The Value of Downtown

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Downtown is a center of business, tourism and cultural exchange. It plays an important role in the regional economy and identity. A vibrant and healthy downtown benefits everybody.

Introduction

A city's downtown area has an important and unique role in economic and social development. A *downtown* (also called a *central business district* or *CBD*) is a relatively small, central, walkable area, usually less than a square kilometre, where commercial, cultural and civic activities are concentrated. Downtowns create a critical mass of activities which facilitates business, learning and cultural exchange.

Many activities are most efficiently performed in downtowns because so many important resources are available within convenient walking distance. You can run several errands within a few blocks that would otherwise require several vehicle trips. Downtowns usually contain more commercial space and greater diversity of activities than other commercial centers in the region.

Downtowns typically contain major financial and legal services, such as banks and law offices, and government offices such as city halls, courts and municipal departments. These businesses attract support services, such as office supply and computer stores, and the concentration of employees in turn attracts coffee shops, restaurants and retail shops. Many centers are also entertainment and arts districts, and increasingly residential developments are located in or adjacent to downtown.

During the last century the role of central business districts has changed. Until the middle of the twentieth century downtowns had a near monopoly on major commercial activities because businesses needed to locate close to major transportation terminals, such as ports and rail stations. Increased automobile ownership allowed activities to disperse, and many businesses located in suburbs, but this trend has come full circle: many suburbs are now developing more like traditional cities, with walkable downtowns, and other suburban centers have failed because they lack a critical mass of activities. At the same time, many older downtowns have experienced a renaissance, attracting new industries, activities and residents. Many people have developed a greater appreciation for urban environments, including people who live in suburbs but value the economic and cultural attributes that they can only enjoy in a downtown area.

Urban redevelopment (sometimes called *smart growth* or *new urbanism*) has become common, leading to reinvestment and new activities in downtowns areas. Most downtowns and nearby neighborhoods are experiencing new residential development in the form of high- and medium-density condominiums and apartments, townhouses, and small-lot single-family homes. Urban living is particularly popular among young adults and retirees. Market surveys indicate that about a third of home buyers would prefer to live in mixed-use new urbanist community if available (Hirschhorn, 2001).

Some downtowns are still losing business and population, but there are numerous indications that, with proper support, downtowns can be successful and provide numerous economic, social and environmental benefits.

What Is Special About Downtown?

Downtown have a number of unique features that are important for the entire region.

Business and Employment Center

Downtown is the prime location for many business activities, including government administration, finance, retail and entertainment. It is often the largest single employment center in a region. The quality of downtown helps attracts businesses to a region.

Tourism

Downtown is a major tourist attraction which supports the largest single industry in the region. Visitors often walk around downtown and enjoy local activities. Relatively pleasant walking conditions and a variety of business and street activities are an amenity that supports a local economy.

Agglomeration Efficiencies

Land use density and clustering provide *agglomeration efficiencies*, which increase productivity due to improved accessibility and network effects. This attracts industries that require frequent face-to-face interactions, such as finance and retailing, and increases the efficiencies of businesses located in such areas, making them more competitive.

Transportation Diversity

Downtown, and the traditional, multi-modal neighborhoods nearby, offer a more diverse transportation system than occurs elsewhere, including relatively good walking and cycling conditions, and integrated public transit, taxi and regional travel services. This allows more concentrated activities (large commercial centers simply cannot exist if every employee were to drive and park a car there). Downtowns and its nearby neighborhoods are efficient places for people who for any reason cannot drive a car to live, work and shop.

Cultural Interchange

Downtown is often a center for many cultural activities, including tourist attractions, restaurants, theaters, museums, specialty shops and various educational institutions. This supports tourism and enriches the lives of all regional residents.

Affordability

Accessible, walkable neighborhoods, such as residential areas near downtown, offer opportunities for more affordable housing due to reduced parking and household transportation costs.

Environmental and Health Benefits

By concentrating activities and increasing transportation diversity, downtown redevelopment helps reduce sprawl, reduces per capita automobile use and increases walking, which preserves greenspace, increases fitness and reduces traffic accident risks.

Are Downtowns Dangerous?

Downtowns and nearby neighborhoods often seem unattractive. They are associated with social problems such as poverty, crime and conflict. This suggests that urban redevelopment may be harmful and urban sprawl beneficial. To analyze this issue it is important to distinguish between density (people per acre) and crowding (people per room). For example, high-priced high-rise apartments have density but not crowding, while homes in impoverished rural communities have crowding but not density. Poverty and social problems are associated with poverty and crowding, but not with density. There is no evidence that shifting residents to higher-density housing increases social problems.

Many urban problems reflect economic traps, that is, situations in which individuals have incentives to act in ways that are overall harmful to society. For example, suburbs tend to exclude disadvantaged people (for example, by requiring large lots that increase development costs, by prohibiting multi-family housing, and by creating automobile-dependent transportation systems that do not accommodate low-income non-drivers), which concentrates poverty and social problems in urban neighborhoods, making cities less desirable places to live. Although it may seem that urban communities create poverty and social problems, the truth is just the opposite, suburbs create urban poverty and social problems by offloading such problems onto cities. There is no physical reason that urban neighborhoods cannot be as safe and prosperous as suburbs. Urban redevelopment includes strategies that address such problems directly (such as programs to improve security and public service quality in urban neighborhoods), and it can reduce social problems overall by increasing social interactions and economic opportunities for disadvantaged urban residents.

