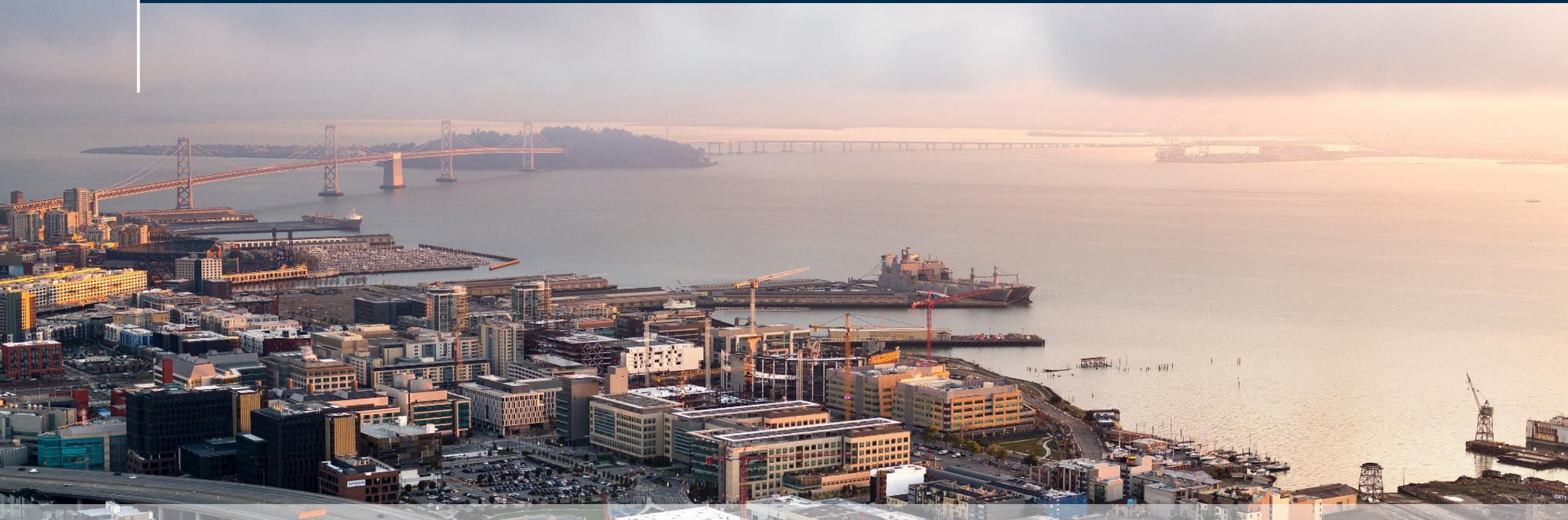


The design challenge of adapting downtowns to a changing economy and society



Tracy Hadden Loh, Brookings Metropolitan Policy Program |  @lohplaces
American Institute of Architects 'Big Sibs' | September 22, 2023

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Forgive Our Rent

more demand than ever



scarce communities
of opportunity

enormous amounts
of obsolete inventory

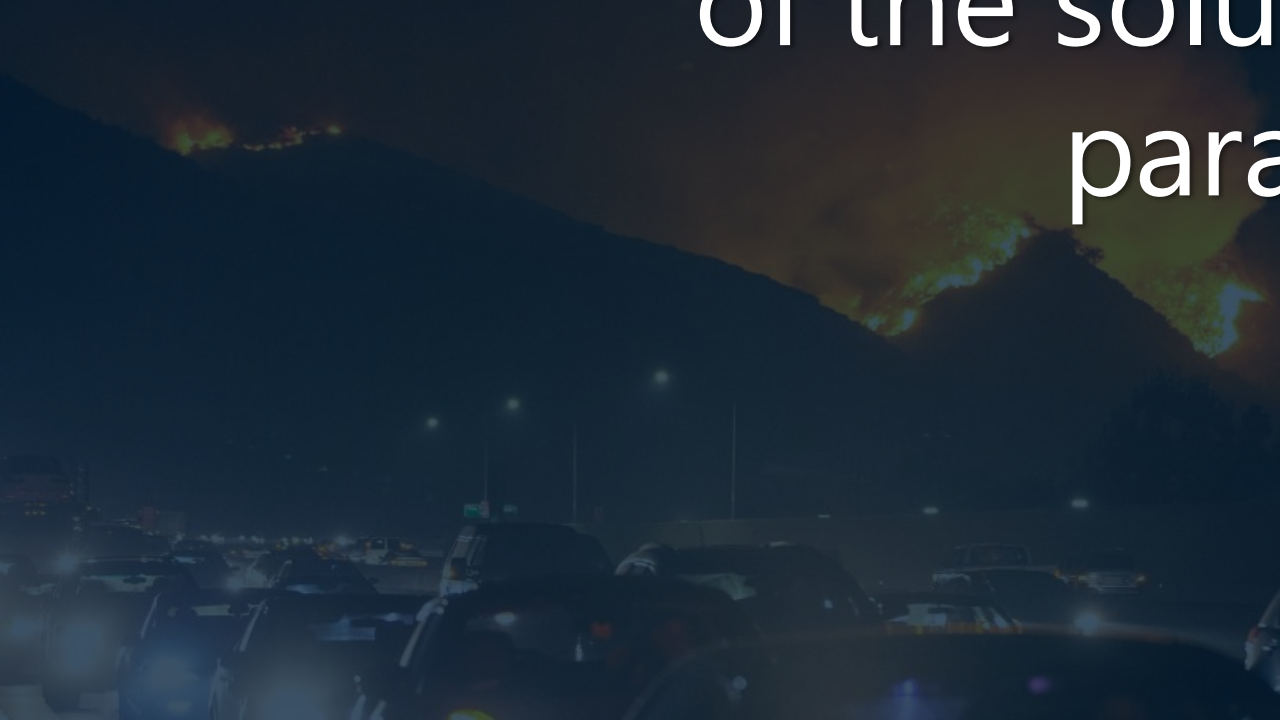
Forgive Our Rent

Downtowns are key part
of the solution to this
paradox

BUSINESS CLOSING

STORE CLOSING

GOING OUT
OF BUSINESS





1

The trends
reshaping places
and regions

2

Activity centers as
a framework for
practice

3

Key implications

The built environment and our civil structures change very slowly

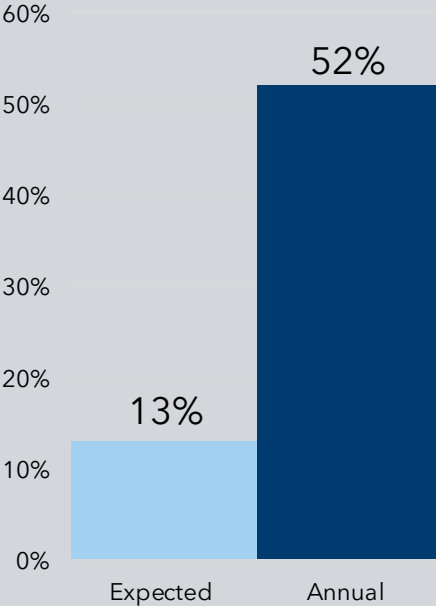


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But the pace of economic and social change is faster than ever

