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# Winning Places of Tomorrow:

Virginia's Latest Research On How Transportation  
And Placemaking Are Transforming Our  
Economic Development Model

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**SIR's Presentation To The  
Commonwealth Transportation Board**

**May 16, 2017 Salem, Virginia**

**Almost 18 Months  
Ago, We Stood Before  
You And Pointed To  
The Future.**

An aerial photograph of a city, likely Baltimore, Maryland, showing a mix of urban development and waterfront areas. The city is densely packed with buildings, including several high-rise structures. A large body of water, the harbor, is visible in the foreground and middle ground, with numerous boats and a marina. The sky is blue with scattered white clouds. The text 'Winners' and 'Losers' is overlaid in large, white, sans-serif font, centered over the city. 'Winners' is positioned above 'Losers'.

# Winners

# Losers



# Winners Losers

# *The Population Age Pyramid*

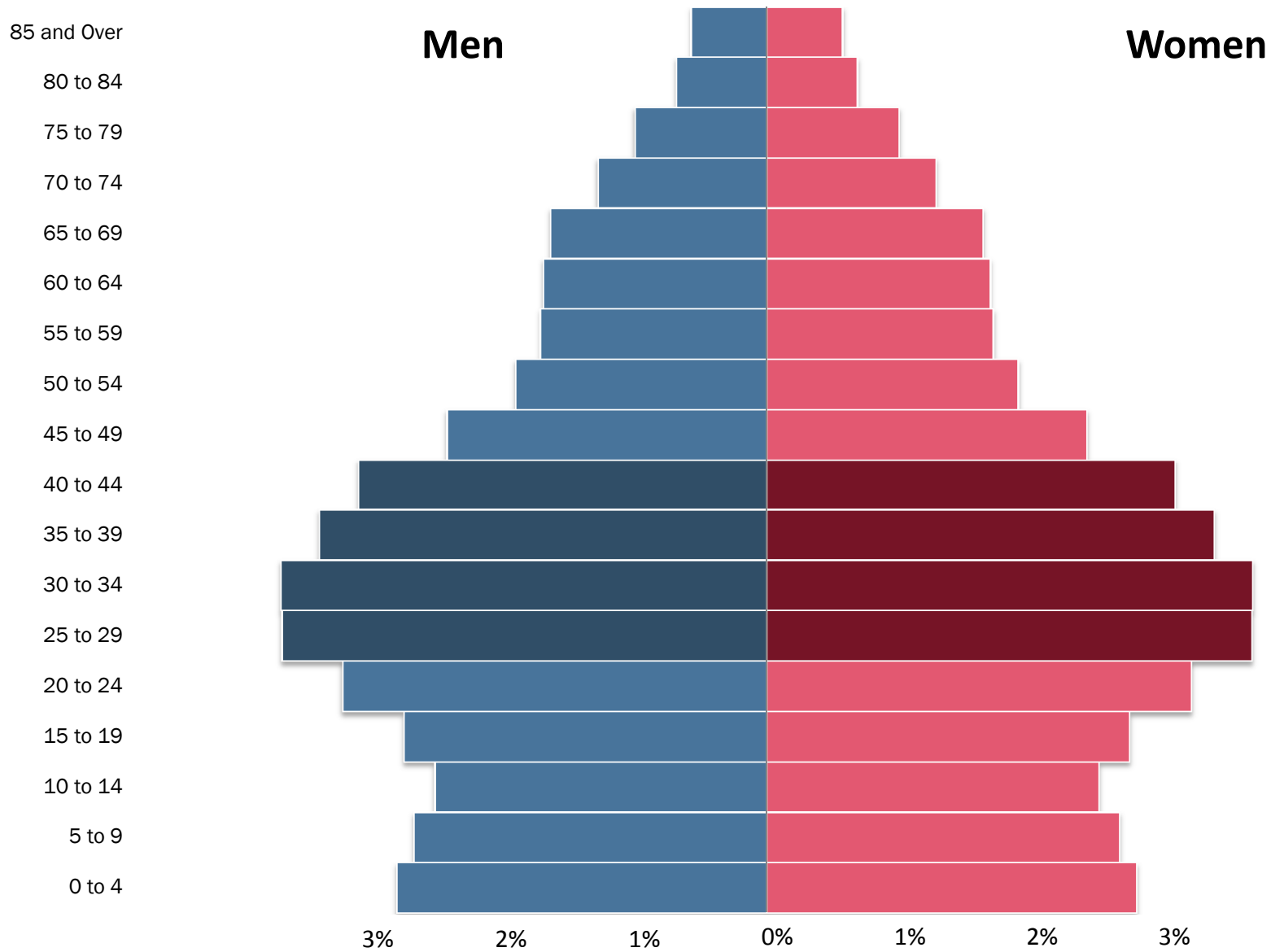
Old Age

Midlife

Young Adult

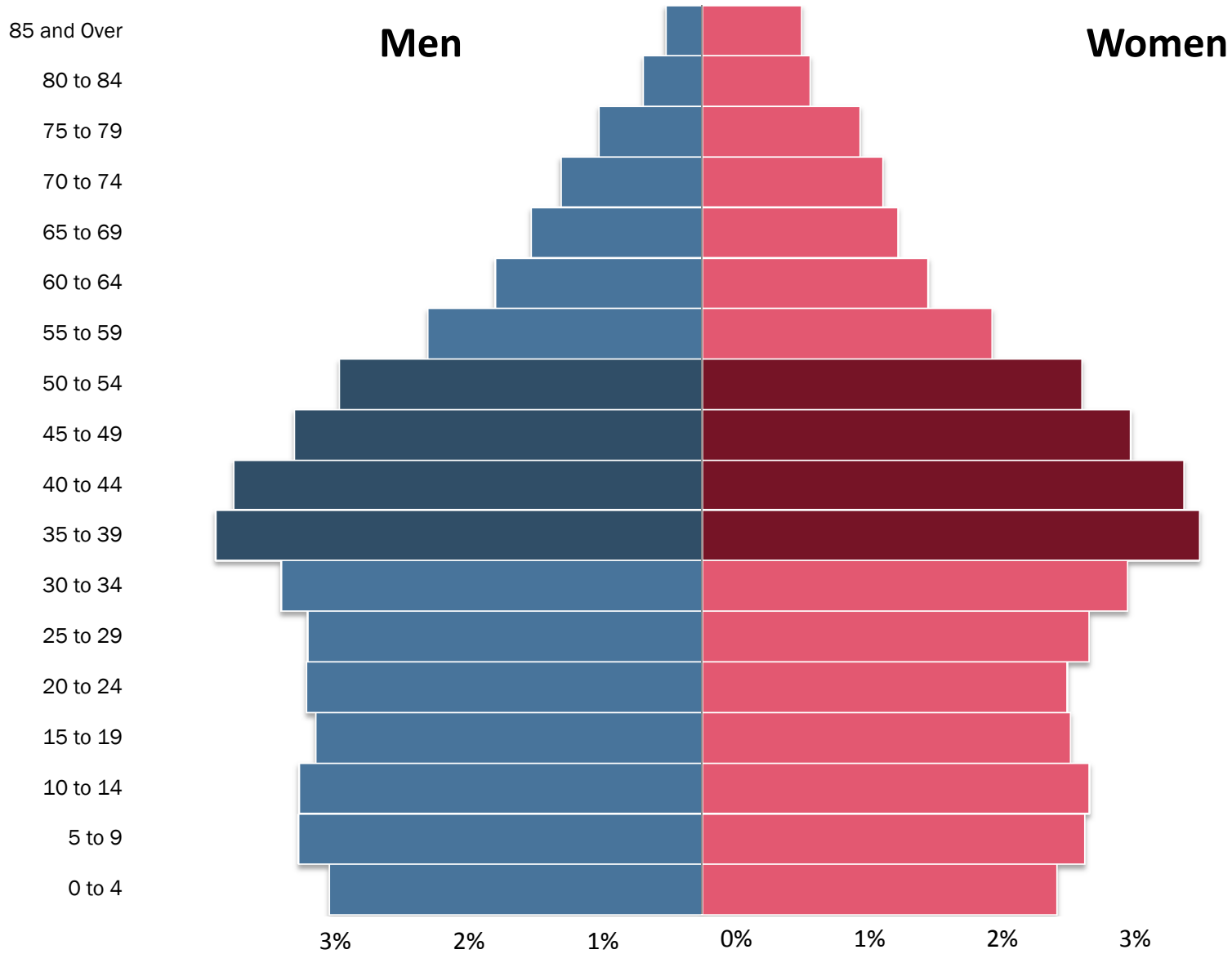
Youth

# Virginia 1990



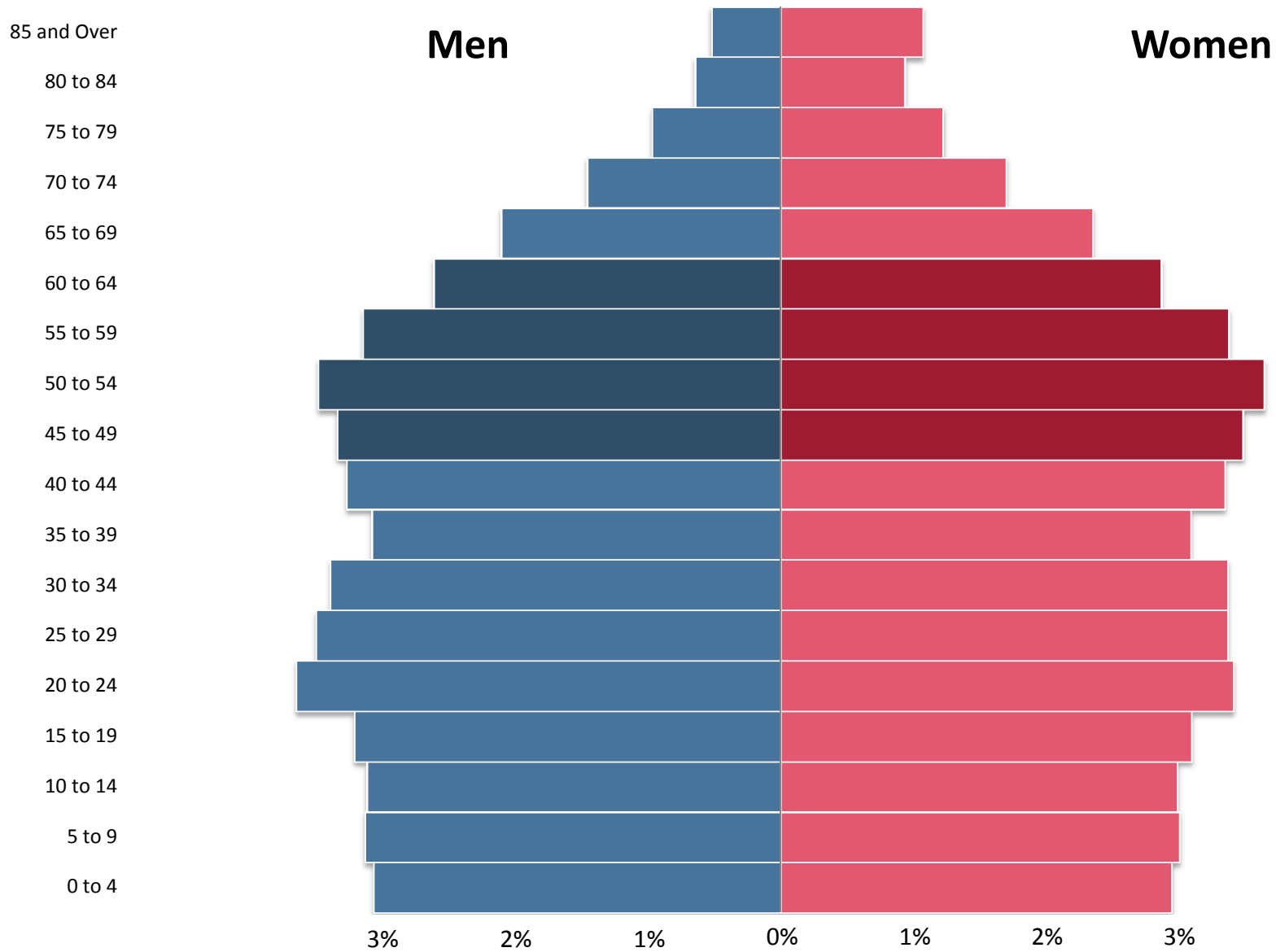
Source: SIR Analysis of Weldon Cooper Center, UVA, Projections based on U.S. Census data, December 2014

