

Bringing Downtowns Back to Life

On March 2, 2012 a devastating EF-4 tornado swept through Southern Indiana, killing forty people in the five states that were in its path. Among the communities affected by the tornado was Marysville, IN, a tiny community of several hundred residents. The town was settled along the railway tracks in 1871, with farming as the community's economic base. Not much had changed since then until the tornado hit. The tornado wiped out the entire community and left no building standing in its aftermath. The question that remained was whether the community would rebuild. Writing on this subject, the Associated Press made this observation:

When a bigger population center such as Joplin, MO is crippled by tornadoes, there is rarely any question about rebuilding. Larger cities typically have greater resources and defined downtowns to serve as focal points. But this flyspeck village may have suffered a fatal blow.

(Associated Press 2012, p. 18)

The Associated Press' comment underscores the importance of downtowns in uniting a community. Would Marysville, IN, have rebuilt if it had a town center, a downtown that brought the community together? Such a focal point might have provided a gathering place for the community to commiserate about the town's future and to decide together what steps to take to rebuild the community, or not. Without a downtown, there is no gathering spot, no togetherness, and each one is left on their own.

The observation made by the Associated Press also underscores the important role that downtowns play, despite the problems that city centers have faced in the last couple of decades. These problems have been well documented in both the popular press and the academic literature. Among these are the loss of middle-class households to the suburbs, deteriorating infrastructure, high poverty rates, and higher housing vacancy rates. This book is not about the problems of downtowns, but about the innovative and successful approaches that cities have used to revitalize their core areas. What most of these communities need is not an enumeration of their problems, but a guide on how they can move forward with programs and policies that can help them rejuvenate their downtowns. No city is alike in structure and in the problems they face. Nevertheless, there is an opportunity for cities to learn from each other and to adapt successful approaches used in other locations to help remediate their unique situation. That is the quest of this book.

The focus of the book is on small cities. While the downtown success stories of large cities such as Boston and Baltimore have been well touted, those of smaller, urban communities where a majority of Americans live are less well known. A study conducted by the Brookings Institution to determine "Who lives downtown?" examined the downtowns of forty-five sampled cities, but shed no light on the downtowns of small, urban communities. In the same vein, Ann Breen and Dick Rigby, the founders and co-directors of the Waterfront Center in Washington, DC, in their book *Intown Living: A Different American Dream* (2004) sampled mostly large sunbelt cities in making the case that there is a revival in downtown living. The cities studied by the authors were Atlanta, Dallas, Houston, Memphis, Minneapolis, New Orleans, Portland, and Vancouver. The literature on downtown revitalization almost invariably ignores small cities, as though small-city downtowns did not have similar revival stories.

The purpose of this book is therefore to celebrate small-city downtowns and to explain why some downtowns in small cities (defined as settlements of less than 150,000 residents) have been resilient to deindustrialization and boom and bust economic cycles. By doing so, I hope not only to tell the positive stories of downtowns in small cities, but also to provide exemplary cases on which other small communities can model their redevelopment approaches.

Differences between Large- and Small-City Downtowns

Large- and small-city downtowns have similarities, but they also have substantial differences. For example, whether in large or small cities, downtowns were the original sites in which cities were first settled. In many cases, such sites were near a water body such as a river that facilitated the transportation of goods to nearby markets. Later, the railroad influenced the location of settlements, as was the case of Marysville, IN. Also, both large- and small-city downtowns were similarly impacted by decentralization of economic activity to the fringe, starting after World War II and accelerating in the mid-twentieth century following the federal highway program of 1956. But there are also significant differences between large- and small-city downtowns that call for a different approach to their revitalization.

Robertson (2001) enumerated many differences between large- and small-city downtowns. Small-city downtowns have a pedestrian-scale development, such that people are not dwarfed by large high-rise buildings the way they feel they are in large cities. Perceptions of crime and other social vices are more pronounced in large-city downtowns than in small-city downtowns. In addition, large cities have a dominance of corporate presence in their downtowns unlike in small cities. Furthermore, small-city downtowns are less likely than large-city downtowns to be segmented into distinct districts such as retail, residential, entertainment, and historic.

Missing from Robertson's list are other significant differences between large- and small-city downtowns. First, small-city downtowns have less racial and social diversity than large cities. Until recently, most new immigrants to the United States settled in large cities where others from their country of origin had settled. Thus, immigrant entrepôts such as Los Angeles, New York, and Chicago attracted immigrants from Asia, the Middle East, and South America who settled in neighborhoods that already

had a large population of Hispanic and Asian immigrants. This made these cities even more diverse. Also, the migration of African Americans in the United States was from rural areas in the south to predominantly large cities, mostly in the north, with a strong manufacturing base and employment prospects for migrants. Smaller cities and their downtowns attracted considerably fewer minorities, making them less diverse than larger cities. In addition to diversity, smaller cities are less likely to have the level of eccentricity that is typically associated with large-city entertainment districts. In small cities where most people are long-term residents and know each other well, there is a social stigma to "standing out" in the crowd.

Second, there is a significant difference in land prices between large-city downtowns and their suburbs. With many corporations in large cities preferring a downtown location, land prices are higher in downtowns than at the fringe. By comparison, the price gradient for land from downtown to the fringe location in small cities is less steep. These cost differences mean that downtown businesses will be less attracted to the outlying locations of small cities, solely on the basis of cost.

Third, small-city downtowns are typically within easy driving distance of all city residents. In many cases, the downtowns of small cities are no farther than ten to fifteen minutes driving distance from all neighborhoods. However, in large cities, the downtown lies much farther out from most residents and, thus, the impedance to visit downtown is much higher for large-city residents than for small-city residents.

Fourth, and perhaps because of the proximity of the downtown, there is a greater affinity of residents in small cities toward their downtown than is the case for large cities. Most large cities are multinucleated with several of these nuclei providing full-service central business districts. This is not the case in small cities. Thus, residents in large cities have more options for shopping, service, and entertainment in other areas of the city besides the downtown. It is not uncommon for some residents in large cities to have never visited the downtown since they can obtain most of their needs from other neighborhood centers.

