditionally, human intelligence tends to cluster in places where industry and commerce draw them. This has been true from the time of ancient Mesopotamia and Rome through the early modern Amsterdam and New York. Yet at the same time brainpower could be highly concentrated in certain places like New England or the Minneapolis region, other regions with more relative brawn such as industrial Detroit or Buffalo, would still lead economic growth, luring highly skilled workers when needed. This “brawn to brain” shift profoundly alters the importance of “place.” Under the new regime of geography, wherever intelligence clusters evolve, in a small town or the big city, so too will wealth accumulate. Moreover, these clusters are far

¹³ Florida

¹⁴ *Ibid*, 221

¹⁵ *Ibid*

¹⁶ *Ibid*

¹⁷ *Ibid*

*less constrained by traditional determinants such as strategic waterway location, the abundance of raw materials, or the proximity to dense concentrations of populations.*¹⁸

In understanding the relationship between economic growth and retaining a highly educated and productive workforce it is useful to look at the number of high-tech industries that reside in a city. High-tech industries are defined by innovation and knowledge and must rely on a highly educated and productive workforce. Therefore, a city having significant high-tech industry suggests they are able to retain a highly educated and productive workforce. For example, the city of Austin, Texas ranks 4th nationally in the percentage of people with a bachelors degree or above.¹⁹ The ability to retain this population is reflected in the number of high-tech industries that call Austin home. Dell, Motorola, the Seton Medical Center, IBM, and Advanced Micro Devices make up five of the top six largest employers in Austin.²⁰

Creative Capital Theory

A similar theory, the Creative Capital Theory, which refers to the theory of financial capital, guides much of Richard Florida's work, and is an underlying force in the creation of cool hip cities. According to Florida, the creative capital theory states that regional economic growth is powered by creative people who prefer places that are diverse, tolerant and open to new ideas. Diversity increases the odds that a place will attract different types of creative people with different skill sets and ideas. Places with diverse mixes of

creative people are more likely to generate new combinations. Furthermore, diversity and concentration work together to speed the flow of knowledge. Greater and more diverse concentrations of creative capital in turn lead to higher rates of innovation, high technology business formation, job generation and economic growth. The creative capital theory also states that regional growth comes from the 3 T's of economic development, Technology, Talent, and Tolerance. The most important thing we can learn from this is that in order to spur innovation and economic growth, a region must offer all three.

Technology can be defined by the High-Tech Index, which is a measure of number of high tech jobs in a given region, measuring both the size and concentration of a region's economy in growth sectors such as software, electronics, biomedical products and engineering services. This index demonstrates the correlation between high-tech industries and the creative class. Talent can be measured by a separate index that calculates a simple human capital measure of the percentage of the population with a bachelor's degree or above (the "Talent Index") and the Innovation Index, which measures the number of patents granted per capita. Tolerance can be measured by the diversity of an area, which is calculated by looking at the Gay Index (the number of gays in a city) and the Bohemian Index (the number of writers, designers, actors, and artists in a city).²¹

Each of these three aspects must all be present for the city to attract the creative class. An area that only offers one of two of the three conditions will fail. To attract creative people, generate

¹⁸ Florida

¹⁹ *Ibid*

²⁰ *Ibid*

²¹ *Ibid*

innovation and stimulate economic growth, all of which are important to the state of Michigan, a place must have all three. Combining these three elements with a measure of the number of creative class members in a city leads to Florida's measure called the Creativity Index.²² The Creativity Index is the baseline measure for a region's overall standing in the creative economy, and is a better measure than merely looking at the concentration of members of the creative class in one area.

V. Elements of a Cool City

It is important to note that the definition of "cool" is a fluid term. It means different things in different communities. Here lies the difficulty in creating a "cool city." It is very difficult to understand what "cool" means, and therefore it is hard to understand what communities need to do to become the image of what they believe to be "cool." While arguments can be made for what defines "cool," cities that tend to attract people and businesses to live and work in their cities have many similar aspects. These elements are: *Lifestyle, Social Interaction, Diversity, Authenticity, Identity, and Quality of Place.*

Lifestyle

The element of lifestyle can be defined as the "scene" that the creative class looks for in a place to live. This can mean the entertainment scene, the arts scene, the music scene, the outdoor scene, or the technological scene. These aspects of lifestyle are more important than having job security, according to Florida.²³ One important aspect of

lifestyle that does involve the work scene is that of a thick labor market. The members of the creative class want to move to an area where good jobs are abundant, but they will not move to an undesirable, non-stimulating place because they have been offered good job.