# Virginia 2000



Source: SIR Analysis of Weldon Cooper Center, UVA, Projections based on U.S. Census data, December 2014

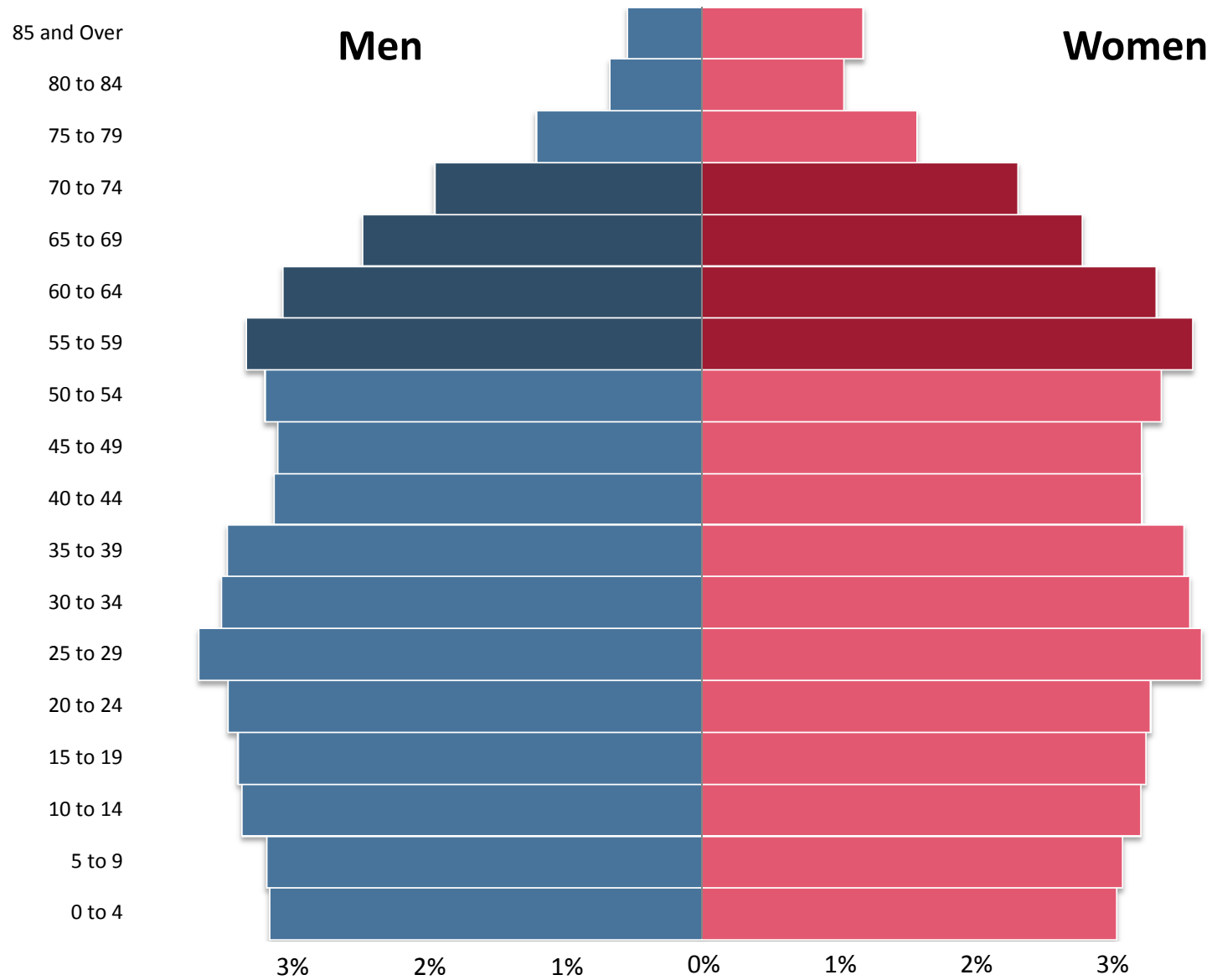
# Virginia 2010



Source: SIR Analysis of Weldon Cooper Center, UVA, Projections based on U.S. Census data, December 2014