Finally, while Robertson finds large-city downtowns to be dominated by corporate presence, in small cities one finds a few prominent families that dominate and influence development and redevelopment decisions. Many of these families have established foundations that play a key role in the redevelopment of the community, particularly their downtowns. Examples of such families abound. In Muncie, IN, it is the prominence of the Ball family who relocated their glass manufacturing business to Muncie, IN, in the 1880s, attracted by the availability of cheap natural gas in the area. The family established two foundations: the George and Frances Ball Foundation, with estimated assets of \$86 million, and the Ball Brothers Foundation, with estimated assets of \$133 million. Together, the assets of the two foundations rank eighth among Indiana foundations in assets (Slabaugh 2012). Both of these foundations leverage public and private sector funds for the community's development.

Similarly, the Blandin Foundation was established in 1941 in Grand Rapids, MN, a town of fewer than 10,000 residents. The foundation was established by Charles K. Blandin, the owner of a paper company, with a goal to build healthy communities with strong economies. The Blandin Foundation has over \$100 million in assets and gives away \$6 million each year toward its causes. As another example

of the prominence of families in small-city development, consider the case of the Orton Family Foundation. Founded in 1995 by Lyman Orton and Noel Fritzinger, it is headquartered in Middlebury, VT. The foundation is supported by profits from the Vermont Country Store, a business owned by the Orton family. The goal of the foundation is to promote grass-roots, bottom-up planning and development and to work with small cities and towns to define and shape the development of communities from the residents' own perspective. Finally, and as we will see later in this book, the Edgar and Elsa Prince Foundation in Holland, MI, is a major contributor to the redevelopment of that city's downtown.

While small-city downtowns share some of the same characteristics as large-city downtowns, major differences still remain. The solutions that work for the problems of large-city downtowns may have limited success in addressing those of small-city downtowns. Given the differences discussed above, it is imperative that small cities have their own, tailored approach for redevelopment.

The National Main Street Program and Downtown Renewal

The story of downtown revitalization cannot be told without reference to the National Main Street program. For over three decades, the National Main Street program has helped communities revitalize their downtown commercial corridors through the four-point approach of organization, promotion, design, and economic restructuring. By all accounts, this program has been a success and has helped hundreds of communities revitalize their Main Streets. In 1997, the National Main Street Center documented the success stories of forty-four such communities in *Main Street Success Stories*. At that time, the program had helped over 1,200 communities to reverse the decline of their downtown commercial districts, generated \$5.87 billion in new investment, created 115,000 new jobs and 33,000 new businesses, and rehabilitated 34,000 commercial buildings. Today, over 2,000 communities across the country have certified Main Street programs, leading to the reinvestment of \$49 billion in commercial districts since its founding in 1980. In Robertson's (1999) survey of fifty-seven small cities, he found the National Main Street program to be the most successful of the sixteen downtown redevelopment strategies he examined.

Nevertheless, the success stories of the National Main Street program have been on commercial revitalization. Consequently, the redevelopment of residential and other components of downtowns have been largely ignored by the program.

This is understandable, given that the program was designed to reposition downtowns in larger cities to compete with the strip malls springing up on the fringe of these cities. While this formula worked well for cities that already had a stable residential population, it has not been robust enough to tackle the multiplicity of problems that needed to be addressed in downtowns. The program also provides no template for organizing landlords whose property is the subject of rehabilitation, erroneously assuming that downtown retailers own the properties in which they operate. Without the cooperation of property owners, preservation strategies for downtown structures will be futile. As a result of these shortcomings,

the program has been of limited benefit to cities that wish to broaden the scope of Main Street revitalization to tackle their declining downtown and near downtown neighborhoods. For example, the City of Mansfield, OH, dismantled their National Main Street program to embrace a broader vision that included revitalization efforts for the city's downtown historic neighborhoods.

As Phil Meyer, the Director of Community and Neighborhood Services for the City of Holland, MI, remarked:

We were a certified National Main Street program community and gleaned what we could from the four-point approach to Main Street revitalization. However, some of the issues we had were expanding and broadening. We got into housing, traffic and parking issues and we were getting to the level where we were beyond the four-point program so we felt they were not a great resource for dealing with these issues.

(Personal interview with author)

A similar story is told by Michiel Wackers, Deputy Director of Planning, Conservation, and Development for the City of Middletown, CT:

The National Main Street program is beneficial for communities that are not yet organized and are still in the formative stages of redeveloping their downtown. In such cases, the National Main Street program helps them to get organized. However, the program is not useful to communities with mature downtowns because it doesn't ask the question, "What is next?"

(Personal interview with author)

Despite its success, there is yet another concern with the National Main Street program. The four-point strategy (organization, promotion, design, and economic restructuring) is, in theory, to be pursued by communities in tandem to be effective. As said by Smith (1999), the four-points of the National Main Street program are not four separate categories, but cut across all four areas: "This gives the program balance and ensures that activities in each part of the organization are tightly integrated with the other parts" (p. 2). As Craig Tebon, Executive Director of Ripon Main Street, Inc., observed, the redesign of a window on a historic building to make it visually appealing and energy efficient requires an understanding of economic returns on investment. If the owner of the building is unable to recoup the cost from her investment on the building, she is not likely to pursue it. Businesses must be able to justify the cost of design and investment. Design without an understanding of cash flow is flawed.

Robertson's (2004) survey of 100 communities in fifteen states that implemented the National Main Street program found that cities: i) did not use all four approaches; ii) did not give equal weight to all four strategies; or iii) did not use all strategies simultaneously. Robertson found that the most utilized strategy for Main Street redevelopment in the communities he studied was promotion, perhaps because the backers of the Main Street program have mostly been property owners and local chambers of commerce who owned failing retail spaces. This was the case, even though civic leaders and Main Street managers believed that design is the most effective redevelopment strategy. According to Robertson, "Survey respondents

rated the overall effectiveness of design strategies as higher than strategies for promotion and economic restructuring thereby supporting the contention that good design is critical for a successful Main Street" (2004, p. 67).

