

# Urban Amenities: Lakes, Opera, and Juice Bars

## Do They Drive Development?\*

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<http://culturalpolicy.uchicago.edu/workshop/juicebars.html>

### *ABSTRACT*

*Several theories of the new politics and new economy suggest that amenities drive urban development. Do they? Two new amenity measures affect population growth differently. Natural amenities include six components like moderate temperature and water while constructed amenities include opera, juice bars, museums, and Starbucks.*

*Do people move toward such amenities? Yes the total population does, controlling up to 20 variables in multiple regressions for 3,111 US counties. But subpopulations differ. College graduates are more numerous where there are fewer natural but more constructed amenities. The elderly are the opposite: they increase more with natural amenities, but less with constructed amenities. Residents filing high tech patents live in locations with more of both natural and constructed amenities.*

*Percent gays are stressed in recent work on urban high tech growth, but we found it had inconsistent or near zero relations with many factors plausibly explaining its dynamics.*

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This is obviously a draft. Comments are invited: tnclark@uchicago.edu.

Comments in [brackets] will become endnotes.

\*Thanks to some key persons who are themselves great amenities: Bill Bishop, who found the bike events and organized a circus; Bob Cushing, who created files of natural amenities, patents and more; Richard Florida, fellow cycling theorist; Gary Gates, Census tyro; Aaron McCright, Stephen Appold, and Ray Hutchinson, who questioned all; Erica Coslor, Ms. Nightlife; Joshua McFeeters, a real programmer; Carl Pickerill and Marie Ann Ramos, the table team; Konrad Siewierski, logician.

This chapter explores how amenities affect urban innovation and population growth. Several new analyses clarify recent controversial work.

Urban amenities have been with us since the Olympics and Forums of ancient cities, but despite exceptions like Benjamin (1999) they have mainly been omitted from urban growth analyses. This is especially true in Northern Europe and North America, where the omission is in part an extension of ascetic Protestants labeling "non-work" as quasi-sinful. Alcohol for instance has long been closely restricted and licensed by time and place, and served surreptitiously--in darkened bars--while southern Europeans or Asians drink in cafes and restaurants, or with their families. Like religion, entertainment has been seen as an opiate of the people by many socialists, and thus dismissed as politically sinful. But the undeniable rise of amenities in many Northern European

and US cities in recent years has led even Marxists and Post-Modernists to comment (e.g. Harvey 1990).

Urban researchers are gradually including amenities like convention centers (Strom 2002), lofts (Zukin 1982), and tourist attractions (Judd and Fainstein 1999). Clark (2000) and Clark and Hoffmann-Martinot (1998) offered a new paradigm combining new politics and new economy themes--stressing consumption over production and individual citizen consumers as rivaling parties, class, race, and other traditional factors. Several contributors to this volume have made important contributions in exploring related themes, especially Glaeser et al (2000, 2001), Florida (2000, 2002), and the Florida/Gates paper linking gays to tech growth. These stirrings encourage a paradigm change (Clark 2000) emphasizing consumption and amenities as new drivers of urban dynamics, but more evidence is needed which this chapter provides.

Some amenities affect everyone in an urban area, like clean air. Pure public goods are jointly shared, potentially consumed by all, and exclusion from them is costly. [This is the definition of two leading amenity economists: "A pure amenity is a nonproduced public good such as weather quality that has no explicit price. In practice, previous empirical studies include some government services such as education and public safety," Gyourko & Tracy (1991: 775), building on Samuelson (1969).] Yet there are precious few "pure" public goods, or pure private goods; most things are in between. Amenities like museums or restaurants are semi-private goods, since persons may be excluded, and user fees charged. Some analysts who think individualistically neglect amenity aspects of restaurants, since they are conceived as providing a purely private good—food—to discrete individuals. So do all shops. But for creative persons pondering where to live and work, restaurants are also more. Their presence redefines the local context, even for persons who do not eat there. They are part of the local market baskets of amenities that vary from place to place. Amenities

like restaurants can shift individuals' and firms' location decisions, and hence drive population growth or decline.

This reasoning may seem simple, but it reverses the "traditional economic determinism" which suggests that as individuals (and cities) grow more affluent, they consume more luxury goods, like meals in fine restaurants. In this traditional view, individuals with more income cause restaurants to emerge. But if this is broadly applicable over an individual's life course, to apply the same logic to a city is mistaken, powerfully illustrating overextended "methodological individualism". Why? Because discrete individuals move in and out of cities all the time, yet urban amenities like opera or lakefronts change more slowly, and thus drive location decisions of individuals. This is especially true for talented and younger persons who change jobs frequently—and even the average American changed jobs about every four years in the 1990s. Cities are rich and poor in different amenities in subtle ways that the young and mobile especially stress. Some places are "cool," and "off the hook," while others are "out of it," square, and stodgy. Many "coolness" components are more subtle than normal Census measures used in most past urban research. Entrepreneurs, local public officials, news media, local universities, musicians, poets, chefs, basketball players—all contribute to a city being cool or not. Since each person is unique and weights amenities differently, an urban-level analysis only captures aggregate effects shared across classes of individuals. The null hypothesis is that amenities add nothing beyond more standard measures. We are still near the beginning of amenities research, but introduce several new amenity measures and analyses that add more subtlety than in past work.

Clark and Ferguson (1983: ch. 8) was an early study of the dynamics of jobs and population change that documented the change in causal direction, and the distinctive importance of amenities and public decisions shifting individual migration. It showed that people did not just move to jobs, but many chose cities and their amenities, including jobs. In the 1990s, economists reported other

examples of amenity-driven behavior (cf. Glaeser et al 2000), even if political scientists and sociologists have been slower to catch up to this the reversal of past causality. [Many still follow the older Logan and Molotch (1987), even though both Logan and Molotch themselves have moved closer to our newer view. As this last sentence has been queried, I add brief evidence: Moloch et al (2000: p. 816) embrace a multicausal approach highlighting amenities to explain growth. Their illuminating comparison of Santa Barbara and Ventura, California shows how the two adjacent cities were very similar 100 years ago. Both had oil and beaches. But they used them differently. Amenities and the beachfront were stressed in Santa Barbara, while oil pumping dominated in Ventura. Comment: "By reformulating character of place as the mode of connection among unlike elements, and tradition as the mode of perpetuating these links, we gain a way to explain how place differences develop and persist [and continue to differ in Ventura and Santa Barbara—TNC adds]. Methodologically, locating character and tradition requires keeping the agenda open, rather than focusing for example on the economic versus the political versus the ideational versus the natural. History occurs across all the realms, all the time, with no time out."

John Logan and two coauthors completed a masterful review of 20 years of research on the growth machine hypothesis. They conclude: "after two decades of research, we are still unsure whether growth machines make a difference to urban development. Much greater attention needs to be given to consideration of the efficacy of local regimes and formal policies. As we have shown, this is not a simple question. Researchers should probe variations in regimes, explore how growth coalitions are brought together and operate, investigate the sources of opposition, and determine how policies are implemented or obstructed. Field studies, even those using a single case, can make conceptual contributions to these questions. Assessing the net effects of the local regime and its policies will require large-sample studies with stronger designs, including explicit measures of the influence of various constituencies, studying effects over time, and estimating reciprocal causal relationships. Few comparative studies have been reported. No

study has been specifically designed to deal comprehensively with all these aspects of the question." Logan, Bridges and Crowder (1997: 624). Specific weakness of the growth machine and business-regime approaches are detailed in Clark and Goetz (1994) and Lloyd and Clark (this volume).]