Collaborative

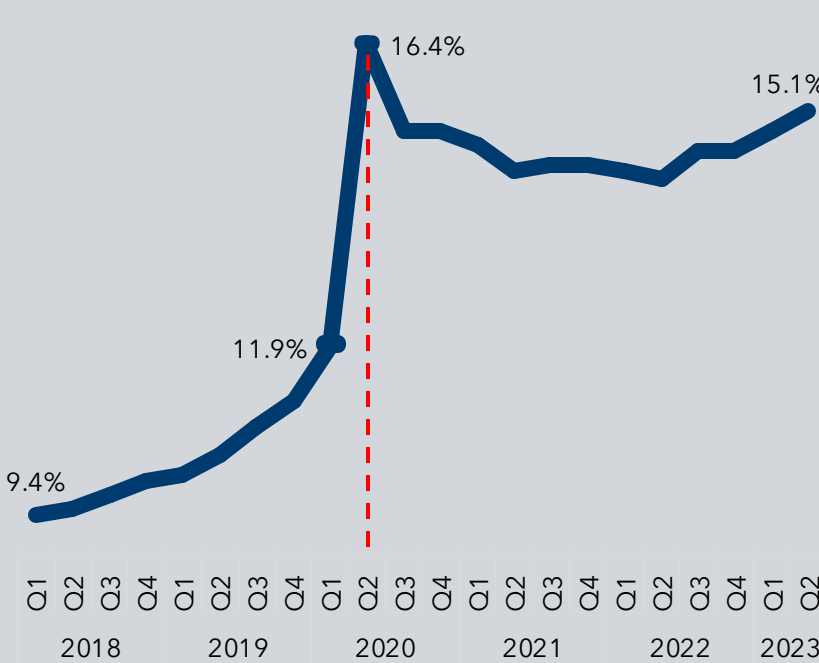
Expected vs. actual change in job density around jobs in information sector, 2010 - 2018



Source: Brookings's analysis of Census LEHD Origin-Destination Employment Statistics

Outline

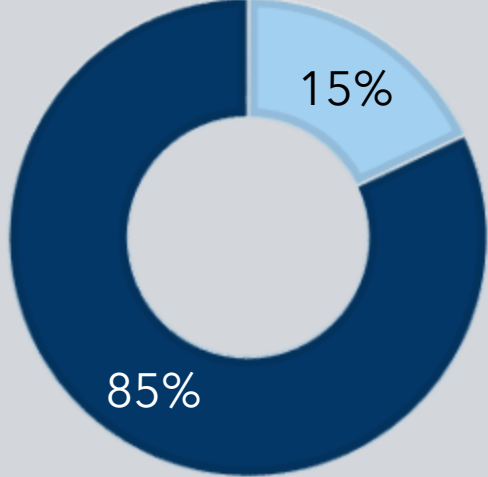
E-Commerce Retail Sales as a Percentage of Total Sales*
2018 Q1 - 2022 Q4



Source: Brookings analysis of Census Bureau data via FRED. *Data seasonally adjusted.

Flexible

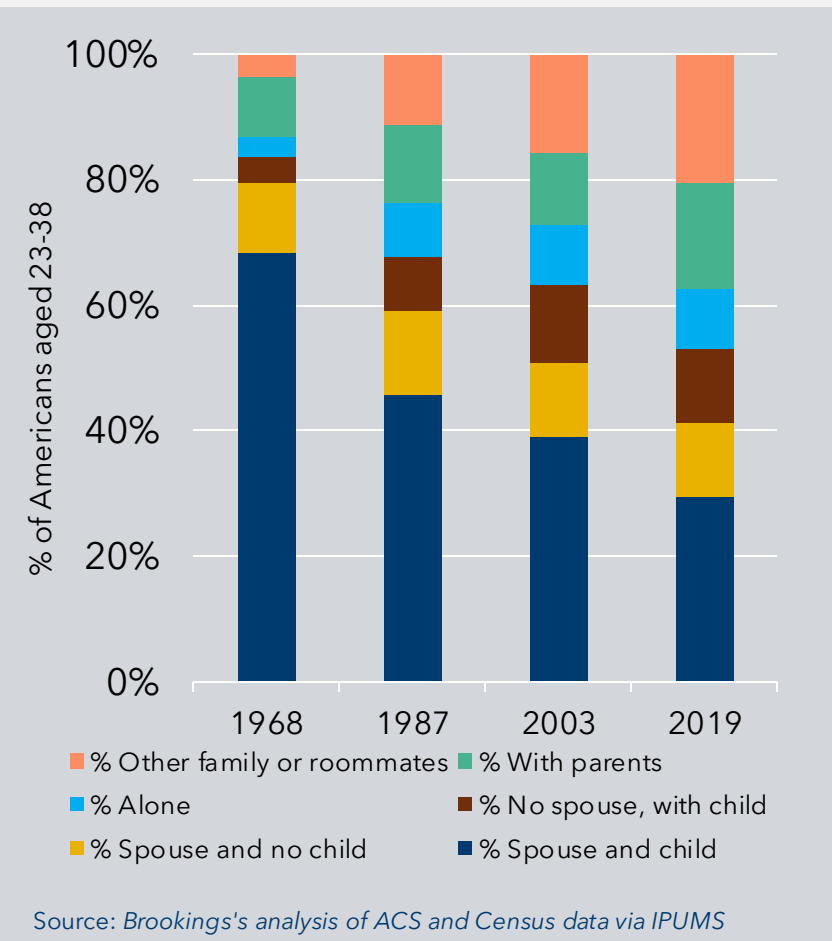
Share of workforce that is fully remote, 2021