While the National Main Street program has been widely successful, it provides few guidelines for increasing downtown residential population, building on the traditional civic functions of the downtown, or utilizing the heritage resources of downtowns to leverage tourism development. In addition, the program ignores larger demographic forces that create demand for downtown real estate. Furthermore, it fails to capitalize on other unique qualities downtowns have that can be utilized to support Main Street revitalization. This is unfortunate, because downtowns cannot compete with suburban malls by simply sharpening their commercial qualities. Repositioning Main Street and downtowns in general as mixed-use retail, residential, civic and cultural, and entertainment districts provides downtowns with a better competitive advantage over the suburban mall. This requires that the Main Street tactics rest firmly on new redevelopment strategies to reinforce what has been largely a retail approach. These are: i) capture the growing residential demand of empty nesters, recent immigrants, and non-traditional families to repopulate Main Street and downtown neighborhoods; ii) build on the traditional civic functions of downtowns; and iii) utilize downtown's heritage resources to leverage tourism and increase the daytime population of downtowns. The rationale for these strategies is explained in the next section.

Trends Favoring Small-city Downtowns

Since the turn of the twentieth century, downtowns in both large and small cities have struggled to survive the decentralization of economic activity to the suburbs. Some downtowns have been more successful than others. In my view, four national trends have the potential to positively impact the downtowns of small urban communities. These trends are: i) demographic shifts favoring downtown living, such as the retirement preferences of empty nesters and baby boomers, and the growth of non-traditional families; ii) settlement preferences of recent immigrants to small and medium-size cities; iii) the rise of heritage and cultural tourism; and iv) the comparative cost advantages that small-city downtowns provide for civic and cultural activity location. Downtowns that recognize and seize these opportunities will flourish. Those that fail to proactively use these forces to their advantage will lag behind.

Demographic Shifts Favoring Downtown Living

One trend that has the potential to benefit small-city downtowns is the burgeoning population of baby-boomer retirees and empty nesters. From now until 2030, it is projected that an average of 10,000 baby boomers per day will reach retirement age. In this period, as many as seventy million baby boomers are expected to retire. While most of the baby boomers will retire in the same location, according to the *US News and World Report*, those who move will "no longer flock to seniors-only retirement communities ... but are likely to choose walkable communities with lots of amenities, recreational opportunities, and residents from all age groups" (Cochran 2011).

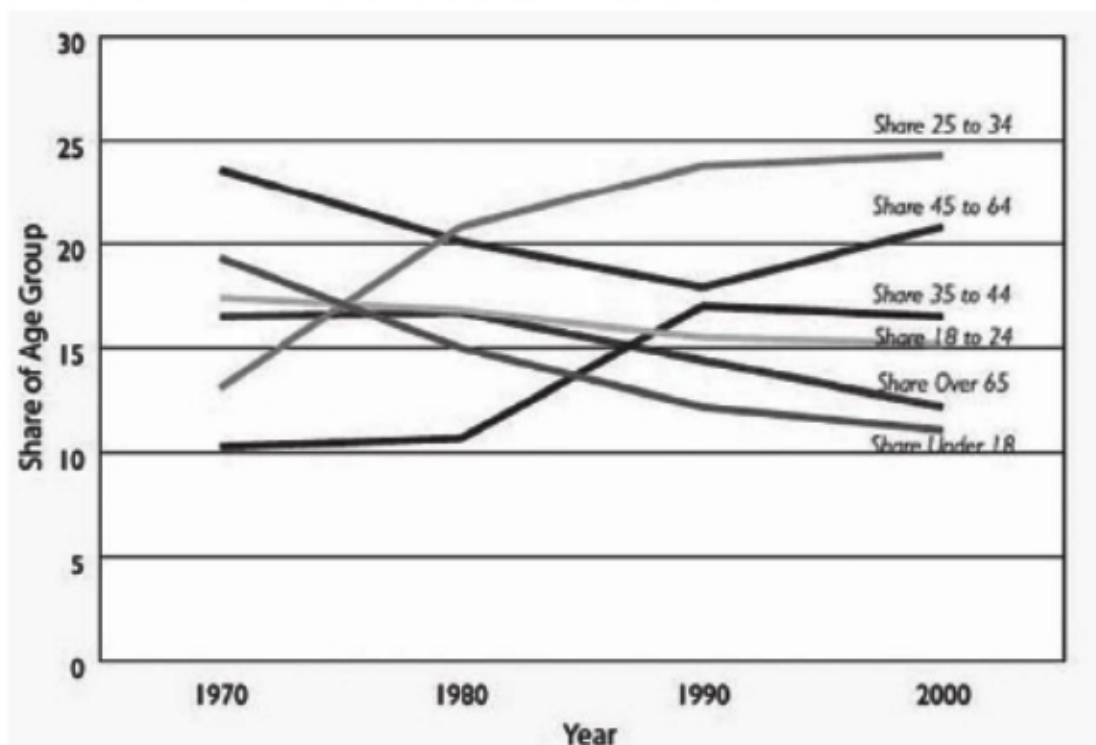
Table 1.1 Proportion of the U.S. population that is 60 years and older, 1990–2010

Age Group	1990	2000	2010
60–64	4.2%	3.8%	5.5%
65–74	7.3%	6.6%	7.0%
75–84	4.0%	4.4%	4.3%
85+	1.2%	1.5%	1.8%
Total	16.7%	16.2%	18.5%

Source: U.S. Census: Profile of General Population and Housing Characteristics, 1990, 2000, 2010.

Table 1.1 shows the growth of the U.S. population cohort that is 60 years and older from 1990 to 2010. The proportion of the population in this age group increased from 16.7 percent in 1990 to 18.5 percent in 2010. In absolute terms, that meant the elderly population increased from about forty-two million to fifty-seven million in the two decades, an increase of almost fifteen million people.