The idea of a thick labor market is not only beneficial to job applicants, but to those companies that are located in cities that boast thick labor markets. There is an abundance of highly qualified creative class members that reside in those cities, and the companies have many applicants to choose from when hiring. Other things that the creative class desire in the city in which they live are not the big-ticket items, like professional sports or the symphony orchestra, they prefer more grassroots entertainment. They want a city that always has something exciting to see, and a city in which they can enjoy several different types of entertainment in one evening due to their grueling work schedules. Stimulation is important for members of the creative class, and a city in which there is constant mental stimulation in the form of desired scenes will keep members of the class as residents.

An example of a city working to expand the lifestyle options for its citizens is Salt Lake City, UT. The city is currently developing the largest high-speed digital network in the country, offering digital television, telephone service, and Internet to its 723,000 residents and 34,000 businesses. This is explicitly meant to attract technologically minded individuals and businesses. Furthermore, Salt Lake City is surrounded by mountains and lakes, which provide multiple outdoor recreation opportunities to citizens.

²² Florida 244

²³ Florida 224

Social Interaction

The next element of a cool city is that of social interaction. Members of the creative class want to live in a city in which they feel they fit in socially. The focus of social interaction is on the “third place,” which is not home or work, but the place where people spend their time with acquaintances of a less formal nature. While members of today’s society have only five to ten very close relationships, they have a large number of informal acquaintances. These relationships involve less time and effort, and are easier to cultivate and maintain. This is a necessity for the creative class because of their decreasing amount of leisure time. Third places can include coffee shops, recreational centers, or musical venues that members of the creative class visit frequently. Continued patronage of the third place will cultivate relationships between visitors, and social interaction will occur between members of the creative class, who share similar views on many different aspects of life. By providing individuals with the social interaction, a third place will make members of the creative class feel as though they are among friends, and they can interact socially with individuals that are similar to themselves. By providing members of the creative class with a sense of belonging, members of the creative class will form an attachment to the city, which will cause them to live there for an extended period of time.

Diversity

The element of diversity is very important for members of the creative class. With diversity comes the idea of open-mindedness and diversity of thought. While many members of the

creative class may be foreign born, have very dramatic styles of dress or personal expression, or lead non-conformist lifestyles, they need to live in an area that accepts them for who they are. Florida’s colleague, Gary Gates²⁴ devised an indicator called the “Gay Index” that correlates with the creative class. In areas that are noted as highly creative, there are also a high number of homosexual that reside there. This is because the area is diverse and open-minded about all forms of lifestyles. It is important to mention that this measure does not imply that an outstanding number of members of the creative class define themselves as homosexual, this measure merely indicates that members of both the creative class and homosexuals look for the same qualities in a place, diversity and open-mindedness, which leads to tolerance.

Diversity also implies excitement and energy. Creative class members want to experience different foods, cultures, and enjoy a mix of worldwide influences. Artistic expressions from around the world displayed in art galleries and boutiques along busy streets draw members of the creative class to the city. Different world cuisines from non-chain restaurants attract creative class members, and this diversity is something the creative class looks for when choosing a city in which to live. Diversity is an important factor in creating a cool city, but open-mindedness is not something that will come easily to many places.

An example of a very diverse community is the Over the Rhine neighborhood in Cincinnati, Ohio. Over the Rhine is distinguished by its funky neighborhood character, affordable Italianate 19th century architecture, and

²⁴ Florida 255

its diverse population. The affordability and prime location between the University of Cincinnati and the Central Business District makes the area attractive to younger people of all types.

Authenticity

The fourth element in creating a “cool city” is authenticity. Authenticity is a dynamic proposition in that the term can have many interpretations. The best way to describe authenticity is that it is something or somewhere that is unique and not like any other place. Authenticity comes from the physical and social aspects of a city. Authenticity comes from buildings, streets, homes, neighborhoods, people, art, events and the pulse of a city. Author Richard Florida found in interviewing focus groups that, “they equate authentic with being “real” as in a place that has real buildings, real people, real history. An authentic place also offers unique and original experiences. Thus a place full of chain stores, chain restaurants and nightclubs is not authentic: Not only do these venues look pretty much the same everywhere, they offer the same experience you could have anywhere.”²⁵ Here lies the dynamic of authenticity; it is something that can only be cultivated over time, and it cannot be manufactured as a product. Cities can take steps to help nurture authenticity through measures like historical preservation and main-street programs however true authenticity is reflected by the will of the people of the city. It is people, specifically the “creative class” who have the single most influence in creating and sustaining this authenticity.