Must you personally "consume" an amenity to appreciate it? And what does "consume" mean? How big a geographic area should amenity analysis cover? Gates and Florida favor metro areas and study the 50 largest in the US, reporting that gays are associated with tech growth. We explore specifics of how and why gays might relate to tech growth below, but here use the example just to bring out some complexities of access to amenities. An argument for studying larger aggregations like metro areas is that a gay subculture can be centered in San Francisco, yet stretch down to Silicon Valley to define it as "diverse" and tolerant. Symbolic association and geographic stretch are critical points, but it is far from transparent how large the "ideal" or "appropriate" impact zone is for one or multiple amenities. When we consider how much these issues are often based more on the symbolism of a mountain or beach, 30 or 60 miles away, it is difficult to assess precisely how close or distant the amenities must be to have "impact". Real estate developers and their creative associates have vivid imaginations, which they aggressively market. But how successfully? Disney is the standard against which competitors and critics rail. Thousands of low income Chicagoans and New Yorkers regularly fly to Disney creations in Florida and California, and to Vegas. Indeed the mayor and urban policy makers of Chicago are explicitly competing with these locations, trying to add amenities that will retain more persons locally. These are big urban policy decisions, which affect where business conferences are held: the top four US destinations for "overnight group meeting travel" are Chicago, Atlanta, Orlando, and Las Vegas in that order; New York ranks a distant thirteenth (Clark 2002). People may be willing to drive 100 miles to an opera once a year, but not willing to travel over five minutes for a juice bar. More important: the elderly, or teenagers on a quiet summer weekend, may be willing to travel much further than top executives will for a business

lunch. And to push a step further toward symbolism, for most amenity measures here, the issue is not "consumption" of these items considered alone, but the more general aesthetics and imagery, the overall gestalt, like a dinner combined with a striking sunset and San Francisco's Bay Bridge. The gestalt-like reasoning is that if New York has opera, museums, and juice bars, it probably has a few more big and little things too. Our amenity indicators are meant to help capture such imagery of urban cultural landscapes. They indicate, they flag a deeper and broader gestalt of lifestyle and culture, things to do, people to be nearby, with tastes, smells and feelings. They are not ends in themselves. They are flags atop icebergs.

How far are such flags visible? We cannot answer this carefully, yet. But We pursue some analyses in this direction below using the same top 50 metro areas as Florida and Gates, and some 300 metro areas (detailed in the Appendix), but our main analysis uses all 3,111 U.S. counties, as these are the smallest geographic unit for which the DDB Lifestyle Survey data are reported. We merged the DDB data for individuals with Census and amenity data for counties.

The amenity items in this chapter include:

- \*natural physical amenities (climate, humidity, temperature, water access, overall natural attractiveness)

- \*constructed amenities (numbers of bigger institutions like research libraries, museums, and opera or small firms like used and rare bookstores, juice bars, Whole Foods stores, Starbucks, and bicycle events).

- \*socio-economic composition and diversity (income and education of residents, foreign born, Hispanics, African-Americans and a special focus on percent gays, specifically self-reported gay male households).

\*values and attitudes of residents (friendliness or hostility, tolerance, risk taking, individualism, and other items, explored in the last chapters and briefly below) which are amenities or disamenities for potential new residents.

We explore these several amenities and find differential impacts on different subpopulations, change in key industries, and innovations as measured by patents.

### **Amenities: Natural, Constructed, and Other**

Amenities have gradually come into the radar scopes of public officials as a tool to attract new residents. Governments have spent billions on convention centers, stadiums, malls, light rail, and other facilities they hope will attract people and firms. Related are the "big ticket" cultural items like concert halls and art museums. These large amenities have won most funding, but are criticized for low impact by Richard Florida (2002). He suggests other amenities are more important: smaller items like cafes which change street life. These are similarly favored by New Urbanism architects and planners who seek to recreate the vital street life of pre-automobile cities, lauded earlier by Jane Jacobs (1961). The leading public official promoting the New Urbanism approach was Mayor James Norquist (1998) of Milwaukee, who started tearing down freeways into his city to demonstrate commitment to street life, even if it weakened suburban connections.

Enhancing the lives of citizens, via better education and job training are increasingly recognized as critical in making cities attractive not only to citizens, but to investors and mobile firms (Clark and Gaile 1998). Indeed, the core of the human capital interpretation of work, as applied to cities, stresses such improvements of the workforce (e.g. Glaeser et al 2000). The newest addition to this argument is culture, not just as an elite consumption item, or tourist attraction--widely recognized functions--but also as enhancing the lives of



average and disadvantaged persons, and potentially improving their life chances (Stern 2002).

Related are amenities comprised by the types of people who live in the location, in terms of how they add (or subtract) value to their neighbors. Since Hobbes, the breakdown of social order is the classic negative amenity; crime is the main urban example. Some persons like social diversity, others prefer homogeneity. Florida and Gates in this volume argue that diversity and tolerance are key concerns of the "creative class," and use percent gays as an urban diversity marker. But they define the creative class as over 30 million Americans, so clearly not all seek such diversity; others prefer homogenous neighborhoods or suburbs, characterized by labels like "safe for children to play," or "a good place to raise a family". Kotkin (2001) terms these "nerdistans" and maintains that if they attracted "square" professionals and high tech persons in the 1980s, by the 1990s, the truly creative more often preferred to rub shoulders with artists, musicians, and the more socially diverse. Bohemian was the older label for social diversity advocates (cf. Lloyd 2002). But the classic distinctions of bourgeois/bohemian, central city/suburb, and left/right have been superceded by new amalgams. This is the main point of our New Political Culture analysis (e.g. Clark and Hoffmann-Martinot 1998). Closely similar ideas are pursued on a lifestyle/amenity level by Brooks (2000), who argued that bohemians and bourgeois merged in the 1990s into the "bobo," a new American cultural amalgam, which Florida (2002) elaborates as a "Big Morph". Pace Kotkin, Florida and others, however, Brooks invokes *suburban* illustrations as "cutting edge," like Wayne, Pennsylvania, the Philadelphia Main Line suburb. He does not stress classic themes of churches, clubs, or ethnicity, but consumption in shops marketing personal identity—consistent with our last chapter. Examples: organic food stores, gourmet coffee houses with poetry readings, peasant styles like Moroccan crafts, replacing French aristocratic restaurants and furniture. Wandering through these shops are "vineyard-touring doctors, novelist-writing lawyers, tenured gardening buffs, unusually literary realtors, dangling-earring

psychologists, and the rest of us information-age burghers" (Brooks: 2000: 61). These are his "bobos". Brooks does not, but I stress that these style changes are not distinctly suburban, but similarly popular in central city neighborhoods, like New York's Soho, or Chicago's Wicker Park or the LA suburb of Santa Monica—the semi-bohemian zones admired by Kotkin, Lloyd and others. "Nerdistan" is an anti-utopia from people who do not dig beneath the surface, albeit an image continued in popular songs, Hollywood films, and one-liners: "I've been to Irvine and I have to say, there is nothing there," states Kotkin, quoted in Kleiman 2002). [The Kotkin line is appropriately quoted in a cultural policy statement for New York City (Kleiman 2002).] Kotkin continues, "This is why they and Silicon Valley are having a tough time right now. They're areas I typically call Nerdistans—they only thrive on technical know-how. New York has culture and a mix of industries that the new economy thrives on." I applaud the focus on culture and diversity but question the Nerdistan labeling and geographic turf wars. Complementing Brooks' ethnography, and reporting similar moves toward social diversity and political support of new social roles are results from, of all places, Irvine. In fact, it is the epicenter of a systematic urban change study. Repeated annual surveys of citizens, mayors, and council members in each municipality of Orange County, California were conducted over more than a decade by Baldassare (1998) who documented with painstaking precision the emergence of variations and subtlety in taste and politics. Old style Reaganism was increasingly superseded by styles closer to Wayne, PA. One mayor of Irvine, Larry Agran, joined hands with hundreds of residents to create a human chain and stop rush-hour traffic on the expressways, to press the case for mass transit. The national style-setters in cool eyeglasses are at the Oakley Company, in Irvine. Just look at the *New York Times* fashion section, or read the *Wall Street Journal* on the ultra-hip Oakley Company. See Clark and Hoffmann-Martinot (1998: 150ff.).]

The strength of these creative concepts is also their weakness. They are original in capturing a new phenomenon and articulating its specifics. But their weakness is to assume implicitly that their core, critical lifestyle or outlook (bohemian, bobo,

diverse, creative) is the touchstone of innovation and urban development. There is a lack of analytical diversity or relativism; they do not incorporate a *conceptual diversity of multiple specific lifestyles*—as outlined in the last chapter. All the above writers are smart and sensitive enough to note variations and exceptions, but their main emphasis is not here [Yes there are partial exceptions. Kotkin discusses big cities, Nerdistans and Valhallas, etc.] Consequently, since "urban growth dynamics" and even "innovation" are so vast, each of the above concepts captures only part of them. Edward Glaeser, Harvard urban economist, analyzes several aspects of urban growth dynamics, like amenities and consumption patterns, religion and civilization, innovation and creativity, and how these interact with size and density (e.g. Glaeser 2000, 2000a, 2000b), which cumulatively bring more perspective and balance—the opposite of what many expect from economists!