The Brookings Institution's study of downtown living, referenced earlier in this chapter, revealed that the proportion of downtown residents aged 25 to 34 increased from 13 percent in 1970 to 24 percent in 2000. By comparison, the proportion of downtown residents aged 65 years and older declined between 1970 and 2000, from about 17 percent to 13 percent (see Figure 1.1). However, these numbers reflect the pattern of downtown living in large cities, not small cities. Indeed, the same forces that drove out the middle class from the downtown, such as safety and high crime rates, equally influenced decisions by the elderly to move out of large-city downtowns. By contrast, small-city downtowns have relatively lower housing costs and low crime rates. Thus, the exodus of elderly households from small-city downtowns was not as pronounced as it was in large cities.

**Figure 1.1** Downtown residents by age group, 1970–2000.

Source: Birch (2005).

One notable finding in the Brookings Institution's study is that the share of the downtown population aged 45 to 64 increased from about 17 percent in 1990 to 22 percent in 2000, an upswing (Birch 2005, p. 10). This population cohort represents the baby boomers whose retirement preferences differ from those of the generation before them. It also supports a study by the USDA Economic Research Service that found that an increasing number of baby boomers are seeking to relocate to communities and regions with high amenities such as theaters, museums, and sophisticated restaurants, and to places that provide them with an opportunity for an active lifestyle, including biking, kayaking, and hiking (Cromartie & Nelson 2009). Baby boomers also preferred communities with lower taxes that have a small town feel. Consequently, of the fifteen top places identified by the AARP for baby boomers to retire, ten were small cities and towns (see [Table 1.2](#)).

In 2011, an Associated Press–Life Goes Strong poll also revealed that most mid-lifers will retire in the communities in which they live, suggesting that communities that provide the right amenities and conditions for retirees can attract this population group to renew their downtown neighborhoods:

Many of our parents dreamed of getting that pretty little house in a nice little town somewhere in Florida where mom would play bingo and dad could lounge in his La-Z-Boy chair between rounds of golf. Today very few retirees expect to leave their current home state, with 67% calling that "unlikely" according to the poll and only 13% saying there's even a good chance they'd move across state lines.

(Cochran 2011)

Small-city downtowns offer the ideal place of residence for the elderly with easy access to entertainment venues, restaurants, shopping, and drug stores. The slower

Table 1.2 Top places for boomers to retire

Community	State	Population
Loveland/Fort Collins	Colorado	62,409
Las Cruces	New Mexico	93,000
Rehoboth Beach	Delaware	1,495
Portland	Oregon	551,226
Greenville	South Carolina	58,799
Sarasota	Florida	50,999
Ann Arbor	Michigan	115,299
Tucson	Arizona	532,288
Montpelier	Vermont	8,035
Honolulu	Hawaii	362,996
Santa Fe	New Mexico	64,040
Atlanta	Georgia	445,709
Charleston	South Carolina	111,980
Northampton	Massachusetts	27,495
San Diego	California	1,251,184

Source: AARP *The Magazine* (2003).

pace of life in small cities also beckons this demographic group. This lends credence to CNN Money's conclusion: "Retirees, empty nesters, and young professionals usually have little in common, but they're all in the vanguard of a recent trend—they're repatriating center cities" (Christie 2006). *The New York Times* also rightly observed thus: "For decades, homebuilders have fed the seemingly endless appetite for the suburban four-bedroom house with the backyard and the picket fence. But increasingly, they are recasting the American dream as a two-bedroom condominium with a gym in the basement and a skyline view from the living room" (Rich 2006).

In Ezell's hortatory book, *Retire Downtown* (2006), he describes downtowns as the "new retirement resorts" and provides several reasons why downtown living is enticing to retirees. He cites, in particular, the opportunities that downtowns provide for retirees, including the opportunity to experience diverse cultures, their exotic nature that provides experiences rivaling that of foreign travels, and chances to interact with different ethnic and racial groups.

The increasing number of retiring baby boomers that seek amenity-rich and walkable neighborhoods in which to retire is precisely the demographic group that needs to be courted for downtown living in small cities. For example, loft and condominium units in downtowns provide a carefree lifestyle for retirees who do not have to worry about snow removal or yard care. This enables retirees to slow down and enjoy their lives with more rewarding activities.

There may already be a shift in living preferences, not just for the baby-boomer generation, but also for the country as a whole, with most people now indicating a preference for walkable neighborhoods. A 2011 community preference survey completed by the National Association of Realtors found 56 percent of those surveyed prefer pedestrian-friendly neighborhoods over neighborhoods that require the use of the automobile. Furthermore, 59 percent are willing to sacrifice more square footage for a smaller house in a walkable neighborhood (National Association of Realtors 2011).

Lucy (2010) noted the turn-around in metropolitan living choices from his research on housing foreclosures:

By 2000, neighborhoods with housing built before 1940 were no longer the poorest in their metropolitan areas. They were attracting inhabitants with greater means. At the same time, neighborhoods made up of housing that had been built between 1950 and 1970 started to lose their privileged status. Areas developed from 1950 to 1970 were most likely to be dominated by small houses [whose appeal was waning], far from shops and other needs. In other words, both the nature of the houses and their construction and their closeness to, or distance from, everyday needs and services precipitated a profound shift. Urban living gained in popularity.

(p. 35)

Lucy's analysis also showed that in the forty central cities of the thirty-five metropolitan areas ranked as America's largest in 1980, the decline in average per capita income halted. He observed that, "The revival of interest in cities on the part of middle-class whites had a lot to do with a fondness for older homes. In the

past, the older the home, the more likely some poor person was living in it. But now that pattern was shifting” (2010, p. 35). These findings led Lucy to conclude that “demand for more mixed use and walkable neighborhoods will increase, and prices in these areas will escalate as supply lags behind demand” (2010, p. 35). He also noted that the suburban housing crisis was due, in part, to a shift in consumer preferences for metropolitan living from the suburbs to the cities. Downtowns appear to be on the rebound because of shifting demographics and taste.