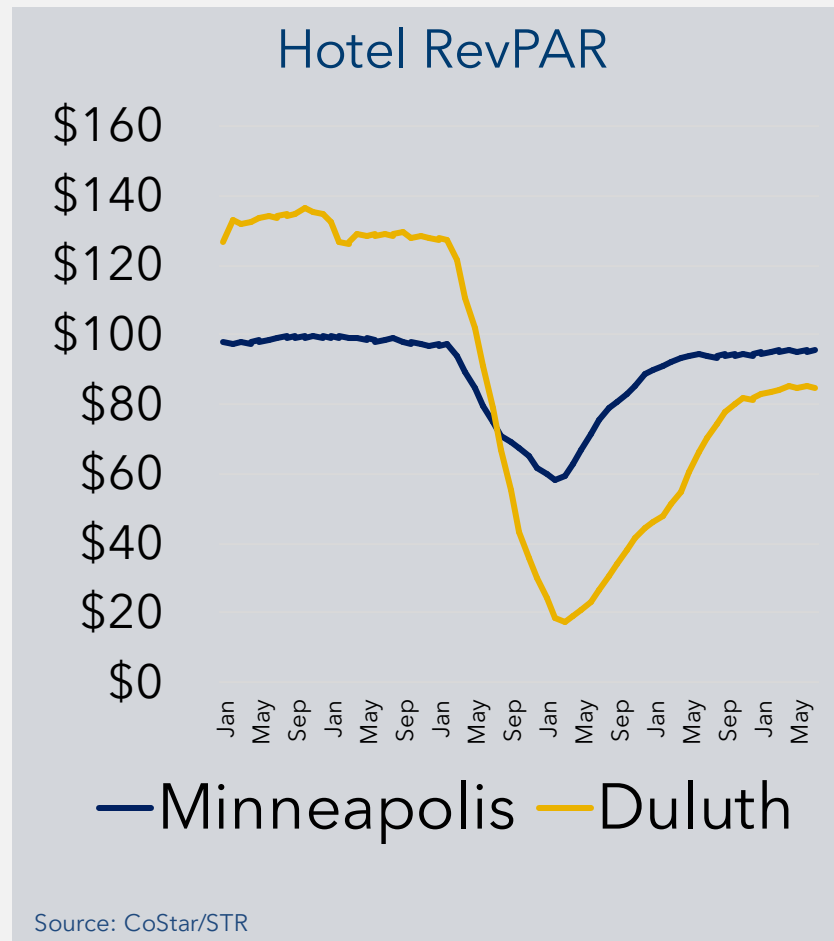
Source: 2022 American Community Survey

But the pace of economic and social change is faster than ever

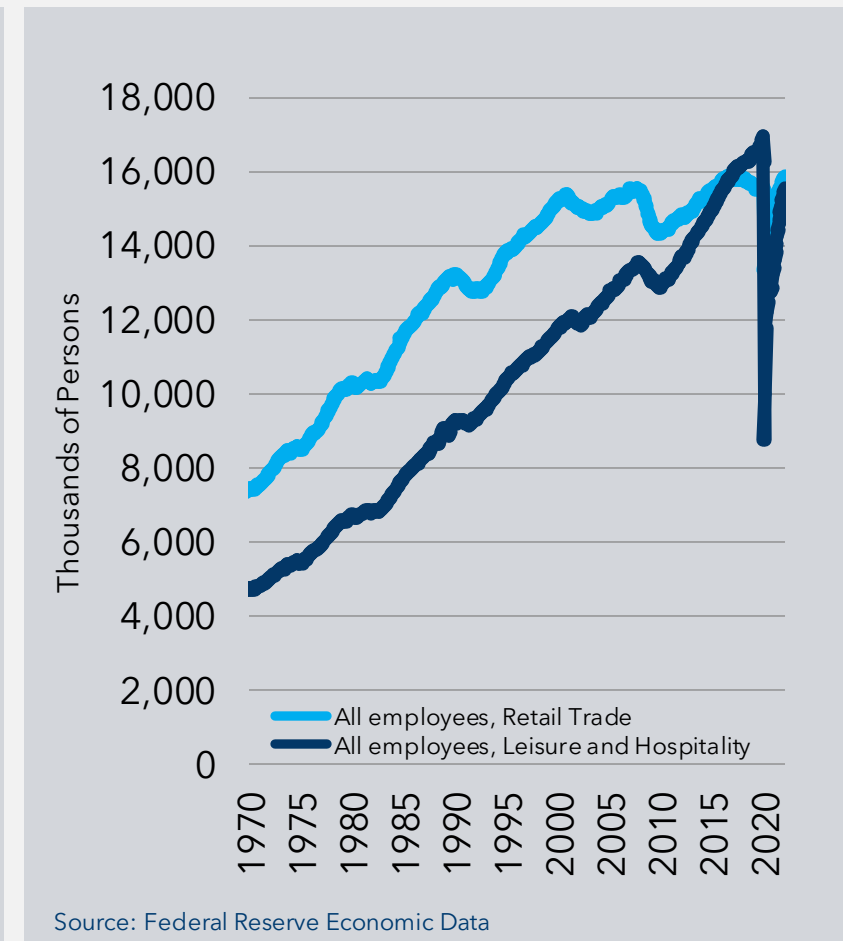
Household Type



Travel



Experiences vs. Things



And our current practices are too siloed to solve problems

Economic development

often lacks a focus on place, placemaking, and (far too often) racial equity.

Community development

Relies on grant revenue.



Land use and transportation planning

Assumes the future will be like the past and a static economic landscape.

Traditional placemaking

is limited in scope and scale.



1

Five design challenges confronting downtowns

2

Activity centers as a framework for development

3

Key implications

#1 - Crime

“Safety, security, substance use, and mental health—just the experience in public areas—are the number-one issues preventing return-to-office.” – Seattle

“Commuting on the Red Line, Blue Line, etc. is an experience that’s completely deteriorated. It’s drug use, smoking, and worse.” – Chicago

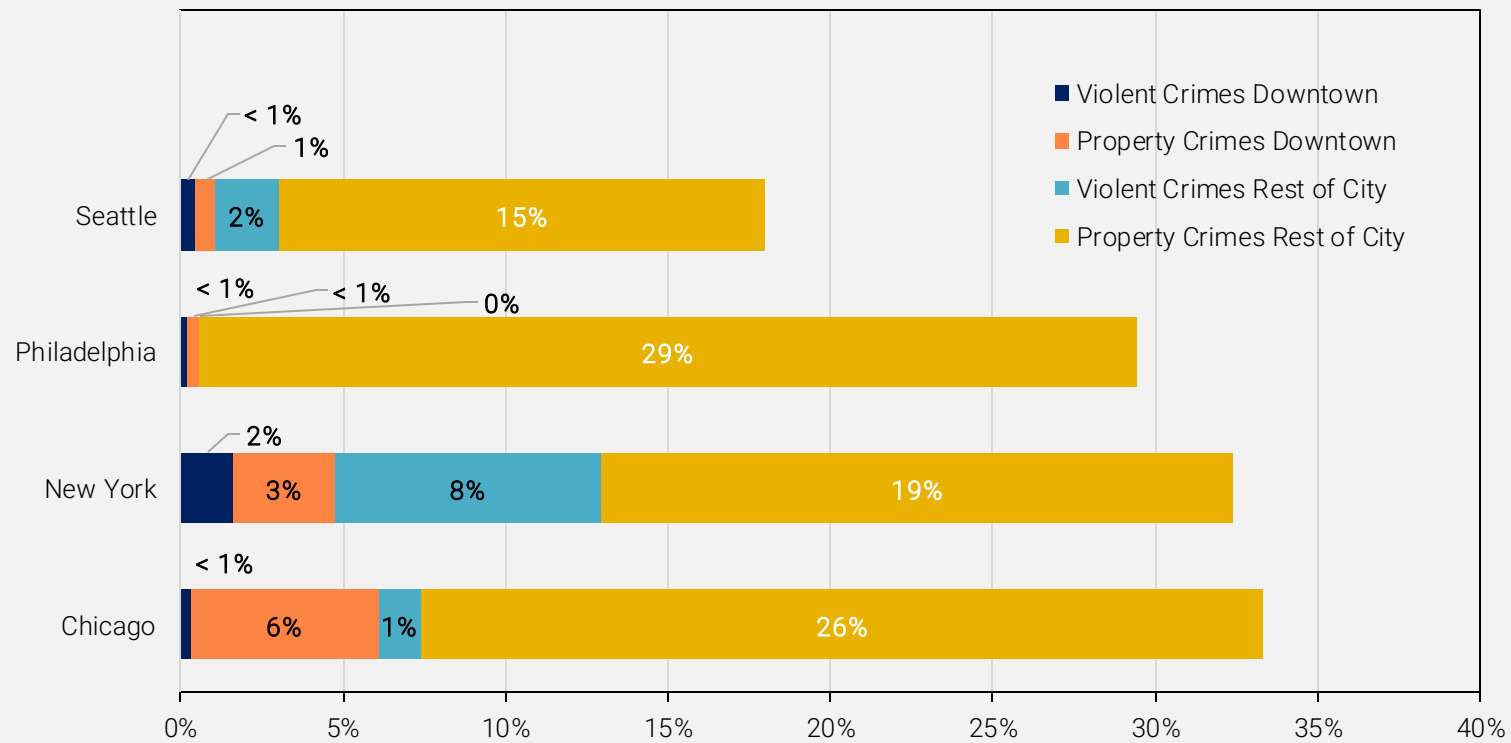
“People are scared. They’re afraid to walk on the streets. A woman on the first day of [return-to-office] got punched to the ground on the way to work across the street from our campus.” – Philadelphia

“There’s no question: The crime that’s gone up in this neighborhood is burglary, larceny. It’s all stealing. You can’t buy half-and-half anymore, it’s locked. You have to get an assistant to get half-and-half. Everything’s locked up.” – New York City

#1 - Crime: both perceptions and reality matter

Figure 2b. Change in Crime by Location

2019 - 2022



#2 – Myths about converting offices into housing

Offices are over



#2 – Myths about converting offices into housing

Too many offices are bad anyway



#2 – Myths about converting offices into housing

Demand from residents can
replace demand from
workers



#2 – Myths about converting offices into housing

Cities are about to go broke!!!