Much past policy concern focused on large infrastructure amenities—convention centers, malls and the like (e.g. Boschken 2002; Strom 2002; Spirou and Bennett forthcoming). We consequently explore in more detail what is new in these broader interpretations and for which we have new data: natural and constructed amenities, and their distinct impacts on subgroups and subcultures. How?

The items are from our new data files, discussed in the Introduction. The simpler ones appear in past work, the more subtle are new. Our Natural amenities items are in Table 3.1: temperature and humidity are classic, but newer are water area, topography (such as hills and mountains vs. flatlands) and overall natural attractiveness—a sum of the previous measures. It sums six measures that most people prefer: warm winter, winter sun, temperate summer, low summer humidity, topographic variation, and water area. The locations ranking highest are the California coast and mountains, then Utah, Florida, Colorado, Texas, and "Sunbelt" locations. often with smaller populations. These natural amenity measures come from multiple sources, assembled by the U.S. Department of Agriculture.

Very different are our constructed amenities. The main "big ticket" item here is operas, found especially in older Northeastern locations, but also San Francisco. Culturally related are research libraries and used and rare bookstores. By contrast the smaller, more commercial amenities like juice bars, Starbucks, brew pubs, and Whole Foods are more concentrated in newer locations in the West, like Los Angeles, San Diego, or Santa Clara Country (including Palo Alto, Stanford, Silicon Valley). Bicycle events (road and mountain) are more common in smaller towns, although New York City and Los Angeles also rank high.

[INSERT BOX BELOW]

### **Who Performs in (those Eastern Establishment?) Opera Houses?**

The Homeric battle for honor continues in new Forums.

"The King of Men replies;

Thy years are awful, and thy words are wise.

But that imperious, that unconquer'd soul,

No laws can limit, no respect controul.

Before his pride must his superiors fall,

His word the law, and he the Lord of all?

Him must our hosts, our chiefs, our self obey?

What King can bear a rival in his sway?"

*The Iliad of Homer, Translated by Alexander Pope.* London: Penguin Books, 1996, Book I, lines 376-383, p. 35.

"Just as Homer was the greatest composer of serious poetry... he constructed the *Odyssey* around a single action of the kind we are discussing, and the *Iliad* similarly...Poetry should represent universals, not particulars." Aristotle, *Poetics*. Translated by Richard Janko. Indianapolis: Hackett, 1987, pp. 5, 11, 12.

"(In 1898) Jenkins defeated Farmer Burns at the Grand Opera House in Indianapolis. The setback was one of only a handful Burns suffered in a career that included some 6,000 matches, and it stamped Jenkins as the American heavyweight champion . . . The Farmer, weighing in at 165 pounds, simply couldn't cope with the brute strength of Jenkins, who was forty pounds heavier."

From: The WAWLI Papers (Wrestling As We Liked It), Edited by J Michael Kenyon, Issue #595, Sunday, October 3, 1999, [oldfallguy@aol.com](mailto:oldfallguy@aol.com).

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The constructed amenities were painstakingly assembled from address lists and websites, then aggregated to generate county scores. This is the first analysis of these constructed amenity data. The top-ranked counties on opera are listed in Table 3.2; but look near the bottom: San Diego has little opera but many juice bars. Among café-chic aesthetes, Starbucks and juice bars may be faulted as upper-middle brow, but we chose these mainstream locales since their national distribution is more normal; the more chic would be heavily skewed toward a few ultra cool locations like Burlington, Boulder, or Palo Alto, which Brooks aptly terms "latte towns". Whole Foods is borderline in this regard, as it is relatively selective. Ideal for comparative purposes are indicators that vary across the entire US, and not just score zero in many locations.

INSERT BOX below

**Grand Ole Opry**

The Grand Ole Opry was originally known as the WSM Barn Dance, and its inaugural broadcast was made from that station's small fifth floor Studio A on November 28, 1925. "Uncle" Jimmy Thompson, who claimed he could "fiddle the bugs off tater vine," was the initial performer, and the cast included Dr. Humphrey Bate and his daughter Alcyone, the Crook Brothers, and Kirk McGee.

By the time the show moved to Studio B of WSM, still in the National Life & Accident Insurance Building at 7th Avenue North and Union Street, its name had been changed from the WSM Barn Dance to the Grand Ole Opry.

The change reportedly came about in an accidental way, the result of an ad lib by announcer George D. Hay, who called himself "The Solom Old Judge," and who had originated the National Barn Dance on WLS in Chicago in 1924. Apparently, the WSM Barn Dance came on the air immediately after a broadcast of the NBC Music Appreciation Hour, conducted by Dr. Walter Damrosch. Hay opened the program by saying: "For the past hour, you have been listening to Grand Opera. Now we will present Grand Ole Opry!"

The name stuck, and in succeeding years, as the live audience grew, the program moved, first to a newly built studio that accommodated about 500, then to the Hillsboro Theatre, and East Nashville Tabernacle, and later to the auditorium of the war memorial, which seated about 1,200. Two years after the Opry became a network show, with a half hour broadcast coast to coast, it moved to the famous Ryman Auditorium where it remained until 1974.

With the opening of Opryland USA, and amusement park dedicated by President Nixon on March 16, 1974, the Opry moved into a new \$15 million theatre, the largest broadcasting studio in the world, with a seating capacity of 4,400

From: Southern Music in the Twentieth Century,  
<http://www.southernmusic.net/grandoleopry.htm>.

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Are these different amenity types patterned by city or county? Do some cluster together? Very much so. This is clear in a factor analysis (Table 3.3). It shows that all the constructed amenities cluster on the first factor, so we summed them in a Constructed Amenities Index. See the chapter Appendix.

Do amenities drive urban growth? If so which amenities? To this we turn next.

### **The Main Finding: Contextual Relativism**

The main results in this chapter extend those in the last: different kinds of people move to different locations with distinct amenities. What attracts one person can repel others. There is no "silver bullet" for urban dynamics. Different subsets of persons want different things from cities, and move to some, or leave others, for distinct reasons. While this may seem obvious, it is again the opposite of the more standard approach, which is to analyze the sources of growth or decline for the total population over a decade, usually using just census data or basic social background items from surveys—as in countless reports. [Some of the best are by Edward Glaeser and Shapiro (2001), Roy Bahl and George Peterson, reviewed in Clark and Ferguson 1983: chap 3 and *passim*.] We also include total population to contrast with our more refined analyses. Sharp differences emerge. This is because "total population growth" is a summation of all kinds of different, and contradictory, dynamics--subtypes of migrants move for different reasons. More useful for many policy or analytical purposes is to specify how distinct subpopulations (like elderly, college graduates) act—rather than generalizing from one of these to the whole. Subcultures differ. Unfortunately the US Census does not measure population change using culture subcategories like those in the last chapter, so we are constrained to several that are available and that link with more specific ideas. College graduates are one leading subsector of Florida's (2002: 327ff.) creative class which he defines very broadly (including

over 30 million Americans in many, many occupations and subgroups). We can find more meaningful variations by analyzing such subpopulations.

\*As a baseline, we still start with total population growth (or decline), as it is the focus of most studies of urban growth or decline. We include the 1980-1990 and 1990-2000 periods, and find more growth in locations with more amenities, both natural (sunlight, water, etc.) and constructed (opera, juice bars and more). Similarly, counties with more gay male households have more growth, as did locations with smaller populations and higher median family incomes. Table 3.4 shows specifics. Results are identical for both decades (1980-1990 and 1990-2000), which suggests that using the 1980-90 period is reasonably predictive of later years. We use only 1980-90 for subgroups below since the 2000 data by county were not available except for total population when this analysis was completed (December 2002).

\*If we shift from total population to growth in the percent of residents with bachelors degrees or more, results change: college graduates increased more in locations with *fewer* natural amenities; constructed amenities were insignificant. Growth was higher where there were higher incomes but fewer white residents. Growth was unrelated to percent gays or population size. As some of these results do not square well with hypotheses about the culturally sensitive moralists and individualists from the last chapter, or Brooks, Florida, et al just above, we also analyzed the percent of college graduates in 1990 (thus studying the *level* of college graduates in a county rather than *change*). Using the same regression model, we found more expected results: higher percentages of collage graduates resided where gays and constructed amenities were higher, although population size was negative, which fits the latte-college town image, but not the imagery of the New York/LA as the (past?) destination of young talent. [Indeed, commenting on the post September 11, 2001 context, the same Kotkin (2002) faults New Yorkers for falling short of smaller competing locations on amenities: "Sure, New



York is still 'The Greatest City in the World.' And Elizabeth Taylor is still 'The Most Beautiful Woman in the World.' Just ask her publicist."]