Changing demographics favor downtown living in another important way. There has been an increase in non-traditional and non-family households in the U.S. population in the last three decades. The number of single persons, families without children, and co-habitation has increased. Birch’s study of large-city downtowns revealed that in 2000, 71 percent of downtown households were non-family households compared to 41 percent for cities and 29 percent for suburbs and that half of the total downtown households were single person (2005, p. 29). Such demographic changes favor condominium and rental housing markets, most of which in many cities are located in the downtowns or near downtown neighborhoods of central cities. Young professionals who are buying time before settling down in one location often prefer to rent rather than own in order to have the flexibility of moving. Many of these young professionals also value convenience and may choose downtown locations that enable them to walk to places of entertainment, convenient grocery stores, restaurants, as well as civic and cultural amenities. Some may prefer live-work housing units to avoid long commuting distances to work; all of which advantage downtowns over suburbs.

Table 1.3 shows that like the elderly population, non-traditional households have also increased in the U.S. population in the last two decades. In 1990, non-family households made up almost 30 percent of the population, but this increased to about 34 percent in 2010. Such a demographic shift is having an impact not only on the type of housing that is demanded, but also in the location of such housing.

Zimmerman/Volk Associates, a firm that conducted housing assessment studies for several U.S. cities, found 52 percent of downtown residents in Albany, NY, were singles/childless couples, and 39 percent were empty nesters or retirees. The same firm found 38 percent of empty nesters and retirees resided in downtown Toledo, OH, as did 82 percent of the households that live in downtown Bardstown, KY.

Bernard F. Lynch, City Manager for the City of Lowell, MA, credits, downtown living preferences of non-traditional households for helping to rejuvenate the city’s downtown. Between 2006 and 2008, \$180 million was invested in downtown Lowell, transforming 2.6 million square feet of vacant buildings into condominiums

Table 1.3 Household Types in the U.S., 1990–2010

Type of Household	1990	2000	2010
Non-family households	29.8%	31.9%	33.6%
Family households	70.2%	68.1%	66.4%

Source: U.S. Census: Profile of General Population and Housing Characteristics, 1990, 2000, 2010 Demographic Profile Data. American FactFinder. United States Census Bureau.

and apartments. According to Lynch, such a transformation was made possible by the new demographics of the city that favored downtown living. This demographic group consisted of predominantly non-traditional families.

Immigration

Immigration is another demographic variable that has the potential to shape the fortune of downtowns. The United States has been experiencing an immigration boom since at least the 1980s. According to the Migration Policy Institute (MPI), on average, about one million legal immigrants entered the United States each year since 1980. This does not take into consideration those who entered illegally. The largest immigrant groups are Latinos and Asians. These recent immigrants are no longer settling exclusively in large metropolitan areas such as New York, Los Angeles, Chicago, Houston, Washington, DC, and Boston. They are populating the countryside in Idaho, Iowa, Maine, and the Dakotas. They are drawn to these small cities and towns by employment opportunities on farms, in food-processing and meat-packing plants that do not require fluency in English. They also value the peace and quiet of the countryside and the lower cost of living in these small towns.

Most of the meat-packing plants in the United States today are located in predominantly rural states such as Iowa, Colorado, Nebraska, and Kansas. The world's largest turkey plant, Smithfield-owned Butterball, which processes about 80,000 turkeys a day, is located in Mount Olive, NC, with a population under 4,000. Similarly, JBS, one of the world's largest meat-processing plants, is located in Greeley, CO, a city that is experiencing a significant growth of its Hispanic population. One of the major employers in Beardstown, IL, a town with a population of 6,000 residents, is the Cargill meat-packing plant that slaughters 2,000 hogs a day. These are the communities that offer job openings that immigrants need and the prevailing conditions to attract them.

In Long Prairie, MN, a community originally settled by immigrants of the Nordic stock, African and Hispanic immigrants are now changing the ethnic landscape. In Perry, IA, a community with a population of about 8,000, as much as 40 percent of the population is Hispanic. The majority are employed by IBP, a meat-packing plant. Similarly, Marshalltown, IA, a community with a population under 30,000, attracted a large Hispanic population because of employment opportunities at Swift & Company, a meat-packing plant.

A fifth of the population in Holland, MI, is Hispanic and Hispanics have been a part of the community since the 1950s, attracted by opportunities of farm work on blueberry farms in the area. For over a century, H.J. Heinz of Holland, a pickle-packing plant located on the southern shore of Lake Macatawa, employed Hispanic immigrant workers at its Holland plant. Many local landscaping companies such as Walters Gardens and nurseries have also employed Hispanics to assist with their landscaping business.

African immigrants from Somalia are also settling in small communities in Minnesota and Wisconsin. Recipient cities include Barron, WI, and Rochester, Saint Cloud, Owatonna, and Marshall in Minnesota. Immigrants that were resettled in

the United States from Thailand refugee camps now comprise 2 percent of the population of Wausau, WI, a community that has fewer than 40,000 total residents.

As Stephen G. Bloom aptly observed of life in these small towns in the Midwest: "These newcomers arrive in a place where homes still sell for \$40,000, a serious crime is toilet-papering a high schooler's front yard, the only smog comes from a late-autumn bonfire, and getting stuck in traffic means being trapped behind a John Deere tractor on Main Street" (Bloom 2006, p.61).

A study by Pyong-gap Min, Director of the Research Center for Korean Community at Queens College, and Chi-gon Kim, Professor at Wright State College in Dayton, OH, showed that since 2000 there has been a drop in the Korean population in the ten so-called "gateway cities for Korean immigrants." Korean immigrants are no longer settling in large metropolitan areas such as New York, Chicago, and Los Angeles, but are now choosing to start their "second lives" in small cities and towns. The authors attribute this shift in behavior to both the financial costs of living in large cities and "the sense of ease Koreans feel in smaller towns" (Min & Kim 2010).