#2 – Myths about converting offices into housing

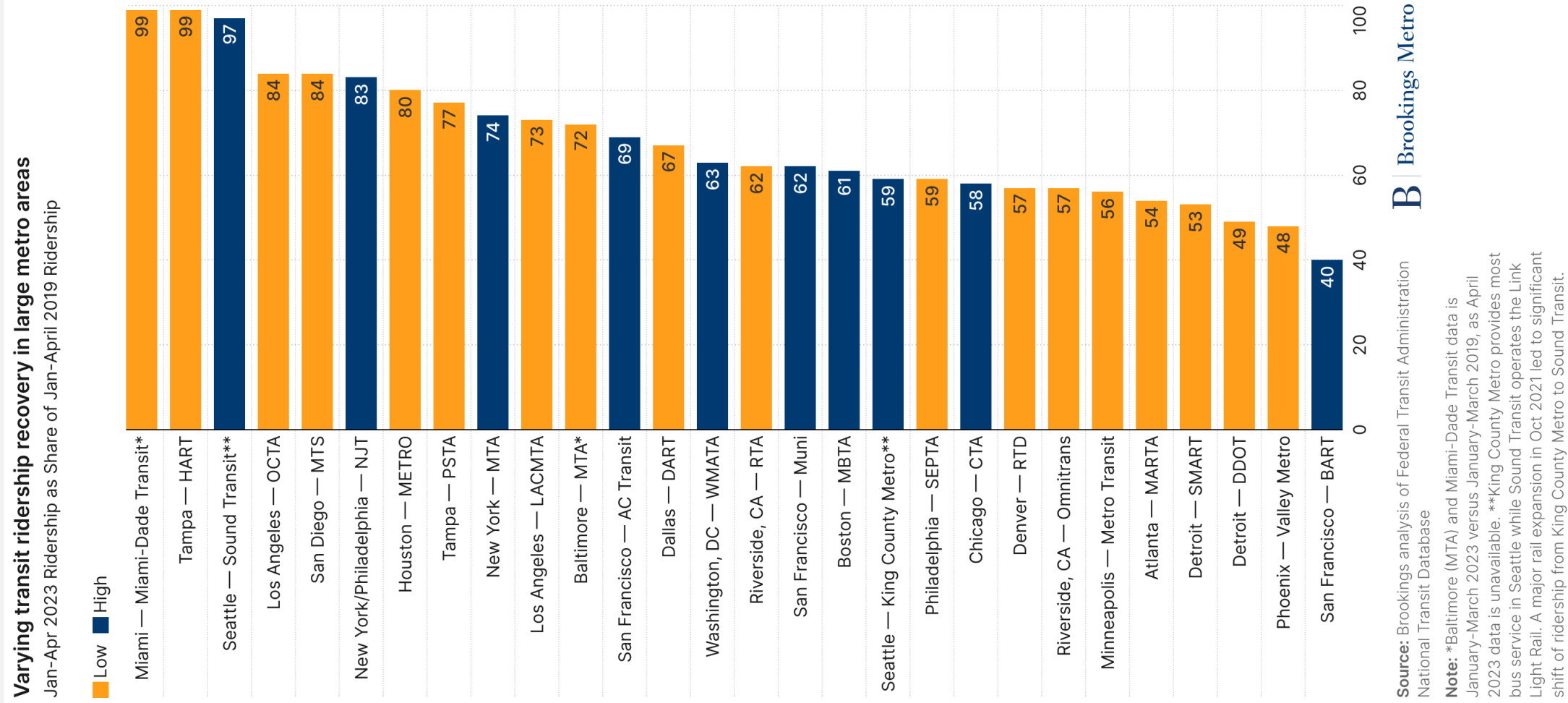
Office conversions can solve the housing crisis



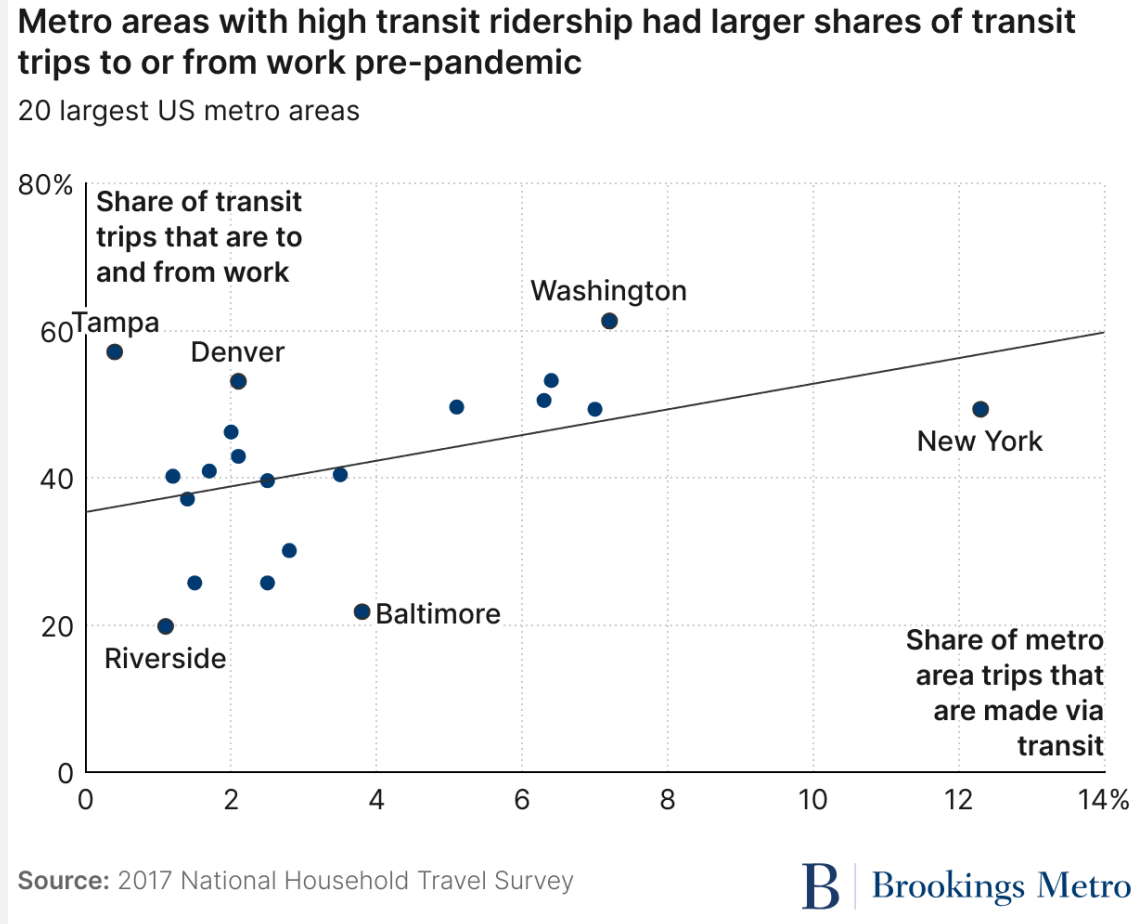
#2 – Myths about converting offices into housing

Offices are over			Office use continues
Too many offices are bad anyway			It's not too many offices - it's too little of everything else
Demand from residents can replace demand from workers			Housing strengthens demand for offices - and other stuff.
Cities are about to go broke!!!			Many residential tax bases are stronger than ever
Office conversions can solve the housing crisis			Office conversions are a pricey way to add a fraction of what we need