One example of how a city created a sense of authenticity is Austin Texas and its live music scene. The city of Austin

was at the forefront of creating this music scene, culminating with Austin being named the “Live Music Capital of the World” in 1991. “Austin now has more live music venues per capita than such music hotbeds as Nashville, Memphis, Los Angeles, Las Vegas, and New York City.”²⁶ The city has identified that music was one of the aspects that makes Austin unique, and has taken many measures to help musicians and promote their music. Measures include:

- Austin Music Network: The city of Austin created the Austin network as an economic development project to showcase local musicians. The Austin Music Network operates 24 hours a day, 7 days a week and can found on channel 15 on both Time Warner and Grande Communications stations;
- Band of the week: The city of Austin works to help the music community in several ways, including a
- Web site that is specifically set up to let folks know about local bands;
- Austin Bergstrom International Airport: Live music at the airport greets visitors and welcomes homes Austinites;
- City Council Meetings: Weekly sessions of the Council include live music;
- Hire a musician: The Austin Convention and visitors Bureau offers assistance in booking a local musician for your next party, meeting, or corporate function;
- Parks and Recreation Dept.: The department sponsors seasonal offerings like the Trail of Lights and summer concerts series;
- Music Loan Program: The city of Austin established a Music industry Loan Guarantee Program to assist Austin music related businesses and musicians;
- Austin Economic Impact Study: A City of Austin study that describes how music affects the economy of Austin. The study also describes various ways the music community can be enhanced and promoted by the city and others;

²⁵ Florida

²⁶ www.ci.austin.tx.us

- Austin Music Commission: Appointed by the Austin City Council to review issues relating to the music industry;
- Austin Energy: Austin's energy commercial rebate program is focusing on bringing energy consumption savings to more than 220 of Austin's live music venues.

Identity

The fifth element in creating a “cool city” is identity. Identity comes from a sense of place that creates some meaning for the person who lives there. The identity of a city can reflect the identity of the person, thus a person's identity or self-image is in large part defined by the city in which they live. Historically, in America a large part of someone's identity was based upon the job in which they held. Someone in 1950 might identify themselves by saying, “I work for General Electric.” Working at a company gave the individual their sense of identity. This does not appear to be the case in the 21st century. “The combination of where we live and what we do has come to replace who we work for as the main element of identity.”²⁷ Presently, it is not uncommon for people to have several different careers in several different locations. The creative class is defined as one that is mobile and flexible, thus it will be important for a city to create such an identity that will make people want to locate in that city, and give them a sense of identity.

Richard Florida, describing the significance of identity in the creative class has found that, “many creative class people express a desire to be involved in their communities. This reflects their desire to both actively establish their own identity in places, and also to contribute to actively building places that reflect and validate

that identity.”²⁸ By involving themselves in the community they are helping shape its identity, thus by shaping the identity of the community they are effectively shaping their own identity.

This is one of the most important aspects of the creative class, creating your own identity. In order for cities to facilitate identity, cities must provide the environment in which people feel the sense to be able to facilitate their own identity. Cities must be willing to listen and communicate closely with neighborhoods and community organizations. Cities must recruit and actively involve the community in decision-making. Cities must remove as many barriers as possible for people to create their own identity. By giving power of forming identity to the community, the city is effectively creating its own identity as a place of social acceptance and encouragement.

Saugatuck Michigan is an example of a community that has developed a unique sense of identity. In 1910, a collection of Chicago artists established the Oxbow Summer School of Paintings in the small resort town on Lake Michigan. Today the Oxbow School, which is associated with the Art Institute of Chicago, still draws a global array of artists. In a community with only around 1000 full time residents, the small town has “over 20 different art galleries, many of which are working studios where you can observe artists creating in every medium imaginable.”²⁹

Though the city has developed its artistic roots for nearly a century, more recently the city has been very active in cultivating an identity as the “art coast of Michigan.” The city has created the “Art Round Town” program designed to