Most recent immigrants in small cities live in or near downtown residential neighborhoods, in part because housing cost is cheaper in these neighborhoods. Close to a thousand Somali immigrants call downtown Lewiston, ME, home. Hispanic immigrants have helped to revitalize the center-city neighborhood in Holland by buying and refurbishing old and historic housing in this near downtown neighborhood. These new immigrants provide an opportunity for cities to repopulate and revitalize their downtowns, as they are the prime demographic for the first-time homebuyer market, typically located in the central city. The lower housing costs, access to retail, and civic and cultural amenities provide a draw and advantage to downtown living for new immigrants.

Immigrants are also very enterprising, creating employment opportunities not only for themselves, but also for others. According to a report published by the Kauffman Foundation, immigrants are about twice as likely as American-born citizens to start their own business (Fairlie 2011). Brazilian immigrants have helped to revitalize the downtowns of Framingham, Marlborough, and Milford in Massachusetts by selling a variety of products from Brazilian pizza to hair products in their shops. Shops owned by Mexican immigrants along the 4th Street commercial district in Santa Ana, CA, are contributing to the city's lively downtown. According to the Orange County Register, "The hustle and bustle of the district is like the heartbeat of the downtown area, which produces \$2.6 million in sales tax yearly" (Carcamo 2009).

Many communities are now actively recruiting immigrants as part of their downtown revitalization strategy. In the 1990s, Mayor Jurczynski of the City of Schenectady, NY, sent a bus to round up Guyanese immigrants from Queens to tour his city, so he could showcase the housing potential that the city provides. Often, the mayor would end his tours by treating the immigrants to Italian cookies and wine at his mother-in-law's. These tours convinced the immigrants from Guyana that small-town living offered better prospects than life in the big city. Today, Guyanese make up 10 percent of the city's population. Once desolate downtown streets in Schenectady are back to life.

Schenectady is not alone in recognizing the potential of immigrants for downtown revitalization. In 2009, Philadelphia's mayor, Michael Nutter, announced plans to

recruit 75,000 immigrants to the city to help rejuvenate its neighborhoods and the downtown. In Detroit, the New Economy Initiative, the Skillman Foundation, and the Greater Detroit Chamber of Commerce are exploring ways to repopulate the city by attracting immigrants and promoting new intercultural partnerships.

Heritage and Cultural Tourism

A third trend that has potential benefits for downtown renewal in small cities is heritage and cultural tourism. Tourism is a growth industry and a study by Mandala Research, LLC, for Heritage Travel, Inc., a subsidiary of the National Trust for Historic Preservation, found that 118.3 million adults each year participate in cultural tourism, spending an average of \$994 per trip, and contributing more than \$192 billion annually to the U.S. economy (Mandala Research, LLC 2009). Heritage travelers also stay longer and spend more per trip than other travelers because they seek to enrich their life experiences through travel. According to the National Trust for Historic Preservation, heritage tourism is travel geared toward experiencing authentic places and activities that tell the stories of people's culture and history. These places provide tourists with the opportunity to witness in-situ the wonders of nature, history, and culture.

While heritage and cultural tourism are linked, many cities fail to make the connection and thus, do not capitalize on the benefits their heritage could contribute to the health of their economies. Heritage tourism is intricately linked to historic preservation. As John Nau, then Chairman of the Advisory Council on Historic Preservation, observed in his remarks at a Denver conference in 2004, "historic preservation and heritage tourism are yoked concepts ... historic preservation is the key to unlocking the economic engine of heritage tourism" (Nau 2005).

The heritage of most cities is in their downtown. If tourists want to experience authentic history and the culture of a place, it is mostly in downtown that they can have this experience. Downtowns are the only places where buildings have meaning and where there is a sense of place. Downtowns are where a community's story is told, its culture is on display, and its history can be narrated. As Rypkema (2003, p. 12) observed: "Downtown's strength is not homogeneity with everywhere else; the strength of downtown is its differentiation from anywhere else." Small towns have an added advantage in that they provide affordable tourism destinations. Thus, historic preservation can be used to enhance a community's heritage tourism potential.

Santa Fe, NM, is a city that has used historic preservation as a catalyst for the development of its downtown. The city has successfully capitalized on its 400-year-old history and unique architecture to promote heritage tourism. To ensure the preservation of the city's historic assets, Santa Fe has one of the oldest and most strict historic preservation ordinances in the country. As a result, heritage tourism is the driving force behind the health of the city's downtown.

This opportunity has not been lost in the minds of other community boosters. Many communities have sought to portray their uniqueness through destination branding. In 2007, city officials in Santa Rosa, CA, hired North Star to assess the city's tourism potential. The outcome of the study was a new tagline for Santa Rosa. "Place of Plenty" was created to highlight the city's "agricultural heritage

and abundance of food and wine." Dayton, OH, is branding itself as a place of innovation with the slogan, "Dayton Patented. Originals Wanted."

In Florida, the state marketing organization, Visit Florida, launched a program to work with 1,000 Friends of Florida to promote a tourism marketing theme "Downtown and Small Towns" (D&S), in part to highlight the attractive qualities of small-city downtowns to tourists but also to manage urban sprawl in the state. The D&S initiative is "intended to reinforce urban revitalization efforts currently taking place, in addition to serving as a legitimate new tourism product promoting the arts, historical and cultural districts" (Hiller and Pennington n.d.).

The Town of Apex, NC, developed around a small railroad station which initially attracted tobacco farmers and became a preferred shipping point for products such as lumber and turpentine. After several decades of population decline, the establishment of the Research Triangle Park in North Carolina in the 1960s attracted high-technology workers and contributed to the town's growth. To preserve the historic character of the downtown and the surrounding residential neighborhoods, the Town of Apex enacted an overlay zoning district in 2006. Apex renovated its Town Hall into the Halle Cultural Center that now draws many visitors to the city. Apex's downtown neighborhoods are listed on the National Register of Historic Places and serve as an example of an intact turn-of-the-century railroad town in North Carolina, an attraction for heritage tourists.