#3 – The future of transit



#3 – The future of transit

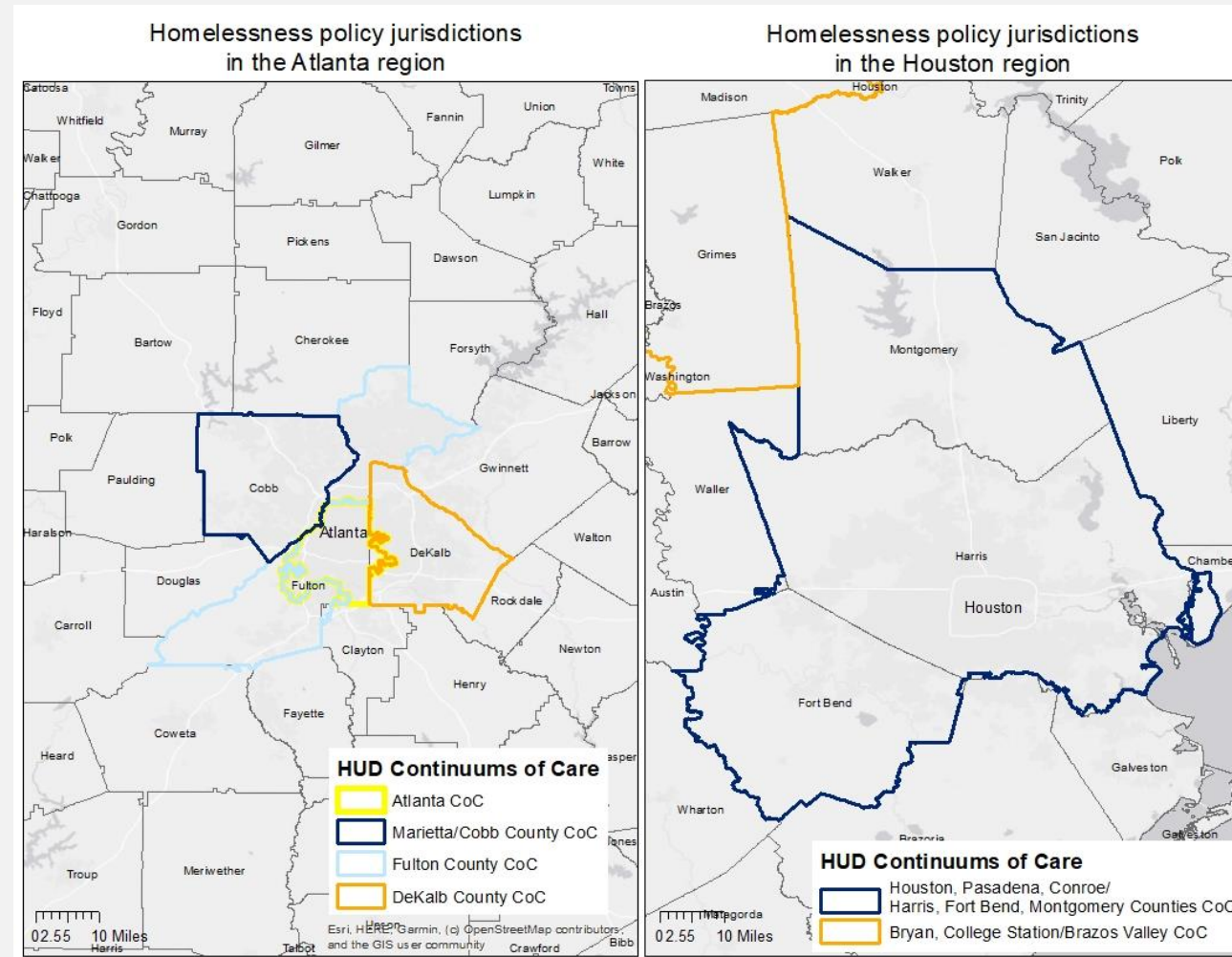


#4 – Hope for homelessness

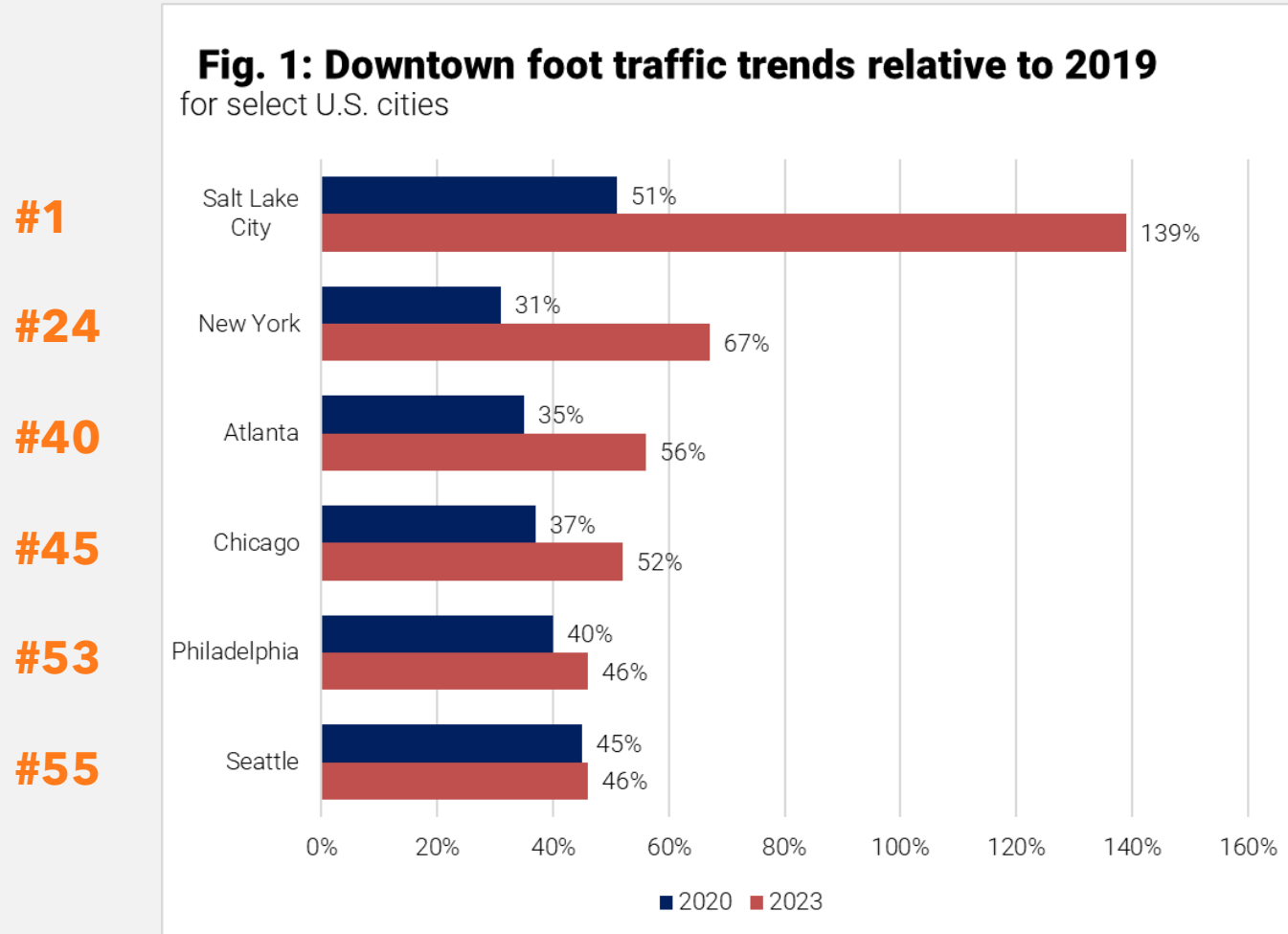
Table 1: The prevalence of homelessness varies widely among major cities

Rank	HUD Continuum of Care	Homeless per 100K
1	San Francisco CoC	951
2	New York City CoC	730
3	Long Beach CoC	723
4	Boston CoC	678
5	Los Angeles City & County CoC	662
6	District of Columbia CoC	658
7	Portland, Gresham/Multnomah County CoC	651
8	Seattle/King County CoC	594
9	Oakland, Berkeley/Alameda County CoC	591
10	Sacramento City & County CoC	584
39	Raleigh/Wake County CoC	133
40	Wichita/Sedgwick County CoC	132
41	Miami-Dade County CoC	123
42	Memphis/Shelby County CoC	114
43	Jacksonville-Duval, Clay Counties CoC	105
44	Tampa/Hillsborough County CoC	102
45	El Paso City & County CoC	96
46	Milwaukee City & County CoC	90
47	Fort Worth, Arlington/Tarrant County CoC	78
48	Virginia Beach CoC	77
49	Houston, Pasadena, Conroe/Harris, Ft. Bend, Montgomery, Counties CoC	50