In fact, the additional risks associated with urban centers, such as risk of assault and pedestrian injuries, are more than offset by the higher traffic accident risks to suburban residents. Ewing, Schieber and Zegeer (2003) found that sprawl increases both automobile and pedestrian traffic fatalities due to higher per capita annual mileage, higher traffic speeds and less consideration of pedestrian safety in sprawled areas. All told, city residents are much safer, even taking into account other risks that increase with urban living, such as pedestrian traffic injuries and homicide (Lucy, 2003).

This is not to suggest that we can ignore the risks and unpleasantness associated with downtown social problems. However, there is no fundamental reason that downtowns cannot be overall safe and pleasant environments, or that they should be considered more dangerous overall than other areas in the region.

How To Strengthen Downtowns

Some ways of strengthening downtown are described below.

Locate Activities Downtown

Everybody can benefit if more activities are located downtown, supporting the critical mass of interactions that make downtowns vibrant. As much as possible, major public facilities and services should be located in or near downtown.

Support Downtown Businesses and Cultural Activities

Communities can provide infrastructure and services to support downtown business and cultural activities. Community organizations can work together to identify problems, implement solutions, and market downtown to residents and out-of-region visitors.

Create Efficient, Multi-Modal Transportation Systems

Downtown relies on multi-modal transportation, including walking, cycling, ridesharing, public transit and taxi services. It also requires convenient parking for delivery vehicles, visitors, customers, clients and employees who drive. This requires efficient management of sidewalks and other pedestrian facilities, parking management, efficient transit and taxi services, and commute trip reduction programs.

Improve Walkability

Once people arrive downtown they walk between destinations, and an attractive, pedestrian-oriented street environment is one of downtown's best attributes. It is important to protect and enhance downtown walkability.

Manage Parking

Parking problems are common in downtown areas, because activities are concentrated and land is valuable, making it difficult to increase supply. As a result, it is important to manage parking to increase efficiency and support other development objectives.

Encourage Downtown Housing

In recent years cities throughout North America have experienced an influx of residents as older industrial and commercial buildings are converted to residential, and new condominiums and apartments are developed. This trend provides many benefits, including increased business and cultural activities, and increased downtown security.

Address Security Concerns

Personal Security refers to freedom from risk of assault, theft and vandalism. Such risks can discourage downtown activities. These problems can be addressed through various programs and design strategies that increase security, including community policing and Neighborhood Watch programs, special police patrols (including police on foot and bicycles), and early intervention programs. Since most risks decline as more people walk, work and live in downtown, urban redevelopment can increase safety.

References and Information Resources

Center for Livable Communities (www.lgc.org/clc) helps local government and community leaders be proactive in their land use and transportation planning.

William Coffey and Richard Shearmur, "Growth and Location of High Order Services in the Canadian Urban System," *Professional Geographer*, Vol. 49, No. 4, Nov. 1997, pp. 404-418.

Congress for New Urbanism (www.cnu.org) promotes human scale urban communities.

Reid Ewing, Rolf Pendall and Don Chen, *Measuring Sprawl and Its Impacts*, Smart Growth America (www.smartgrowthamerica.org), 2002.

Reid Ewing, Richard A. Schieber, Charles V. Zegeer, "Urban Sprawl As A Risk Factor In Motor Vehicle Occupant And Pedestrian Fatalities," *American Journal of Public Health*, Vol. 93, No. 9 (www.ajph.org), Sept. 2003, pp. 1541-1545.

Joel Hirschhorn and Paul Souza, *New Community Design to the Rescue; Fulfilling Another American Dream*, National Governor's Association, (www.nga.org), July 2001.

International Downtown Association (www.ida-downtown.org) is a world leader and champion for vital and livable urban centers.

International Council for Local Environmental Initiatives (www.iclei.org) is the "international environmental agency for local governments."

LGC, *Creating Great Neighborhoods: Density in Your Community*, Local Government Commission (www.lgc.org), US Environmental Protection Agency and the National Association of Realtors, 2004; available at www.lgc.org/freepub/PDF/Land_Use/reports/density_manual.pdf.

Livable Centres (www.gvrd.bc.ca/livablecentres), by the Greater Vancouver Regional District (GVRD), provides information about the design and benefits of compact urban centers.

William H. Lucy, "Mortality Risk Associated With Leaving Home: Recognizing The Relevance Of The Built Environment," *American Journal of Public Health*, Vol. 93, No. 9 (www.ajph.org), Sept. 2003, pp. 1564-1569.

SGN, *Getting To Smart Growth: 100 Policies for Implementation*, and *Getting to Smart Growth II: 100 More Policies for Implementation*, Smart Growth Network (www.smartgrowth.org) and International City/County Management Association (www.icma.org), 2002 and 2004.

San Francisco Planning and Urban Research Association (SPUR) (www.spur.org) is a leading organization doing research to develop more livable urban areas.

Smart Growth Network (www.smartgrowth.org) provides information and support for Smart Growth planning and program implementation.

"Smart Growth," *Online TDM Encyclopedia*, Victoria Transport Policy Institute (www.vtpi.org), 2003.