Of course, not all communities are cognizant of, nor have they made efforts, to preserve their historic heritage to capitalize on its potential for tourism. Davis (2004) wrote of how the Maple Ash Neighborhood in Tempe, AZ, with pre-1940 houses in a variety of architectural styles is being torn down and replaced by modern buildings similar to that of the Pueblo Grande development. Like other communities, she came to the conclusion that short-term economic motives appeared to hold sway over preservation:

The downtown was an outdoor mall; the new housing which replaced the cottages was utilitarian and uncomplimentary. But the prevailing sentiment was that the development was good for the city and good for the people. In Arizona, itself such a new state, newness is what sells. The Maple Ash Neighborhood Association (MANA) and other preservation groups will likely find it difficult to convince people that, for long-term economic success, and to preserve a sense of place, Tempe needs to hold on to its architectural history as it ventures into the future.

(Davis 2004, p. 9)

The unique heritage of downtowns, in addition to the opportunities for walking, biking, and chance encounters, are all appealing assets of small-city downtowns. There is one more advantage to heritage tourism for cities: people approaching retirement often travel to many interesting locations before forming a decision about the most desirable place to relocate after retirement. Thus, heritage and cultural tourism can be used as a recruiting tool for attracting retiring baby boomers who now seek small-town living.

Retention and Expansion of Civic and Cultural Amenities in Downtowns

The extent to which a community is able to retain civic and cultural activity in its downtown has a direct correlation to the health of the downtown. Both centripetal and centrifugal forces contributed to the decentralization of economic activity and population from central cities. The centrifugal forces that repelled economic activity from downtowns, especially in large cities, were high land costs, fragmented land ownership that made it cumbersome to assemble land for development, and higher crime rates. However, lower land costs and property taxes, preferential insurance rates, and easy access to customers near the interstate highways were the centripetal forces that drew business to the fringe.

For a long time, civic buildings such as courthouses, municipal offices, police stations, and jails, as well as newspaper offices, stadiums, and ballparks seemed immune from such centripetal forces. However, in recent years such activities are facing increasing pressure to relocate to the fringe. Built at the turn of the nineteenth century, many of these civic buildings have become functionally obsolete as their size is no longer able to accommodate the volume of services that they are now required to provide. Others are in violation of building codes, due to the difficulty of retrofitting them to meet current building standards. For example, a dispute arose in Columbus, OH, over whether the Sheriff's office should be allowed to relocate outside the city's boundaries. Athens County Sheriff, Patrick Kelly, argued that his office long outgrew its downtown Athens location and that there were no inner-city lots large enough to accommodate a new operations and offices facility.

California's SB 1407, which will be discussed in [Chapter 5](#), also has the potential to undermine downtown revitalization efforts in the state. Enacted in 2008, the law allows the state of California to charge court fees for the renovation or rebuilding of courthouses that are deemed in need of repair. Forty-one courthouses in thirty-four counties have been identified as needing renovations and many central cities are at risk of losing their courthouses to suburban locations.

One such community affected by SB 1407 is Nevada City. The State Judicial Council has earmarked the city's courthouse as one that needs to be rebuilt. The new courthouse of 83,000 square feet will cost \$108 million to rebuild and provide parking for 210 vehicles. Due to its size, the Judicial Council decided there was not enough land in the downtown to rebuild the courthouse. Hence the decision was made to relocate it at highway 49. This led residents to mobilize to form the "Save the Courthouse" group to protest the relocation of the courthouse outside the downtown. Residents expressed concern that relocating the building outside the downtown will hurt merchants who will lose the 800 customers and workers that frequent the courthouse every day.

The *Nevada City Advocate* cited Gary Tintle, a member of the State Judicial Committee, as saying, "The committee was informed that state officials had not even analyzed whether it was worth remodeling or renovating the courthouse and that they were opposed to the idea of moving workers during construction." Abiding by strict criteria in the renovation of the forty-one courthouses throughout California will certainly mean many of them will be relocated outside the downtown, hurting downtown business and redevelopment efforts.

Unlike large cities where the cost of land downtown is high, small-city downtowns continue to provide a competitive advantage in the location of civic and cultural buildings. In addition, public leaders in small cities are acutely aware of the impact of such buildings on the health of their downtowns and are sensitive to their relocation outside of the central city. As Langdon (2003) narrated, Amherst, MA, a city with a population under 40,000, fought to retain the Post Office building downtown in the 1980s after the U.S. Postal Service floated the idea of moving from the downtown to an outside location. Once retained, the city built a community center and a new police headquarters in the downtown to complement the Post Office building. These projects resulted in an increase in population in the city's downtown. By contrast, the high cost of operating the offices of the *Atlanta Journal Constitution* (AJC) was cited as the reason for moving the paper's offices from downtown Atlanta to a former Macy's distribution center in Dunwoody along I-285, a location dubbed O.T.P. or outside the perimeter by Atlantans.

Public buildings are a stronger and more significant presence in the downtowns of small urban communities than in large cities. Thus, ensuring the presence of these buildings in the central city contributes to the vitality of the downtown. A study by the University of Wisconsin Extension examined comparable communities with county government seats to determine if the location of county buildings made a difference in the number of businesses located in the downtown. The study found that communities with "county seats had 8.4% more businesses in their downtowns in comparison to communities with few or no county offices downtown" (Grabow et al. 2005).

In Lawrence, MA, a city with a population of about 72,000 residents, the federal government's decision in 2008 to build a \$15 million, 30,000-square-foot building to house the Citizenship and Immigration Services on 2 Mill St., spurred new business growth in the city's downtown. The opening of the immigration building had a multiplier effect on the economy of the downtown, with several businesses opening shortly afterwards. Conversely, the relocation of the Post Office in Hudson, OH, outside the central business district in 1997 had a significant debilitating effect on the city's downtown.