[PRINTER: INSERT BELOW TEXT AS BOX]:

**Chicago Tribune**, December 18, 2002

### **Those who coulda been mayoral contenders**

By Cate Plys, a Chicago journalist

Thank God somebody actually filed to run against Mayor Richard M. Daley. ...Still, every four years Daley should have to come up with new excuses to avoid debating his opponents. I was beginning to think he'd get out of it this time. Old-line politicians took a pass, preferring less public forms of humiliation, or were they just afraid of angering Daley? ...

Political neophytes faced a different problem: the Herculean signature total required by the Chicago Board of Elections to get on the ballot for a citywide office since the Illinois legislature turned Chicago's mayoral elections into non-partisan contests in 1997. It's still unclear whether any of the four candidates who filed really have enough signatures. That gave me the idea to form the Alternatives to Potter Committee, and recruit my own candidates.

Unfortunately, I wasn't able to get enough signatures for any of them.

Still, I present them here as a vision of what might have been.

- Rich Melman. Founder of Lettuce Entertain You, Melman is as successful as New York Mayor Michael Bloomberg, so he'd probably serve for free too. The city budget could use the help.

Disasters like Millennium Park and Soldier Field already had me thinking of a businessperson, and then I spoke with University of Chicago sociology professor

Terry Nichols Clark, who specializes in urban finance. "The city's No. 1 economy now, as they label it, is entertainment," said Clark. "That's driven by residents, but also many tourists, from suburbs and conventions. ... Critical to that is making the city a fun place, a lively place. Sculpture, roses. People sometimes make fun of this, but this is being done around the country, and do we want to be Detroit or Cleveland?"

Melman is just the guy to entertain tourists. "I think the best thing I could do is hire the mayor as a consultant," said Melman, after he stopped laughing. But he quickly came up with his campaign's cornerstone. Melman recalls the Catskills Mountain resorts used to have a singles week. He's aware that many people come to Chicago from Detroit and Cleveland--see above--for job opportunities as well as marriage prospects. "So my idea is that we should have a singles week where we invite singles from all across the country, and it's sort of a big party for people to meet and hopefully settle in Chicago in the future," he said.

"I want to be careful to not let the mayor think we're serious," he added. "That wouldn't be so smart."

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\*Percent residents with only some college education increase more in localities with *fewer* natural and constructed amenities, but more gay and white residents, larger populations, and lower incomes. These results and those for analysis of the level of percent residents with some college are nearly the converse of those for college graduates. Indeed they broadly correspond the patterns associated with the traditional political culture index of the last chapter, which is negatively associated with education for example, as discussed further below.

\*Many past analyses use persons working in finance and professionals as cutting edge sectors (e.g. Kasarda 1985, Sassen 2001: 156ff.) but surprisingly perhaps, these increased more in locations with *fewer* natural and constructed amenities, which were *lower* in income, and larger in population. These contradict the Wall Street image. If we analyze levels rather than change, we find quite different results, suggesting a shift in the factors driving growth of such jobs, probably high land value and rental costs which skyrocketed in the 1990s (Kotkin and DeVol 2000). The level analysis, which captures the residue of past decades, showed that there were more persons working in finance and professional jobs if the county had more gays, fewer whites, more natural and constructed amenities, higher income, and smaller population. These differences between the level and change results flag the beginnings of moves by firms away from locations like Manhattan, which seem to have accelerated in later years. The scarce Census data to date do not permit analysis of their recent dynamics with the sorts of multicausal methods that demographers prefer.

\*To contrast with persons in finance and professionals, we analyzed persons employed in entertainment and recreation activities, again from the Census. These include Hollywood and Disney staff, but the majority in these occupations perform basic tasks like cleaning swimming pools or waiting on tables. We find growth in entertainment jobs higher in locations with more natural and constructed amenities, higher income, more white residents, but unrelated to percent gays. The levels analysis was generally similar, but showed entertainment jobs more numerous in locations with fewer constructed amenities and smaller populations. The dynamics of such occupations have been little studied and deserve more attention. [See the overview of work to date in an email exchange by sociologists including Herb Gans, Sharon Zukin, Harvey Molotch, Richard Lloyd and others in the Urban and Community Section Listserve (2002) discussion. It focused on amenities and factors encouraging artists and wannabe entertainers to locate in cities where they can actually live—since most must work in other jobs to support themselves. To explore such

interdependencies of flexible yet culturally desirable jobs that are ancillary to, and geographically proximate to art and entertainment is important for future work. Waitress and bar tender are two explored ethnographically by Lloyd (2002).]

\*Young persons (age 22 to 34) were more numerous in 1990 in locations with more constructed but fewer natural amenities, more gays, fewer whites, higher incomes, but smaller populations. They grew in numbers in 1980 to 1990 in locations that were larger in population, and had fewer constructed amenities, but otherwise results were similar to those for 1990 levels. Unfortunately these data do not permit us to distinguish for instance young with and without college degrees and other characteristics, so results are for the entire age cohort.

\*The non-working elderly are an important group as they are large, growing, and potentially driven more by amenities than job characteristics in location decisions. We find that they increase *more* where there are natural amenities, but *less* with constructed amenities, and change is unrelated to gays or percent white residents. They increase more in larger and higher-income locations, so they are not just moving to the country. This is consistent with related work on the elderly (Frey and de Vol 2000). The analysis of the level (percent of elderly in 1990) suggests the operation of more traditional forces in the past: the percent elderly persons in 1990 was higher in counties with fewer gays, more whites, fewer natural and constructed amenities, and lower family incomes. The contrasts of the level and change results indicate a shift in the kinds of locations where the elderly are moving. They suggest that choices in the 1980 to 1990 period were of a more up-scale elderly population than the earlier decades of choices which (along with those made in the 1980-90 decade) are captured in the level of elderly residing in a county in 1990.

\*To assess two critical immigrant groups, we included percent Hispanics and Asian-Pacific Islanders. Hispanic growth is *unrelated to any* of the amenities, but Asian-Pacific Islanders increase more where there are more natural amenities.

Both are unrelated to gays and most other variables, but Hispanics increase more in areas with higher income. Japanese, Koreans, and Asian-Indians are explored further with Other Variables below.

\*To explore urban innovation and creativity hypotheses, we analyzed locations of persons who take out patents registered with the U.S. Patent Office. We created three patent measures, for high tech, entertainment, and other inventions, based on all 1.1 million patents issued from 1975 to 1999. Inventors of all three types are far more likely to live in locations richer in natural amenities *and* constructed amenities like Starbucks, Brew Pubs, and Whole Foods. There are also more patents in counties with fewer whites, higher incomes, and smaller populations. This is broadly consistent with Florida's (2002) hypotheses, except that gays are insignificant. This analysis was of levels only since change seemed more affected by patent-specific factors than these general urban factors.

Other variables and other amenities? There is so much literature on job and population growth that we reviewed some of the best recent work and added 14 other variables to supplement those in our core model above (in Table 3.4). These 14 were used in related studies and widely discussed (e.g. Glaeser et al 2000, 2001; Frey and Liaw 1998 and the review of Bradbury et al 1982). We did not include the 14 in the core due to intercorrelations among some of the variables and to simplify the presentation. The "Other Variables" included population density, percent working in construction and manufacturing, percent college graduates (as an independent variable at the county level), years of education completed (from the DDB for individual respondents), homeownership, FBI crime rates, fear of crime (DDB survey), percent unmarried households, Democratic voting, change in percent gay residents, percent Koreans, Asian-Indians, and Japanese (as these are discussed as driving high tech growth), net migration, and strong and weak network ties.

Many such "other variables" had significant effects, generally consistent with past work. But our main concern here is not to build a bigger or more comprehensive model, but to explore new variables, especially amenities, and how they differ by subpopulations. The key question we thus posed about the "other variables" was: do they suppress or shift the impacts of the amenity variables from those of the core model? The answer is usually no. Specifically we calculated the percent of the 54 coefficients in the core model that shifted with the addition of each of the 14 other variables, and found that most changed zero, 2 or 4 percent. The partial exception was fear of crime as reported by DDB respondents, which suppressed 28 percent of the core coefficients. But this DDB item was available for less than half of the counties which seems to have been important. By contrast the Census measure of serious crimes per 100,000 residents suppressed none of the core variables. Details are in the Appendix.