²⁷ Florida

²⁸ Florida

²⁹ www.virtualcities.com

expose artists' work around the city. Submitted sculptures are placed in various public places throughout the town and include information about the artists and how the sculptures can be purchased. The chamber of commerce actively promotes the Saugatuck art scene both state wide and nationally, helping the city become the no. 8 top art destination area in the United States according to "American Style Magazine."³⁰

The city is also currently building a new Center for the Arts to better support the growing art scene. This art scene has also translated into cinema. Over the past several years, the city has created the Saugatuck Music Festival. The weeklong festival features movie-making workshops with actors, directors, screenwriters, and producers. Many independent movies are shown at various venues throughout the city, capped off with an evening movie presentation on the main street in town. By developing and cultivating the cities rich artistic past, Saugatuck has created its own unique identity.

Quality of Place

The last element in creating a "cool city" is quality of place. "Quality of place" is a term used by Richard Florida that includes all the factors that go into creative class location decisions.³¹ "It refers to the unique set of characteristics that define a place and make it attractive."³² Florida continues to establish quality of place using three dimensions:

- What's there: the combination of the built environment and the natural

environment; a proper setting for pursuit of creative lives;

- Who's there: the diverse kinds of people, interacting and providing cues that anyone can plug into and make a life in that community;
- What's going on: the vibrancy of street life, café culture, arts, music and people engaging in outdoor activities, altogether a lot of active, exciting, and creative endeavors.

The most important aspect about the "quality of place" is that it is flexible and that it always redefining and discovering itself. It is this constant state of "creation" that is important. Cities must be able to offer a variety of experiences at any time with anyone and at any level of participation that their citizens' desire, and people should be able to create their own experience. Cities that are able to accommodate this level of variety will be the leading center of the creative class. For example, if someone wants to see live Irish music, eat Chinese food, then drink cappuccinos until 3:00 a.m., they will tend to live in communities that offer these amenities.

VI. Comparison of Cities

This section compares Austin, Texas, an identified "cool city," with Detroit, a case study of a city that is failing to be cool. The differences here will be explored and analyzed to help shape recommendations to be found in the next section.

Employment Status (%)	Detroit	Austin	Nat'l Ave
In labor force	56.3	71.9	63.9
Employed	48.5	68.7	59.7
Unemployed	7.8	3.1	3.7

*Table 2. Employment Status
(Source: 2000 U.S. Census)*

³⁰ www.artaroundtown.com

³¹ Florida

³² *Ibid*

There is a jump in unemployment in Detroit relative to the other cohorts for the cohorts of 16-24 and 24-35. Further, many more of the jobs in cool cities such as Austin are comprised of managerial and professional positions (43.1%), while in Detroit just 21% of jobs are in these positions. The much higher unemployment rate, and much smaller percentage of citizens in the labor force in Detroit as compared to both Austin and the national average, hints at Detroit's failing economy. Similarly, while Austin's workers are employed in management occupations at a rate of nearly 10% over the national average, Detroit's is approximately 12 percentage points below.

Selected Industries (%)	Detroit	Austin	Nat'l Ave
Management, Professional, and Related	21.63	43.1	33.6
Sales and Office	26.8	26.0	26.7

Table 3. Percentage of workforce in job categories (Source: 2000 U.S. Census)

Occupations and industries representing the shift into the new economy are also greater in Austin, while manufacturing was higher throughout the nation than in Austin. This illustrates the positive correlation between managerial occupations, in which the Creative Class is largely employed, and economic strength. The differences between the two, and strength of the correlation between the Creative Class and a viable economy is demonstrated even more by examining the labor statistics sorted by age.

Selected Industries (%)	Detroit	Austin	Nat'l Ave
Professional, scientific, management, administrative, and waste management	9.0	13.8	9.3
Educational, health, and social services	20.9	17.6	19.9
Arts, entertainment, recreation, accommodation, and food services	8.7	8.9	7.9

Table 4. Percentage of total industry by category (Source: 2000 U.S. Census)

Industries like information and professional, scientific, management, administrative, and waste management services were both higher than the national percentage. The median household and family incomes were both higher in Austin than the United States average. In both household and family income at the \$75,000 to \$99,999 level followed by the next three income levels, Austin was higher than the United States in each level.