Perhaps no controversy relating to the location of a civic building in recent memory rivals that of the Ronald Reagan Federal Office Building and Courthouse in downtown Harrisburg, PA, and shows how a city squandered an opportunity to enhance the health of its downtown. In 2004, the U.S. General Services Administration (GSA) decided to replace the Ronald Reagan Federal Office Building and Courthouse in downtown Harrisburg because it did not meet post-9/11 security requirements. The search for a site to relocate the new courthouse initially yielded three sites. All three were eventually dropped because it would have required displacing low-income residents in the community. Consideration was then given to rebuilding the Courthouse at its current site in the 800 block of Market Street. A study paid for by the General Services Administration (GSA) concluded that, "the current site best serves the federal government and the community, maximizes investment in the City of Harrisburg and minimizes required local investment" (*Patriot News* 2008). The judges who worked in the courthouse equally favored a downtown location, as it would keep them downtown and near other civic amenities.

In 2006, the GSA conducted a new site search and narrowed the results to ten locations, three of which were located downtown. In June 2007, the GSA

narrowed the potential sites down further by choosing two sites, both located in the downtown area. In 2007, U.S. Senator Arlen Specter and U.S. Rep. Tim Holden toured the proposed grounds with Harrisburg Mayor Stephen Reed. Shortly after, Specter drafted a letter to GSA Administrator Lurita Alexis Doan asking for clarification on why the agency chose the two locations. He also asked for appropriate consideration of sites supported by the City of Harrisburg, one of which was a vacant lot at the corner of 6th and Reily Streets. In the letter, Specter called attention to the objective of the federal government in the mid-1980s to locate projects in areas that best promote economic development. He also requested that the cost of the project be further analyzed, arguing that the downtown sites would require business relocation, costly demolition, and expensive high-rises, whereas the other sites, especially 6th and Reily, were expansive and shovel ready.

A coalition of neighborhood groups, local unions, realtors, and economic development groups banded together to form the Rite Site Harrisburg Coalition (RSHC), a group focused on advocating for the 6th and Reily location of the federal courthouse (Sheffield 2008). In 2008, the GSA released a statement that the 6th and Reily Street location was reviewed in comparison to the downtown site, and that the downtown option was still more cost effective because the 6th and Reily location would require the investment of \$16 million for a parking garage and upgrades to 7th Street. In addition, \$700,000 in subsidies would be needed to support commercial development for ten years, resulting in a loss of \$36,000 annually on the tax rolls. Mayor Reed and other city officials countered these arguments by stating that the 6th and Reily location would save taxpayers \$31 million. They also contended that the parking garage would have to be built anyway.

While the downtown location was more accessible and close to city amenities such as museums and restaurants, after six long years of debate over the location of the federal courthouse, the GSA was pressured to relocate the courthouse at 6th and Reily. The relocation cost \$135 million and has had an effect on the downtown's health and economy (Thompson 2010).

Civic buildings create foot traffic in the downtown and help support local businesses such as restaurants where the downtown workers eat, businesses related to the legal profession such as attorney offices, title companies, and retail businesses such as coffee shops and bars. Ensuring the continuous presence of these buildings in small-city downtowns is critical to downtown renewal. Communities that capitalize on and promote such civic activity in the downtown will remain healthy. Those that neglect to capture the advantages that civic buildings bring to the downtown will see their downtown development efforts falter.

Resilient Downtowns

Fourteen small cities across the United States are selected as case studies for the resilience of their downtowns. The cities are selected to represent the five geographic regions of the United States and provide examples of successful downtown revitalization approaches that are appropriate for small-city downtowns. The selection of the cities in each region is based to a large extent on their reputation for accomplishing what many a small city is striving to achieve with their core areas. Most are recognized nationally and have received designations

from professional organizations such as the American Planning Association and the National Main Street program, among others. Common to all cities in the sample is that their redevelopment approach went beyond the traditional Main Street four-point approach of commercial redevelopment. The strategies were comprehensive in nature and included housing, tourism, historic preservation, parking, and other neighborhood revitalization strategies. While most of the case study communities are not certified Main Street communities, they have demonstrated much success in revitalizing their downtowns.

As we will see in the chapters that follow, these communities have used a variety of approaches to bring their downtowns back to life. As a result, they have achieved positive outcomes in one or more of the following areas in their downtowns: they have i) grown their downtown residential population, ii) increased the assessed value of downtown properties, iii) augmented the number of housing units downtown, iv) attracted high-income residents to the downtown, v) increased the daytime population of their downtown, vi) preserved a significant number of their heritage resources, and have consistently done so for decades.

Another common denominator for the case study communities is that civic leaders in these cities recognized the importance of downtown to the overall health and image of the communities and therefore took action to reverse the trend. Here is how the City of Lafayette, IN, justified the need for redeveloping its downtown:

There is a truism in the business of Downtown enhancement, which holds that "As the Downtown goes, so goes the town." This is true since an economically healthy and sustainable Downtown creates a vibrant image for the city in which it is located, which in turn enables that city to attract jobs, professionals (such as doctors and teachers), and additional residents—thereby enhancing the quality-of-life enjoyed by all residents of that city. And, the opposite is also true ... An ailing Downtown casts a negative image; dragging down the entire city and the quality-of-life that city can offer its residents.

(HyettPalma 2007, p. 8)

In the chapters that follow, the downtown redevelopment strategies of the selected cities will be discussed. [Chapter 2](#) discusses the historical and regional context of the fourteen resilient downtowns. [Chapters 3–6](#) examine expanded downtown revitalization strategies that go beyond retail development to include housing, residential, and tourism development. [Chapter 7](#) shows how quality development of the physical environment through place making can have a lasting impact in creating residential and retail demand. [Chapter 8](#) discusses how the resilient communities have weathered the recent economic recession and other downturns and remained healthy. The concluding chapter ties the book together and highlights the need for an expanded and "en-RICHED" approach that goes beyond the Main Street four-point strategy of downtown renewal.