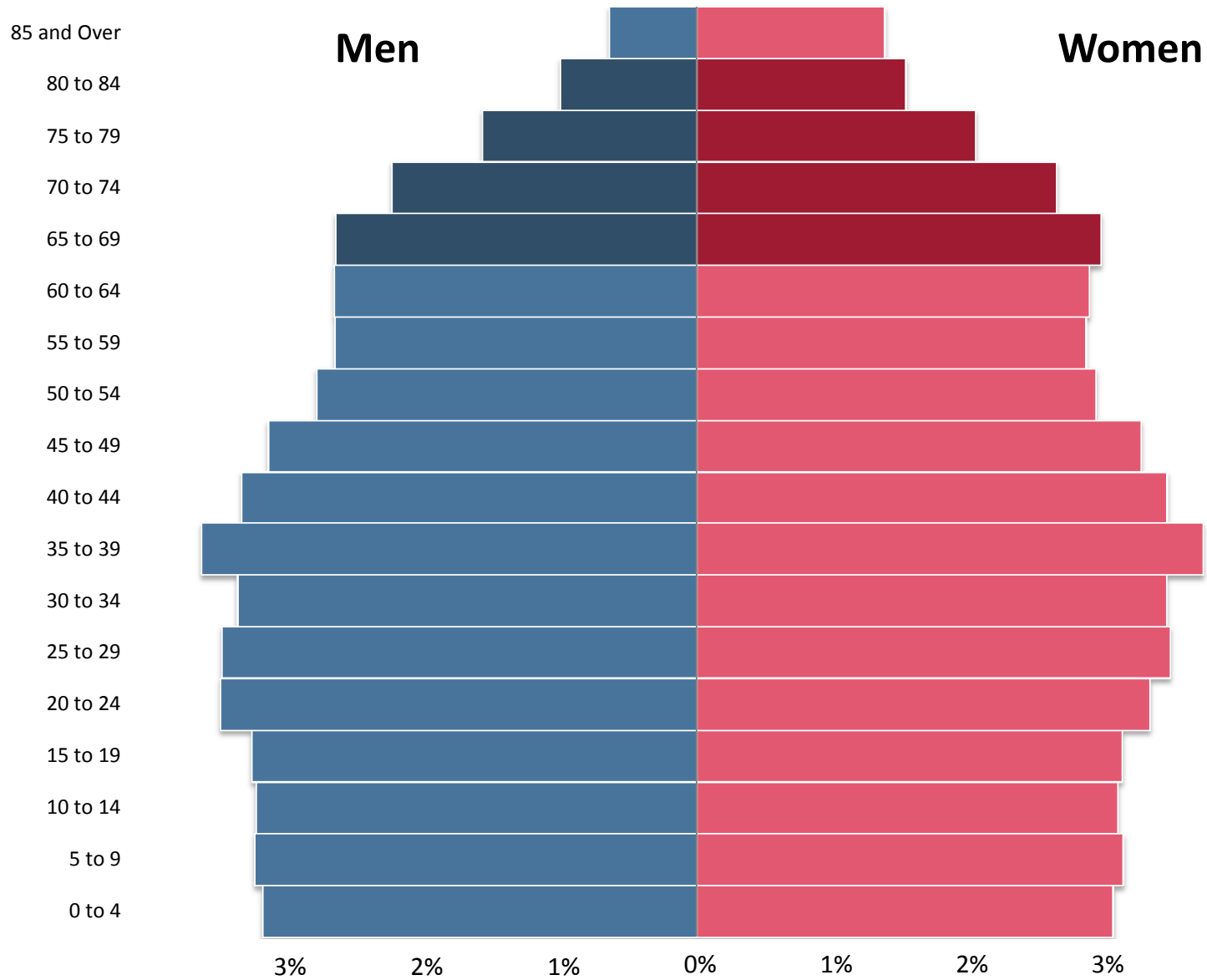


# Virginia 2020



Source: SIR Analysis of Weldon Cooper Center, UVA, Projections based on U.S. Census data, December 2014