#4 – Hope for homelessness

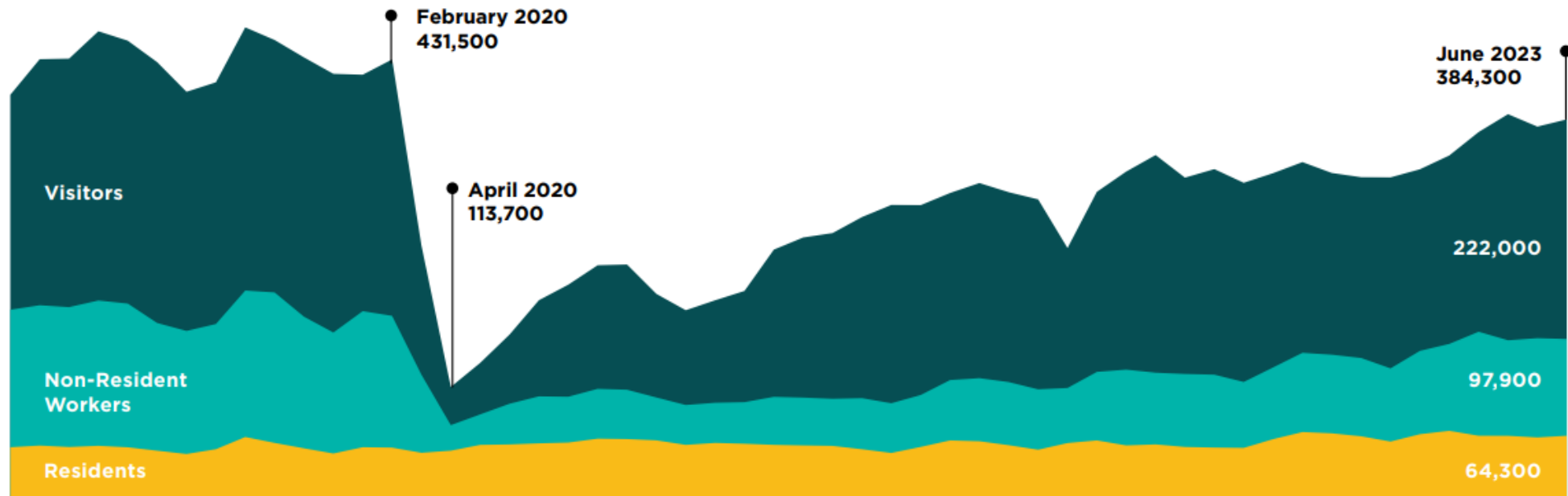


#5 – Defining “recovery”



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Figure 1: Core Center City Average Daily Population by Category



Source: Placer.ai

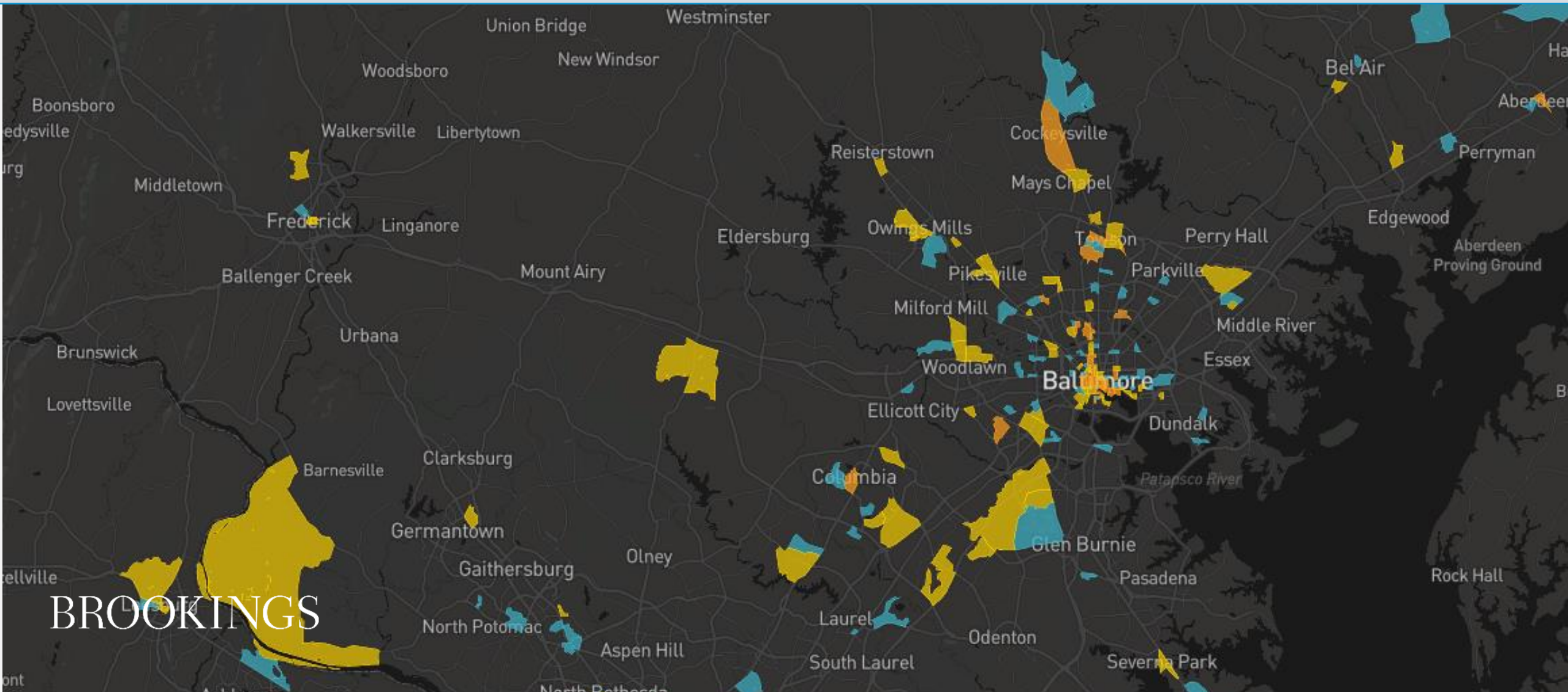


1 The vision for rebuilding better

2 Activity centers as a framework for practice

3 Key implications

After over a half-century of suburbanization, place still matters, at different scales