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## **Performing Miracles**

Mark J. Stern

As an economic tool, culture is a hot ticket.

Across the nation, cities have turned to the arts as an economic development strategy. At last count, no fewer than 90 U.S. cities had put forward plans to use culture to revitalize distressed areas. For the most part, such plans focus on the direct economic impact of large-scale institutions and planned cultural districts. In New York, for example, the Brooklyn Academy of Music LDC is developing a 14-block, \$560 million "cultural district" in Brooklyn's Fort Greene.

But what if a handful of homegrown, community-based arts groups could have just as dramatic an effect on a neighborhood as a planned cultural district or

major arts institution? What if a church-basement theater troupe were actually just as important for a struggling area as a MOMA or a Lincoln Center?

Over the past eight years, the University of Pennsylvania Social Impact of the Arts Project has studied the ways in which the arts and culture influence Philadelphia's neighborhoods. We learned that culture does have a powerful effect on neighborhood revitalization--but it is one that has little to do with tourists, jobs or even revenue. In Philadelphia, the average community arts group had only a few hundred people register for its classes per year; the average annual budget of a cultural organization in a low-income neighborhood was \$150,000; the average group employed no more than two or three full-time employees. In short, even when considered as a sector, whatever direct contribution these groups were making to their local economies was quite small. Nonetheless, these same community cultural programs seemed to have a substantial impact on the economic fortunes of their respective neighborhoods.

During the 1980s, for example, Philadelphia neighborhoods with an active arts scene (measured by the number of cultural providers within one-half mile) were nearly three times more likely to see their poverty rates decline and their populations increase.

The connection between culture and community vitality continued into the 1990s. During that decade, the city of Philadelphia lost over 65,000 residents--a decline of 37 people per "block group" (approximately six city blocks). The results, however, varied widely from one neighborhood to another, and these variations were strongly linked to cultural participation. In the quarter of census block groups with the lowest cultural participation rate, the numbers were far worse than those for the city overall; these areas lost an average of 90 residents during the decade. Among block groups with higher-than-average cultural participation rates, the news was much better; these neighborhoods gained population, an average of nearly 20 residents per block group.

The impact of culture on population change was not restricted to well-off neighborhoods. A low-income neighborhood's chance of experiencing population growth more than doubled if it had a higher-than-average cultural participation rate. The results also held across ethnic lines: Older white ethnic neighborhoods such as Fishtown, established African-American neighborhoods such as Germantown and East Oak Lane, and emerging Latino areas such as Oxford Circle all used high levels of cultural engagement as one way of attracting new residents.

Culture had a positive impact on housing prices as well. Between 1995 and 2000, the average sale price of a home in Philadelphia increased from around \$49,000 to \$59,000. In neighborhoods with few cultural organizations, the increase was much smaller--only about \$3,000. By comparison, in neighborhoods with many cultural organizations, the average price increase was nearly \$30,000.

What's more, these boosts in neighborhood economic fortune generally occurred without substantial gentrification. Certainly, in some neighborhoods the speculative housing market was so strong that neighborhood revitalization quickly became wholesale displacement, but for every "hot" neighborhood there were, and still are, dozens of communities eager to attract new residents and new investment. Here, urbanist Jane Jacobs' classic distinction between "cataclysmic money" and "gradual money" makes all the difference. Although we can point to some neighborhoods where a flood of speculative money pushed longtime residents out, a lively cultural scene was more likely to attract smaller and slower redevelopment efforts. Fishtown, for example, continues to attract new development gradually. It has also emerged as a diverse area with people of different economic and ethnic backgrounds living together as neighbors.

The connection between diversity and culture is one of the keys that explains the impact the arts have on neighborhood revitalization. We've discovered that



neighborhoods that are economically and ethnically diverse are most likely to have high levels of cultural engagement. Neighborhoods that have higher-than-average poverty rates and large numbers of professionals living in them--what we call pov-prof neighborhoods--consistently have more cultural organizations and high participation rates. The cultural institutions in these neighborhoods serve as anchors, preventing diversity from becoming a transient state. That is why economically and ethnically diverse neighborhoods with high levels of cultural engagement were much more likely to remain diverse over time. Cultural organizations simultaneously stimulate population growth in and the stabilization of diverse neighborhoods.

How do small, perennially cash-strapped local arts and cultural programs perform all this magic? The answer is simple: Culture stimulates revitalization not through direct economic impact, but by building the social connections between people.

A lively cultural scene appears to contribute to neighborhood vitality in two important ways: It increases the inclination and ability of residents to make positive changes in their community, and it increases the connections between neighborhoods of different ethnic and economic compositions.

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This report is excerpted from: [www.nycfuture.org/](http://www.nycfuture.org/)

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One much discussed concept is social capital, including strong and weak ties, considered in the last chapter. Do these shift population or job growth? Putnam

(2000) holds that strong ties can reinforce political coordination and encourage trust. Florida (2002) takes the other side, suggesting that weak ties are more important, at least for high tech job growth and innovation as measured by patents. We thus analyzed both strong and weak ties, adding them to the core regression model in Table 3.4 to assess their impact on population change. Results? Zero impact on any; all relations were insignificant. Components of the strong and weak ties indexes are detailed in the chapter 2 appendix.

We analyzed change in the percent of persons in poverty as a dependent variable, but found none of the Table 3.5 model variables significant.

What of the three types of political culture from the last chapter? They are linked with distinct amenities, broadly consistent with their overall cultural outlooks. The Moralists are in locations with more natural amenities and most created amenities. The Individualists are in the middle, in locations with fewer amenities than the Moralists, while Traditionalists reside in locations with the fewest natural and created amenities. One might wonder if these are driven more by income than culture, but when we recomputed controlling income, the same patterns hold (see Table 3.5).

### **The Gay Factor: Competing Interpretations**

A striking recent finding is that local areas with more gay male households have more high tech growth (e.g. Florida and Gates, this volume.) This so new and counterintuitive that it demands scrutiny.

The gay results reported earlier by Gary Gates (like Black, D., Gates, G., Sanders, S., & Taylor, L. 2002 and Gates and Florida in this volume) led us to request his raw data; He kindly complied. We thus reanalyzed the details behind his findings, and added several other data sources to explore alternative processes, such as in the propositions below. The results show far less clear association between gays and innovations, population growth, and high tech

impacts than past work suggests. Why? Results differed substantially across units (big and smaller metro areas and counties), and as we added different variables (Census items, amenities, and DDB survey measures). Results from these new analyses refine and contextualize the Gates/Florida results. Their findings were from the 50 largest metro areas. The main problem here is that percent gays and percent college graduates correlate  $r=.7$ , and when both are included in regressions, gays are suppressed. Still the modeling questions are complex, and are pursued in the Appendix. The gay impacts also fall in smaller metro areas and in counties, or when we introduce key amenity and tolerance-related measures. And they differ substantially when we look at different aspects of growth and innovation.

Applying this reasoning to gays, one can hold that the diversity they symbolized encouraged foreigners or off-beat persons to move to Silicon Valley—as does Florida (2002: ). But how far is it from Silicon Valley to San Francisco—a half hour to over an hour by car, one way, varying with the time of day, and far more via public transit. Conversely, one might argue, there are many lamented "burbs" around New York or London that are arguably highly homogenous, family-values oriented places—where some young people feel "trapped". Even Florida recounts how he felt trapped inside the tight social networks of his boyhood Newark, New Jersey. Yet Newark is physically closer to bohemian Greenwich Village, just across the Hudson River in New York, than many Silicon Valley towns are to San Francisco. "How local is local" is the hard question here. Answers are best framed by recognizing that each amenity may have a different "catchment area," and that subclasses of individuals differ substantially in terms of how large or small this may be, first for actual regular use, second for occasional visits, and third, for symbolic association even if the amenity is never physically "used". I agree with Florida that this last may be the most important in terms of who locates and why, yet for that reason it is all the more in need of original research to determine its actual cultural power. We cannot gauge the power of the Big Apple by measuring the travel time from a thruway exit in New

Jersey. Analogously, think of persons from "lesser" countries in Europe who call themselves "Europeans," while the French seldom do. To capture such concerns systematically demands another level of original research beyond the present frontier. Currently, we simply do not know how many residents of the New York or San Francisco metro areas are persuaded by the friendly homogeneity of their immediate neighborhoods versus the rich diversity of their metro area. Indeed the work by Fisher (1982) and others shows that we may react positively to both. That is even the same person can enjoy the *Gemeinschaft* of a few close friends and family members a few times a week (and maybe choose to reside in a more homogenous county east of Berkeley or a gay neighborhood in downtown San Francisco), but on a weekend, travel over an hour to a concert on the other side of the metro area. This is the sort of subtlety that weakens regression coefficients and makes simple questionnaire responses hard to interpret. But it also suggests that there is seldom one right answer to a question like how big an urban unit should we analyze to assess the impact of amenities. The approach we have thus followed here is to use multiple methods, including those advocated by proponents of different arguments. The metro area analysis follows the Gates/Florida example because it was important to replicate their results precisely to build on and extend them; the county analysis permits examination of amenity items with other Census characteristics; and the DDB individual responses permit assessing the impact of these multiple units and past histories on specific individuals (for instance for the DDB risk and political culture items.) When in doubt, try multiple approaches and look for consistency of results. The gay factor seems to fall substantially as we use larger N data.