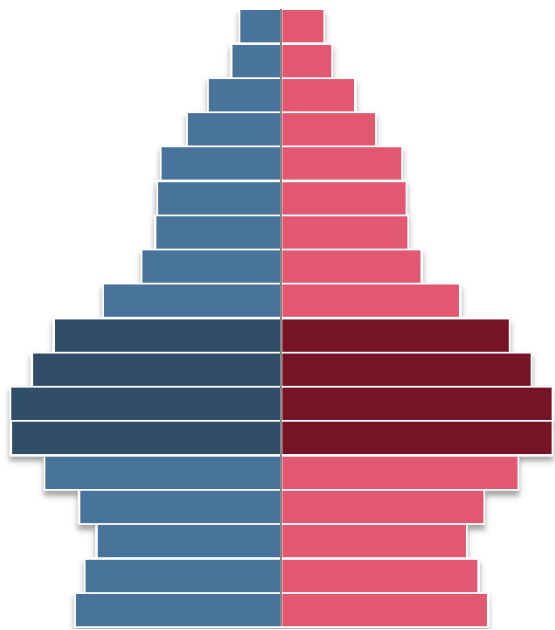
# Virginia 2030



Source: SIR Analysis of Weldon Cooper Center, UVA, Projections based on U.S. Census data, December 2014

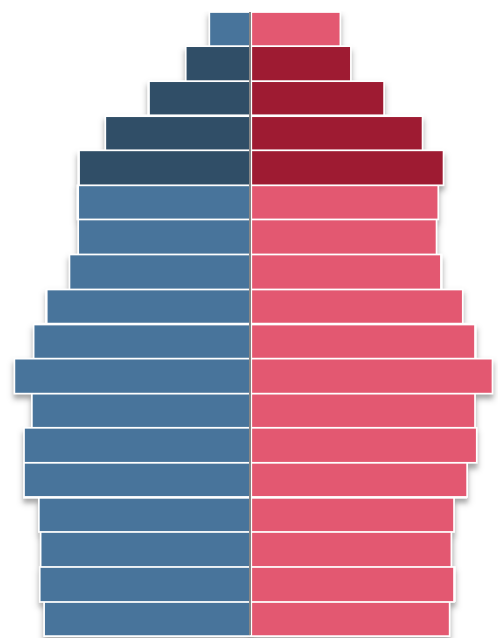
# Virginia 1990 Versus 2030

85 and Over  
 80 to 84  
 75 to 79  
 70 to 74  
 65 to 69  
 60 to 64  
 55 to 59  
 50 to 54  
 45 to 49  
 40 to 44  
 35 to 39  
 30 to 34  
 25 to 29  
 20 to 24  
 15 to 19  
 10 to 14  
 5 to 9  
 0 to 4



**1990**

85 and Over  
 80 to 84  
 75 to 79  
 70 to 74  
 65 to 69  
 60 to 64  
 55 to 59  
 50 to 54  
 45 to 49  
 40 to 44  
 35 to 39  
 30 to 34  
 25 to 29  
 20 to 24  
 15 to 19  
 10 to 14  
 5 to 9  
 0 to 4



**2030**

3% 2% 1% 0% 1% 2% 3%

Source: SIR Analysis of Weldon Cooper Center, UVA, Projections based on U.S. Census data, December 2014