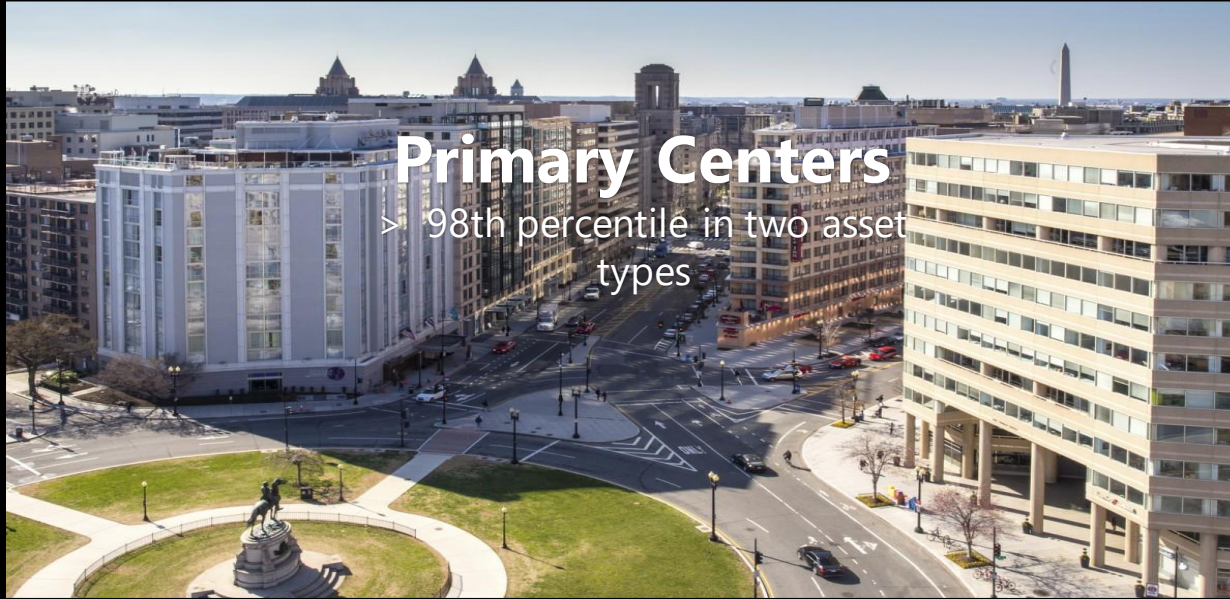


Activity Center types

High Complexity

Low Complexity

High-scale concentration



Primary Centers

> 98th percentile in two asset types



Monocenters

> 98th percentile in one asset type

Low-scale concentration



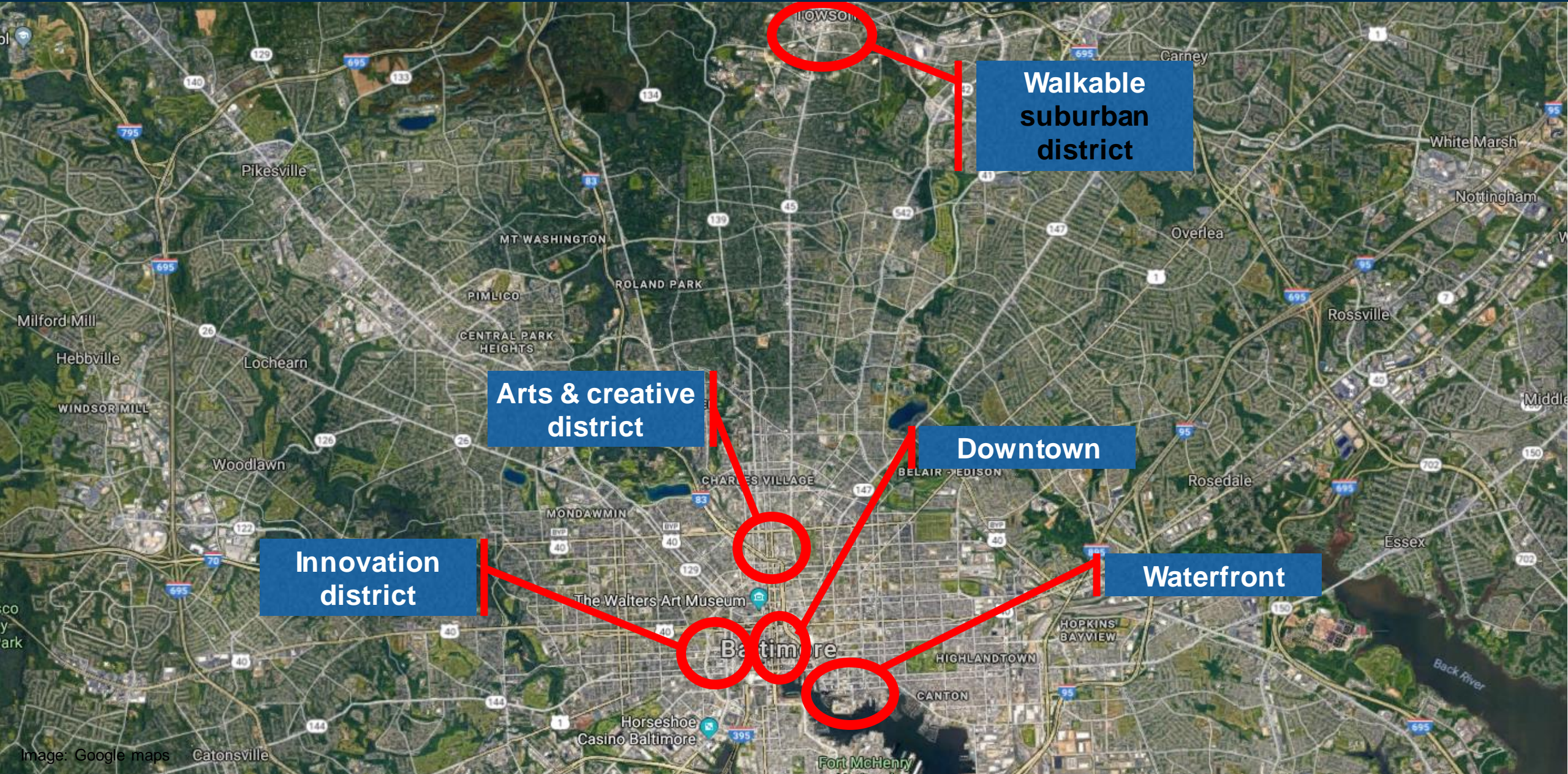
Secondary Centers

> 95th percentile in two asset types



Most Metropolitan Development

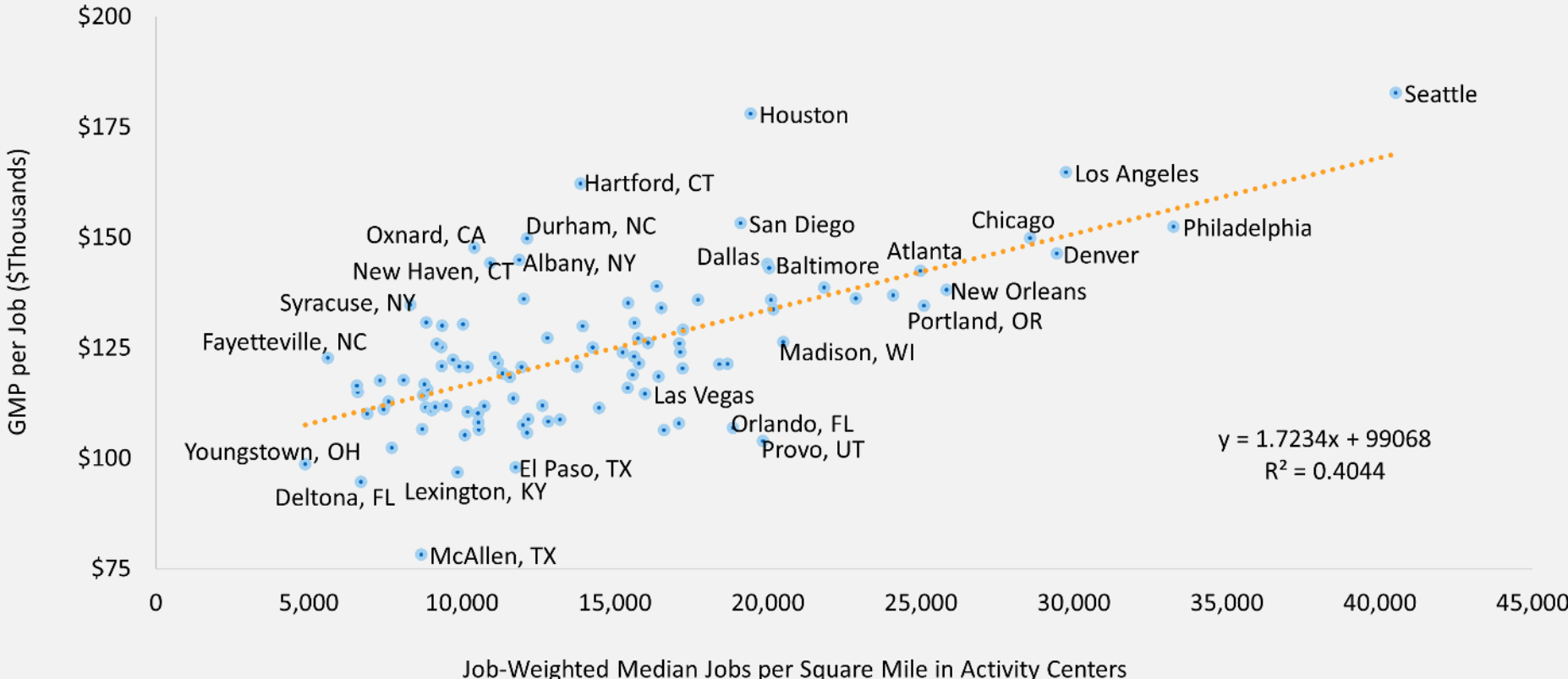
Activity Center types



Finding 1: Job density = Better economic performance

Stronger activity centers are associated with higher productivity

US metro areas of > 500,000 residents*

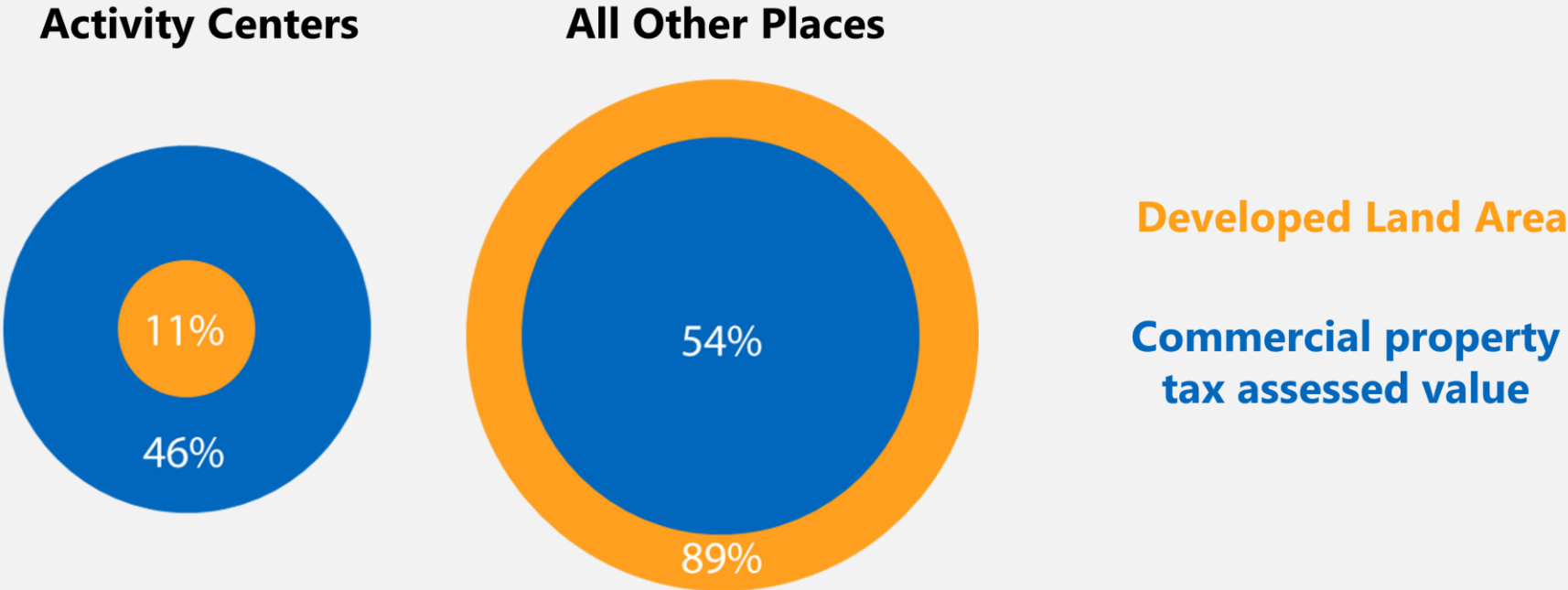


* Excluding New York, Washington, Boston, San Francisco, San Jose (CA), Honolulu, and Bridgeport (CT).

Source: Brookings analysis of EMSI and Longitudinal Employer-Household Dynamics data

Finding 2: Bay Area activity centers yield a value premium

Activity centers produce outsized taxable value that can benefit the entire city



Source: Brookings analysis of Zillow ZTRAX data

Finding 3: Activity centers have more sustainable travel outcomes

Share of commuters who do not drive alone

Rank	Metro Area	Metro-Wide	Within 1 Mile of Activity Center	Within 1 Mile of Primary Center
1	New York-Newark-Jersey City, NY-NJ-PA	48%	68%	86%
2	San Francisco-Oakland-Berkeley, CA	38%	50%	70%
3	Urban Honolulu, HI	33%	39%	46%
4	Washington-Arlington-Alexandria, DC-VA-MD-WV	30%	44%	61%