Which specific gay-related factors might drive population and job growth and related processes? Consider some options and brief assessment of how they stand up to some simple tests.

1. The more gays in a city (or locality), the greater the stress on amenities, public and private, such as

parks, bicycle paths, and distinctive restaurants. This is suggested as association, not causality, driven in the short term by selective migration of gays

2. 2. Persons working in high tech industries need have no contact with gays who just happened to live in the same city, but they may enjoy the same amenities as found in locations with many gays. Amenities may thus be the link between gays and high tech growth.

What do we find? Results are positive but modest: the correlation (Pearson  $r$ ) of percent gays with Natural Amenities is .27 while that with Constructed Amenities (opera, juice bars, etc.) is just .07.

3. 3. High tech persons are more risk-taking, entrepreneurial, and innovative in outlook, and thus tolerate gays more than do persons of more traditional outlook. The key factor thus may be risk-taking and tolerance of diversity. Cities high on these should encourage both gays and high tech growth.

The DDB had several risk-related items permitting us to see if residents of counties with more gays were more favorable toward risk. Relations were near zero:  $r$ 's were 0.01, 0.001, -0.02, and -0.011 with these items:

"I like to visit places that are totally different from my home"

"I am the kind of person who would try anything once"

"Everything is changing too fast today"

"I don't like to take chances"

Other items: counties with more gays have higher crime rates,  $r = .12$  but not significantly more fear of

crime,  $r = 0.06$  with the DDB item "I worry a lot about myself or a family member becoming a victim of a crime".

4. High tech persons may come disproportionately from foreign areas (like Asian-Indian engineers) and have more cosmopolitan tastes than found in most small U.S. towns with "traditional" residents and shops. High tech staff are thus likely to move to larger and especially more cosmopolitan locations.

Here we do find a positive relation of  $r=.38$  between percent Japanese, Korean, and Asian-Indian residents in a county and the number of high tech patents. But the correlation of gays with these three key Asian groups is barely significant,  $r=.04$ .

5. Localities with numerous college faculty and students may be distinctly tolerant on social issues, and implement correspondingly "politically correct" policies of non-discrimination, encouraging more socially diverse persons who may work in high tech growth, as well as gays.

Results? Percent gays are unrelated to college town indicators--college dormitories per capita ( $r= -.009$ ) and percent of the workforce in educational services ( $r= -0.017$ ). Further, there was no significant relation between percent gays and DDB respondents who classified themselves as more liberal on the item: "Generally speaking, would you consider yourself to be...

6. 1 Very Conservative
7. 2 Moderately Conservative
8. 3 Middle of the Road
9. 4 Moderately Liberal
10. 5 Very Liberal

[printer/reader, please ignore the above first column of numbers from 6 to 10]

Surprisingly, there was even a zero relation between percent gays in a county and citizen support for same sex marriages on a DDB item,  $r = -0.004$

"I am in favor of legalizing same sex marriages"

Still there was a slight positive relation ( $r = .047$ , just statistically significant) between percent gays and:

"I am interested in the cultures of other countries"

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From: *Los Angeles Times* Print Edition on line, June 4, 2002:

### **Troubled Waters at Gay Oasis**

by SCOTT GOLD, TIMES STAFF WRITER

**A whisper campaign painted the Palm Springs mayor as a homophobe. Now the gay community seeks to repair the self-inflicted damage.**

PALM SPRINGS -- The very soul of this desert oasis was said to be at stake.

This spring brought allegations that the mayor had turned on Palm Springs' well-heeled, fun-loving gay community. In his handpicked City Council candidate, some gay activists saw the makings of a political coup that would let religious fundamentalists turn Palm Springs into a very staid, and very straight, town.

The divisive election that ensued is over, and the coup, if there ever was one, was a flop. Most here, including many gay leaders, agree that dire warnings of Palm Springs plunging back into the 1950s were as fleeting as the dust devils that swirl, then vanish, over the Coachella Valley floor. But charges of gay-bashing are easier raised than dismissed here. Now Palm Springs is left with a nasty little image problem, arguably of the gay community's own making.

Some gay business organizations are quietly meeting to discuss whether they

should embark on a public relations campaign to ensure that Palm Springs does not lose its status as an international gay tourism mecca. The city's Human Rights Commission is preparing to hold a community forum. And Mayor William G. Kleindienst has agreed to sit for an interview with a prominent gay magazine in an effort to smooth the waters.

Even as the City Council rose as one from the dais last month, hands clasped and raised high in a show of unity, it was clear that the wounds will be slow to heal.

"I hear that people at Australian Mardi Gras parties are talking about how Palm Springs is anti-gay," said Denise Goolsby, a lesbian and chairwoman of the Human Rights Commission. "This really didn't have to happen. It was a self-fulfilling prophecy. It took on a life of its own."

Gays make up, by some estimates, a third of Palm Springs' population of about 43,000. The city is close to the nation's first gay retirement community. Gay veterans have their own memorial, and the Palm Springs area--really a cluster of small towns--is home to 30 resorts that cater to gays and lesbians and a new housing development where gay couples recently moved into 84 of 90 homes.

All those gains gave activists a sense that they had become a part of the establishment. And yet, some began to feel threatened last fall.

Two of five City Council seats were open, and after the November election, Mayor Kleindienst convened an otherwise unremarkable meeting to swear in the winners. But then City Council member Jim Jones suddenly resigned, citing health problems, the council was left with an unexpected opening.

Councilman Ron Oden, who is openly gay, immediately proposed giving the seat



to the woman who had captured the third-highest vote tally in the election. That was tradition in Palm Springs, said Oden, who was first appointed to the City Council seven years ago in similar fashion.

The woman, Deyna Hodges, had previously served 12 years on the City Council and was seen as a friend of the gay community. She had been a key backer of the successful drive to secure domestic partner benefits for city employees.

But the mayor, who did not return repeated calls requesting comment for this story, said it would be unfair to simply appoint Hodges to the seat. Instead, he said he would back local accountant Michael McCulloch, forcing a special election this spring, pitting Hodges against McCulloch.

Speculation began percolating that Kleindienst was trying to gain a council majority for a more conservative vision of Palm Springs. He already had one ardent supporter on the five-member City Council in architect Chris Mills.

As the special election approached this spring, gay leaders were busy preparing for the annual White Party, a so-called circuit party that has drawn an estimated 30,000 gays from across the world. This year, it happened to coincide with the Dinah Shore event, nominally attached to a women's professional golf tournament and considered something of a lesbian companion to the White Party.

When Kleindienst declined to sign proclamations welcoming the parties, the floodgates opened.

"The telephone game began. The whispers. And then it got bigger and bigger," said Goolsby, the longtime owner of the Bee Charmer Inn, a women's hotel, before she sold it recently.

"All of a sudden, 'the White Party is not coming back to Palm Springs' and 'the mayor is anti-gay.' All of a sudden, it's a 'right-wing conspiracy.'"

Gay activists noted that the mayor attends Desert Chapel, a local church associated with the International Church of the Foursquare Gospel. According to the Foursquare Gospel's Web site, the organization is opposed to abortion rights and the teaching of evolution and is opposed to homosexuality.

The ties of the purported new majority of the City Council to the Desert Chapel (whose pastor, Fred Donaldson, did not return phone calls seeking comment) did not end there.