Income Level (% in 1999)	Detroit	Austin	Nat'l Ave
\$100,000-149,000	4.5	8.2	7.7
\$150,000-199,000	0.9	2.5	2.2
\$200,000 or more	0.9	2.8	2.4
Median Household Income in \$	33,853	42,689	41,999

Table 5. High income levels (Source: 2000 U.S. Census)

This suggests there is a larger gap between the rich in poor in Austin than the United States. In the high-tech industries, Austin proved to be very competitive on a nationwide level. Austin has tremendous high-tech industry, with companies involved in microchip design, semiconductor

research, advanced systems software development, and high performing computing. Nearly one out of every six jobs in the area is tied to the tech sector.³³ Austin is the home to both the Dell Computer Corporation and Motorola, while four of the six largest employers in the city are tied to the tech sector, not counting Seton Medical Center, the city’s third largest employer.

Educational Attainment	Detroit	Austin	Nat'l Ave
Some college	23.5	21.1	21.0
Associates degree	5.1	5.0	6.3
Bachelors degree	6.8	25.7	15.5
Graduate or professional degree	4.2	14.7	8.9

*Table 6. Educational attainment
(Source: 2000 U.S. Census)*

This census data illustrates the prevalence of education in Austin. This can be attributed to the University of Texas and because of the high concentration of high-tech industry in the community.

Selected Age Brackets	Detroit	Austin	Nat'l Ave
20-24 years old	6.9	12.6	6.7
25-34 years old	15.2	21.1	14.2

Table 7. Age (Source: 2000 U.S. Census)

This census data reflects what Governor Granholm has discussed in the importance in attracting young people. The age group of 20 to 24 years and 25 to 34 years is greater in Austin than for the United States. There is a direct correlation to this statistic and the economic vitality of the Austin

community. One of the key elements described by Richard Florida is the importance of diversity. This census data reflects the diversity Austin has on par with the nation. Every racial statistic represented in the United States is represented in Austin. The Hispanic or Latino gap can be attributed to the location of Texas in the Southwest. Gary Gates of the Urban Institute and the U.S. Census Bureau have developed the “Gay Index”. The gay index ranks regions by their concentrations of gay people.³⁴ Austin currently ranks 4th in the nation on the gay index. The census information on diversity and the gay index ranking define Austin as a very diverse community. Diversity has been identified as a core element to a successful city. Diversity is another direct correlation to economic vitality.

Selected Relationships	Detroit	Austin	Nat'l Ave
Non-relatives	6.4	10.3	5.2
Unmarried partner	2.5	2.6	1.9
In group quarters	2.1	3.1	2.8

*Table 8. Relationships
(Source: 2000 U.S. Census)*

This census data reflects many of the characteristics of the creative class. This paper has identified the creative class in terms of their lifestyle. Many members of the creative class remain single and have children later in life and tend to live in non-traditional residential establishments. This is evident in many of the Household by type statistics. Family households and married coupled family households are less in Austin than the United States. Non-family and households living alone are greater in

³³ www.statesman.com

³⁴ Florida

Austin, while households aged 65 and older are significantly lower than the United States average.

As discussed earlier in this paper, there are many aspects that contribute to the lifestyle valued by the creative class. One of the most important elements is whether the community has some sort of “scene” whether it be art, college, technology or music, it is vital to the creative class that there be a strong presence of these within a community. Austin has one of the most dynamic scenes in the nation and is nicknamed the “Live Music Capital of the World.” Featured on famous 6th street are several blocks of music venues where live music is played 7 days a week.

Austin is also home to a wide variety of outdoor recreation possibilities. “Currently, many miles of well surfaced scenic paths follow natural greenbelts into all areas of the city, making the excellent trail accessible to all.”³⁵ The trails are accessible throughout the city, and owing to the warm climate are used extensively. The city of Austin also has the “Veloway,” a recreation trail exclusive to only roller-bladers and bicycles.

Austin’s unique music scene and recreational opportunities throughout the city lend to the authenticity of the city. This authenticity combined with the lifestyle amenities combine to make Austin home to a thriving number of the creative class. This creative class supports the economic engine that drives this city and provides the economic prosperity the “cool cities” initiative wishes to capture.

VII. Recommendations for Michigan

It will be important to identify and understand what Michigan cities already have in terms of the elements that we have identified as important to cities. Once these elements are identified it will be important to make sure they are promoted and used.

Lifestyle Recommendations

- Zone for multi-use buildings in downtown areas, including single-occupant loft or studio housing in upper floors.
- Build and promote mass transit, making cities more accessible.