5	Boston-Cambridge-Newton, MA-NH	30%	47%	63%
6	Seattle-Tacoma-Bellevue, WA	28%	40%	55%
7	Chicago-Naperville-Elgin, IL-IN-WI	26%	38%	58%
8	Portland-Vancouver-Hillsboro, OR-WA	24%	33%	42%
9	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	24%	37%	55%
10	Bridgeport-Stamford-Norwalk, CT	24%	28%	35%

Source: Brookings analysis of EPA Smart Location database



1 The vision for rebuilding better

2 Structural trends impacting this vision

3 Key implications

Tailor crime response strategies to high- and low-crime areas, and **invest** in the built environment, placemaking, and place governance to promote **reassurance and belonging**.





Consolidate jobs and other assets in activity centers including downtown. Make it easier to build new buildings and change old buildings. Make downtown somewhere people want to be. Be **flexible**.

Establish **stable, ongoing** funding for transit and prioritize building and operating a modern **bus** network.



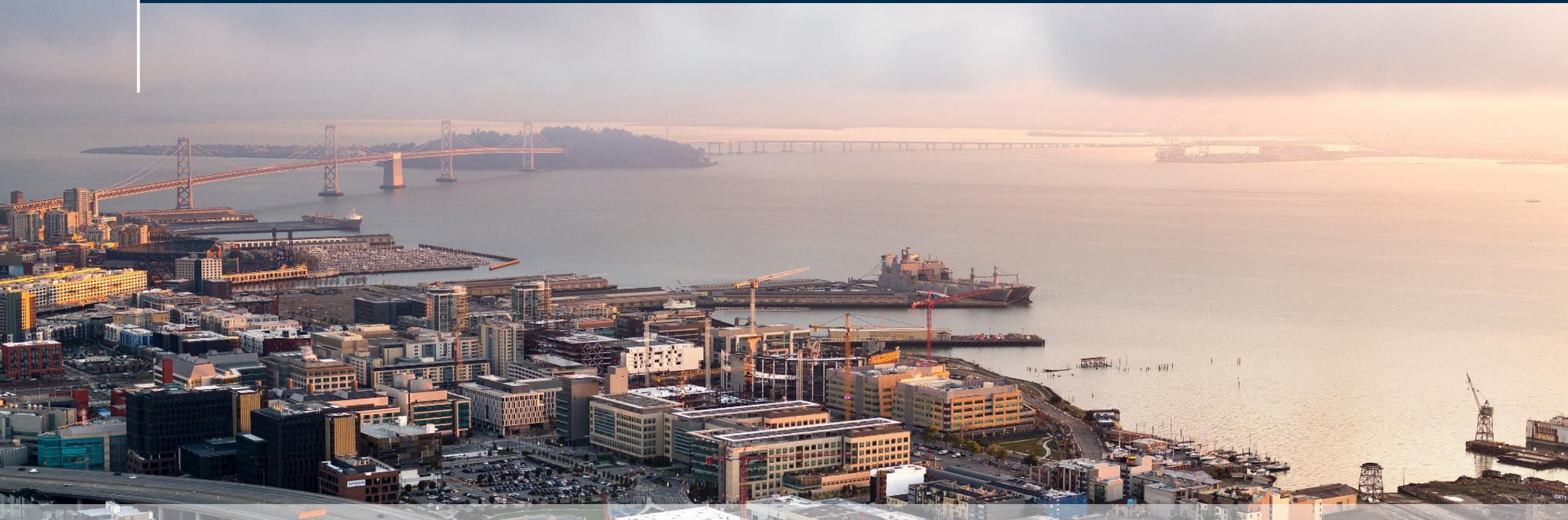


Stop looking for someone, something, or somewhere else to blame and **build for zero** by doing what we know works to prevent and reduce homelessness.

Recovery doesn't have to mean a future that looks like the past – define it and create next-generation policies that **explicitly link** downtown prosperity and neighborhood well-being.



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