Mills, seen as the mayor's right-hand man, worked on the architecture of the chapel's sanctuary and coached a junior high girl's basketball team there.

Source: <http://www.latimes.com/news/printedition/front/la-000039258jun04.story?coll=la%2Dheadlines%2Dfrontpage>

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7. Locations with several above characteristics (amenities, risk-taking, tolerance, cosmopolitan) might attract new residents to migrate there. These locations (like Palo Alto, Boulder, Austin, Portland, Santa Monica) may especially appeal to young, free-wheeling persons who may also go into high tech jobs. The key factor here is thus differential migration of persons who constitute a local talented workforce.

This could be pursued more subtlety, but using the simple measure of percent residents with a BA or higher degree, we find just  $r = .07$  with percent gays.

Leisure is complex in the above propositions in its interpenetration with work, which demands decomposition as these patterns are different from those traditionally considered. The association of gays and amenities with high tech growth is intriguing since it is not logically transparent that more and better leisure causes more economic growth. Indeed, the normal view is the opposite: hard work should bring economic success, and at least many publicized accounts report hugely demanding hours and commitment, by many high tech workers (e.g. Florida 2002 reviews many studies). How explain this apparent paradox of hard work vs. the impact of leisure-related amenities? Just laying out some logical alternatives, as just above, can help. One relatively simple resolution:

8. The top staff in highly dynamic firms may themselves be weakly influenced by amenities and social characteristics of the town where they reside. They may be too busy with their work to notice, or too austere in personal lifestyle to "indulge". But if the top staff sense that middle and lower-level staff do appreciate such amenities, the top staff may move to, or expand their corporate activities in locations with such amenities in hopes of attracting more talented staff. They could similarly offer flex time, casual clothes, Fridays off, and other job-related amenities presumably more critical to middle- and lower-level staff. Another class of policies, like longer vacations or working full time at home might cause potential communication problems and, *ceteris paribus*, reduce productivity. But they still may be embraced by top staff as carrots, which provide a comparative advantage over other firms in a competitive market for talent. If such carrots attract talent, and even permit paying lower salaries, then such carrots may be "sound business decisions".

Related thinking is articulated by top executives in many U.S. high tech firms. For instance, in creating a charitable foundation for Silicon Valley, a leading concern of many leaders was to preserve a respectable and even abstemious lifestyle so that their children would not be "spoiled" like those in Hollywood (National Public Radio broadcast, 1999?). High tech firms like Microsoft, Intel, and Hewlett-Packard have expanded in locations like the Portland and Seattle areas--more austere and moralistic than Southern California.

## **Conclusion**

Amenities differ, as do responses to them by different types of persons. Distinct amenities explain different types of population growth. We introduced two new amenity measures, *natural amenities* such as moderate temperature, hills, and nearby water, and *constructed amenities* like the numbers of opera, research libraries, used and rare book stores, juice bars, Starbucks, and bicycle events. For the total population, the simple proposition "amenities attract people" holds: growth is higher in counties with more natural and constructed amenities. These relations hold even while controlling up to 20 variables in multiple regressions. But when we deconstruct total growth into components, results markedly change. . College graduates are more numerous where there are fewer natural but more constructed amenities. Conversely, the elderly seem attracted *more* by natural, but *less* by constructed amenities. Residents filing high tech patents, however, live in places with *more* natural and constructed amenities.

Percent gays has been stressed in recent work on urban growth, but we found it had inconsistent or near zero relations with many factors plausibly explaining its dynamics. For instance, percent gays is unrelated to high tech patents and growth in college graduates using data for all US counties. Patterns are different in just the 50 largest metro areas, as studied by Gates and Florida: here percent gays and high tech are strongly related. But gays in these 50 metro areas are also so strongly associated with percent college graduates ( $r=.7$ ) that any gay-distinctive contribution is hard to isolate. We found weak or zero linkages between gays and tolerance, risk aversion, college towns, and amenities, using

direct tolerance and risk items from DDB surveys instead of the blunt Census measures from which others have sought to infer values like tolerance. Still, the main goal of this chapter is to encourage researchers and policy makers to give serious attention to amenities in future thinking. It was hard work for us, but conceptually simple, to count up the numbers of different amenities. Yet they take on meaning only in the minds of persons reacting to them, and such reactions, as this chapter and the last have shown, are complex but still interpretable.

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## Appendix

**The Constructed Amenities Index** summed the normalized values (z-scores) of nine amenities: brew pubs, used and rare bookstores, research libraries, museums, Whole Foods stores, operas, Starbucks, juice bars, and bicycle events. We were concerned about aggregating such diverse indicators, since different persons might react to them in distinct ways. Thus we constructed two smaller indexes, one more cultural and intellectual, of bookstores, libraries, opera and museums, and the second of the five more physical amenities. But the Pearson  $r$ 's among the three indexes were so high—.97, .87 and .96—that they were virtually interchangeable when compared across US counties. We thus retained the single larger Constructed Amenity Index in most subsequent work. We constructed the index after finding that many individual items generated quite similar results. This is clear in high intercorrelations and the factor analysis among them (e.g. Table 3.3). The first component shows that brewpubs, used and rare book bookstores, research libraries, Whole Foods stores, Starbucks, juice bars, opera, and bicycle events all tend to be more numerous in broadly similar locations. Second are land and overall natural amenities. Third is water access. Fourth is temperature and sunlight. After also analyzing the items separately, to simplify we report just the two indexes, of Natural and Constructed amenities.

**Absolute vs. Per Capita.** Should amenities be adjusted by dividing them by population size to create per capita measures? To do so implies a quite different conceptualization with drastically different rankings than the absolute numbers we use. For some purposes per capita measures are appropriate, such as helping leaders in a smaller town assess "how well" they are doing compared to larger locations. But in this context, many adjustments might be added in addition to population size—like income, citizen age, other measures of citizen demand for an amenity—if the concern is to assess whether the supply and demand for a given amenity are close to local market equilibrium in economic terms. Still, from

the standpoint of potential migrants (citizens or firms) choosing among alternative locations based on their overall amenity market basket, the absolute scores provide a more comprehensive sense of the richness or poverty of a location. If I move to Los Angeles, Table 3.2 shows, I will be in the capital of juice bars and Starbucks, while New York is where I should go for opera (and theater and related entertainment). This is more critical for the citizen or tourist who wants to know the options for opera than knowing the Iowa City per capita opera rating. We analyzed per capita items, and found many interesting patterns, but they capture other aspects of localities that are distinct from and generally less powerful than the absolute scores we report.

**Why these amenities?** As a simple strategy we sought to include some major amenities discussed in past work as distinguishing locations in their attractiveness, especially to younger and more mobile populations (e.g. Florida 2000). These are clearly intended to serve as indicators only of the many other components of amenity-rich localities. They are only samples of the local amenity infrastructure. The high interrelations suggest that if we had added say symphony orchestras or swimming pools we would have found these more numerous in the same general locations as score high on our Constructed Amenities Index. Natural and constructed amenities indexes are less tightly intercorrelated at  $r=.56$ .

**Percent Change and Net Migration.** Concerning the form of the dependent variables: demographers distinguish local growth due to differential birth rates from net (in minus out) migration, but given the high rates of migration for many subgroups, and the non-availability of net migration data by subgroup, we use simply percent change of the size of subgroups like college graduates. However, we added Net Migration to the county as an Other Variable to see if it shifted the effects of the core model.

**N's.** The number of cases (N) varies for different variables. The N is about 3,111 for the counties surveyed by the U.S. Census in 1980, 1990, and 2000. The DDB Lifestyle Survey includes 84,989 interviews, but only 14,444 respondents as

many were resurveyed to permit over-time panel analysis. The same items were not posed each year, so the N's vary by item. The DDB survey was stratified by county population size, so the number of interviews was higher in large counties. We checked the DDB survey results for possible sample selection bias against the Census using the male/female ratio and found the two near identical in the larger countries, but sometimes disparate in smaller counties. The natural amenities data were from the US Department of Agriculture for 3,111 counties. The constructed amenities we assembled from electronic telephone books, web sites, and similar sources for individual institutions by street address, then summed to the county level. While all US counties were included in principle, these amenities were more geographically concentrated and none were reported for many locations. The lowest N was 41 for Whole Foods, that is 41 counties had at least one store, although LA County included 11 Whole Foods stores. Opera was next lowest, 113 counties had at least one opera per our sources, but New York's five boroughs had 12 operas. The skewed nature and low N's of these individual amenities was one reason that we summed them in an index for all the constructed amenities; the distribution for the Constructed Amenities Index across all US counties was more normal than its components.