Thick Labor Market

- The State of Michigan should continue to support Smart Zones within large metropolitan areas. Currently, these Smart Zones exist in 11 metropolitan areas throughout the state. Smart zones are valuable because they cluster high technology businesses that foster the growth of the creative class.

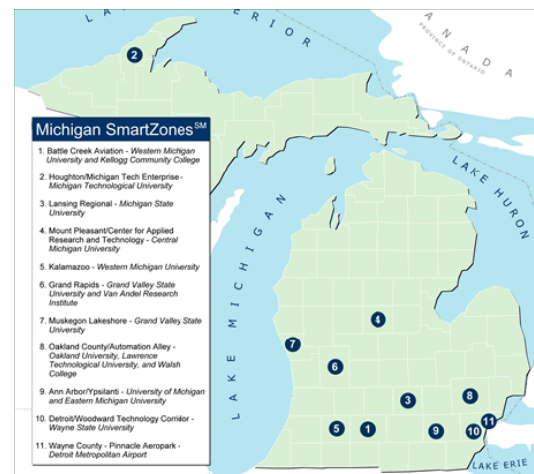


Figure 1: SmartZones in Michigan
(Source: Michigan.gov)

³⁵ Florida

Bachelor-degree incentive: In order to create a thick labor market, it will be vital to retain as many Michigan college graduates as possible. Cities should provide tax incentive advantages specifically designed for start-up businesses by graduates of Michigan universities. This will not only encourage new businesses to stay in Michigan, but will retain the college graduate population.

Cities should keep university facilities and high-tech businesses within the downtown. Universities should not feel isolated from the community. Residence halls, and sporting venues should be the primary buildings to be interfaced with the surrounding community. Cities can facilitate this process by building an extensive digital infrastructure.

Recreation

Michigan cities should provide as many outdoor recreational opportunities as possible. Recreational trails should be created within the downtown and be easily accessible. These trails should accommodate walking and running, biking, rollerblading, and cross-county skiing. The trails should be well marked and separated from motorized traffic. Trails should also connect with surrounding rural trails, providing a recreational link from the suburbs to the city. Additionally, Michigan cities with navigable waterways should also provide convenient access within the downtown. This should accommodate swimming, kayaking, canoeing, rowing and windsurfing.

Social Interaction

Michigan cities should focus cultural development on a focal point or “strip” within the downtown. This area will be a

central location for cultural experiences in the city, such as arts, music, and film.

Tax incentives should be given to “third place” businesses, both existing and start-up. Third place businesses are locations where people can casually interact, such as coffee shops, or bookstores.

Cities should have ordinances that allow for live music to be played later than current times. Current ordinances prohibiting this limit the extent of nightlife in a city, deterring members of the creative class from residing there.

Cities should have ordinances that widen sidewalks and encourage restaurants to offer outdoor seating opportunities when weather permits.

Cities need to create a central market, such as a farmer’s market, able to operate all year round. This market should be located within the cultural strip.

Diversity

Cities should have a branch of the State of Michigan Civil Rights Commission to help monitor discrimination in lending, housing, and police practices.

Advertise living and business opportunities in ethnic newspapers. Diversity is such a complex and extensive social issue that it is difficult to recommend conventional physical improvements to bring about social change.

Authenticity

A key element in the development of authenticity throughout Michigan cities should be the promotion and funding of historic preservation and adaptive reuse of historic structures.

Historic buildings in every Michigan City should be identified, and

catalogued. Each building would be given a numerical rating. This rating would identify the reuse capacity of each historic building. The rating would be determined by the structure's:

- **Current status:** Does the structure still maintain quality historic character?
- **Quality:** Are most of the materials and infrastructure within the structure preserved and safe for reuse, or are they hazardous and unsafe?
- **Cost:** How much money would it take for the structure to be re-adapted into a new use?

The rating would determine the probability of preservation for the structure. Structures with a low rating should be demolished while structures with a high rating should be preserved. Any new buildings replacing the demolished buildings should then reflect the character of the surrounding existing buildings.

Identity

Cities should promote community events unique to their area. This will help the city establish a distinct identity. In order to do this, cities should identify and recognize aspects already celebrated in the city or area.

Quality of Place is a composite measurement of the five elements discussed in this paper. It is important to note that there is no one formula for creating a cool city. What is successful in Austin may not be successful in Detroit. It will be vital for each city to recognize and establish its own plan.

VIII. References

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