**File Merging.** The data from these several sources were merged, first at the county, and second assigned via the county ID number to the individual DDB response case. Certain county-level analyses were completed, such as the factor analysis of amenities. But for regressions including both DDB individual and county level data, we used the largest merged file with up to 84,989 cases. Every individual respondent in each county was assigned the county scores; all residents of LA County, for instance, had identical merged scores for LA County on all the Census and amenity items, so the N's for these variables were reduced.

**Pairwise Analysis.** Given these uneven N's for several variables, we used pairwise analysis of missing cases, which computes a correlation matrix of r's with as many cases as are available for each pairwise combination of two

variables. From the  $r$  matrix, regressions and other analyses are in turn computed. While the  $N$ 's thus appear huge for some variables, the presence of others with lower  $N$ s constrains the robustness of the analysis. Consequently we were cautious about including too many independent variables in regression models; we noted instability as the number of variables grew. For important tables, we replicated models with larger and smaller numbers of variables to assess whether they remained consistent, as illustrated most explicitly below with our metro area replications of the gay results. We generally report just plus and minus signs to ease communication about regressions in the text. More detail is available from the author.

**Other Variable Analysis.** As discussed in the text, we extended the core regression model (of Table 3.4) with 14 other variables, suggested mainly by past work on population change. They were added to the core model one at a time using the "enter" SPSS regression command; that is the core variables plus one other variable were entered simultaneously to estimate the nine equations explaining each of the nine dependent variables (like total population change, change in college graduates, etc.). The same nine equations were reestimated 14 times (for  $9 \times 14 = 126$  total equations), each time including a different one of the 14 "other variables". Then we looked for two patterns. First which other variables had "direct effects," that is was the regression coefficient for the single "other variable," population density for instance, significant in explaining any of the nine dependent variables? The percentage of times that the nine dependent variables were significantly related to the other variables is reported in the far right column of Table 3.9. It shows that most of the other variables did have significant effects, in addition to the six core variables. This is consistent with much past work. But second, we looked to see if these 14 other variables changed the results of the six core variables—did the core variable regression coefficients rise, fall, or change sign when the other variables were added? Here we found minimal impacts, usually just 0, 2, or 4 percent of the 54 core model coefficients (6 independent  $\times$  9 dependent variables) were changed when the other variable

were added. The exceptions were variables that had much lower Ns and came from the DDB survey, FAMCRIME (fear of crime) and DEMOC (percent Democrats). Because these were so unusual, and we were concerned that the results may have been due more the lower N than their substantive meaning, we added two similar variables from the Census: serious crimes reported to the police per 100,000 residents, and percent Democratic voting in the Presidential election. For these two Census variables, with the full number of cases, there were zero (or 6 percent in a run by Carl, resolve use TNC 2ed saved Spss output file ZZZ) changes in the core coefficients. To distinguish the impact of 1. the lower N from 2. fear vs. crime rates, we reestimated the core model twice. First, including all cases, and second omitting those cases for all variables that lacked FAMCRIME data—since FAMCRIME was missing for 56% of the cases. The OLS regression results changed dramatically: there was zero suppression and zero direct effects of FAMCRIME using the lower N. This indicates that the 28 percent suppression using the first method was essentially an artifact of a changes in the set of cases analyzed. The zero suppression using the second method is more meaningful.

In brief, the addition of these 14 other variables suggested by related work did not suppress the core, including the amenity variables.

### **Gays and Metro Areas**

Our initial reanalysis of the metro data generated results consistent with the Gates/Florida paper. Indeed one assistant reviewing the results reported that gays were important in almost all models. Correct. But closer inspection revealed a different story. We analyzed the identical data and variables used by Gates and Florida for the 50 metro areas, as supplied by Gary Gates. These included: Milken Tech Pole and Tech Growth as dependent variables. The Milken Tech-Growth Index measures growth in output of high-tech industries within metropolitan areas from 1990 to 1998 relative to the national growth rate in output of high-tech industries during the same period ("location quotients" from Census data). To explain

growth we and they used: percent gays, population size, Bohemian index (proportions of artists, musicians etc.), foreign born, composite diversity (combining Bohemian index, foreign born, and gays) college graduates, proportion workforce in recreation jobs, climate.

When we added or deleted most of the other variables Gates and Florida used in their analyses, the gay results held. That is, large metro areas with more gays also had more growth in high tech jobs, as summarized in the Milken indices. Including or omitting San Francisco, as well as repeating analyses with different combinations of the explanatory variables they had used, gays were significantly related to growth in high tech. With one important exception. College graduates and population size are so highly interrelated with gays that they distort the results for one another's effects in these regressions for just 50 metro areas. Specifically, the impact of gays falls to zero if we include college graduates and gays in the same analysis, as Table 3.6 shows. The larger the number of independent variables with such few cases, the less stable and less robust the estimated coefficients. Thus Models 5 and 27 with just gays and college graduates are less biased ways to measure the gay impact than models with larger numbers of independent variables. And in these two models, gays are insignificant. I

Instability and bias increase as more variables are entered. This is a classic statistical problem with strongly intercorrelated variables. How strong are the potentially biasing correlations? The most serious problems are between gays and college graduates (Pearson  $r = .718$ ); and gays and the BoHo index ( $r = .570$ ). Table 3.8 shows the  $r$ 's for all other variables in the regressions. A standard solution to this "multicollinearity" problem is to repeat the same analysis with a larger or different set of cases, as we did next.

### **Other Models and Levels of Analysis**

Gates and Florida mainly analyzed six characteristics of the 50 largest US metro areas. The classic problem with such low N analysis is that one or a few extreme cases distort results. There is no single or clearly right or wrong solution. The approach we thus used was first to try out the different logically possible combinations of the six variables to see if the gay result held consistently, or if it was "suppressed" by any other variable(s) (in Table 3.6). Then we repeated similar analyses using larger numbers of cases and using different units (all 300 metro areas rather than the largest 50, then all 3100 counties).

We experimented with many variations on the analyses above to explore the gay impact: "jackknifing" by cumulatively increasing the number of metro areas by 10 cases and repeating the same analysis until we reached the total N of 300, adding additional variables like amenities, repeating analyses with 3,100 counties which lowers the distorting  $r$ 's and making it easier to disentangle effects of interrelated variables. This was a major reason to use counties in the amenity analyses in this chapter. Counties are the smallest unit for which DDB survey results are available, and can be readily combined with Census and other data sources for counties. Having 3,100 cases is far more powerful for distinguishing interrelated causes than smaller Ns, and resolving ambiguities like the gay association with populating size and college educated, which is so troubling at the large metro level. We started from the position that the gay findings seemed robust, and initially sought to assess *why* they held rather than did they hold at all. We were surprised, (and disappointed, to be frank) that this dramatic result grew so weak.

Richard Florida (in press) has a new analysis using path analysis to estimate separate causal paths of gays and education. But the paper uses the same 50 metro areas and main variables as the Gates/Florida paper, and thus has the same constraining statistical problems of a low N and highly interrelated variables. His solution is compelling if one accepts the

causal framework he imposes on the data, and I am a sympathetic reader. But the limits of these data do not permit such an analysis to refute competing interpretations. Education or other factors may still swamp tolerance/diversity/gay effects. More fine-grained analysis is required to distinguish their interrelations. This still leaves unexamined or untested as well the working assumption that analyzing differences among the 50 largest metro area is more compelling than other approaches. Why not compare analytical characteristics like talent or density using not just 50 but also other units, rather than just variations among the 50 largest?

We pursued multiple options in analyzing these relations over many months. The main result with the larger N's and more complex models, however, is that gay impacts are severely reduced and often insignificant. We also analyzed measures of lesbian couples and unmarried couples living together from the same 1990 and 2000 census sources (supplied kindly by Gary Gates); generally they were highly related to gays, and to some variables like population size, but we did not find clear or distinctive results of gays separate from the other two groups, or from other variables like education. We then analyzed a series of attitudinal and value items from the DDB source: on risk taking, social tolerance, social diversity, and the like, to assess possible additional impacts of citizens in locations with more gays. Some were moderately related, but usually other variables like population size or educated residents suppressed gays. Still these results are so new and so different from past work that we much encourage others to help clarify these complex dynamics.