Old Age

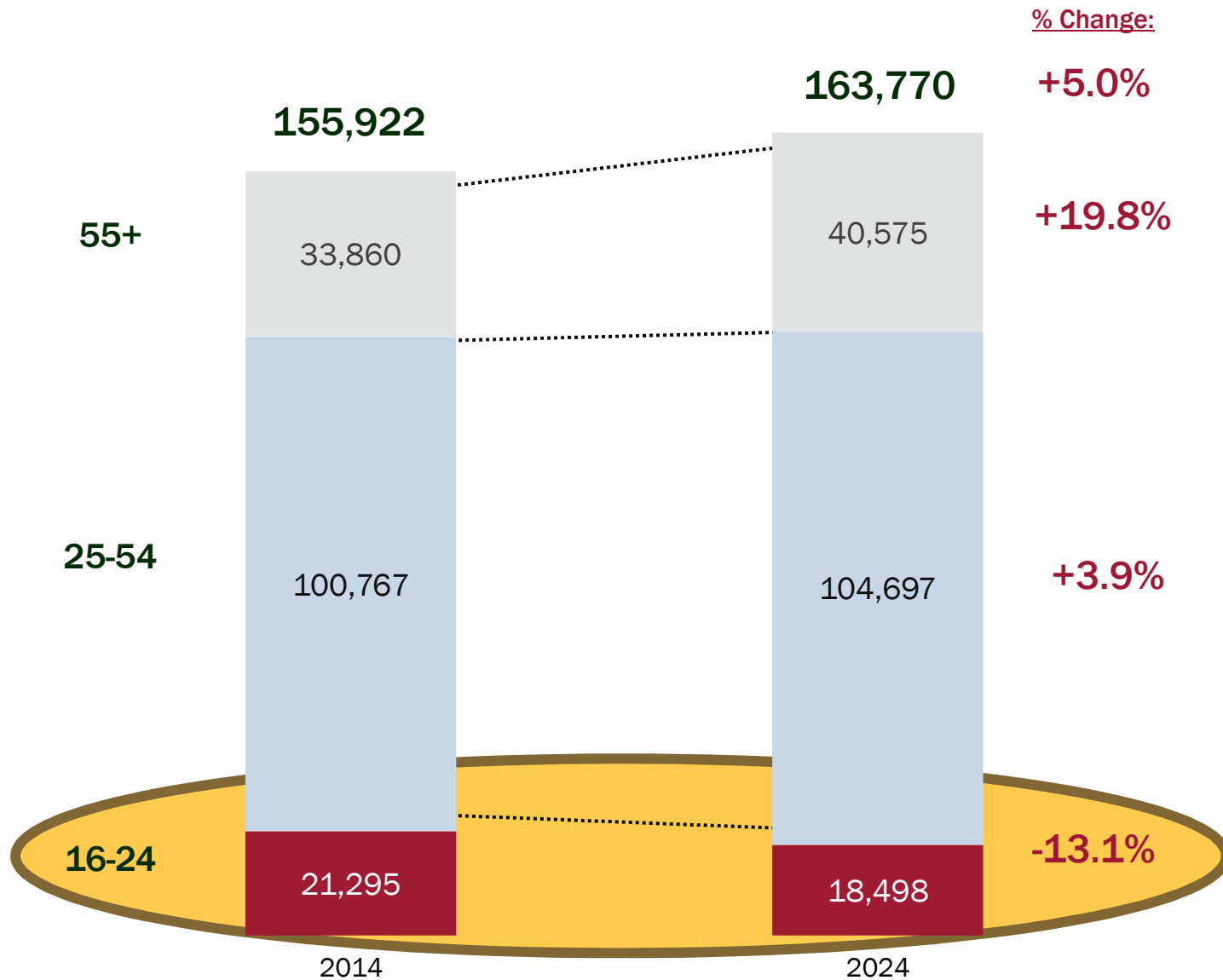
Midlife

Young Adult

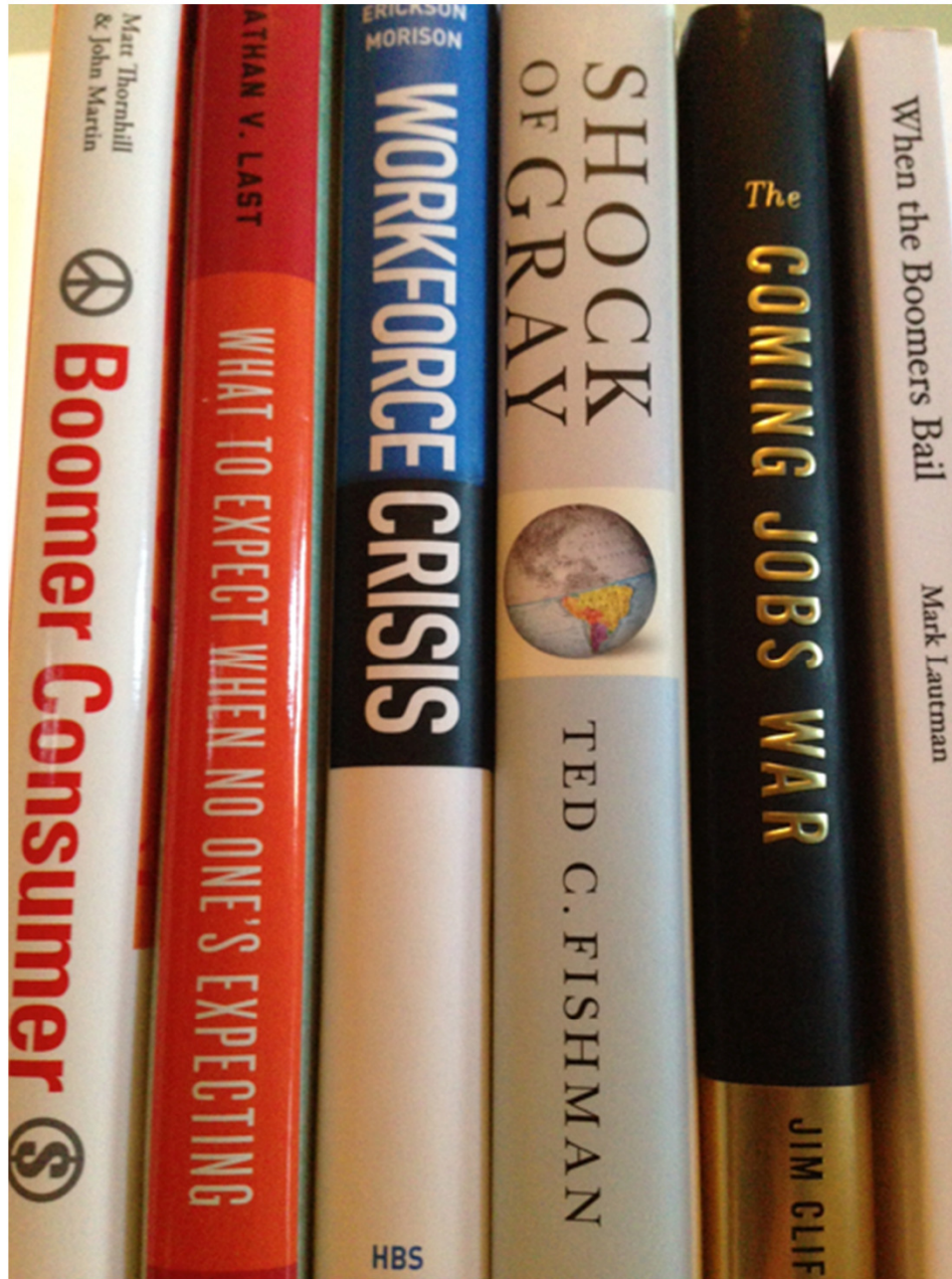
Youth

# COMPETITION FOR YOUNGER WORKERS WILL INTENSIFY

Labor Participation Rates (in millions)



# The Coming Battle For Younger Workers



An aerial photograph of a city waterfront, likely Baltimore, Maryland, showing a mix of urban buildings, a marina with several boats, and a large body of water. A semi-transparent red box with rounded corners is overlaid on the center of the image, containing white text. The background shows a dense urban area with various buildings and a highway interchange on the right side.

# **1. Placemaking Is Now Part of The Economic Development Model**

# The **Evolving** Economic Development Model

## **Old Model**

**Recruit Large Employers**



**People Follow**

**Create A Great Place**

**Community Grows**



# The **Evolving** Economic Development Model

## Old Model

Recruit Large Employers

People Follow

Create A Great Place

Community Grows

## **Evolving Model**

Target Key Industries

Create A Great Place

People Come

Employers Follow People

Community Grows

An aerial photograph of a city waterfront, likely Baltimore, Maryland, showing a mix of urban buildings and a marina with several boats. A large, semi-transparent red rounded rectangle is overlaid on the center of the image, containing white text. The background shows a dense urban area with various buildings, a highway interchange on the right, and a body of water in the foreground with a marina and several boats.

## 2. Placemaking Is About Intentionally Creating A Remarkable Place

The Social Life  
of Small  
Urban Spaces

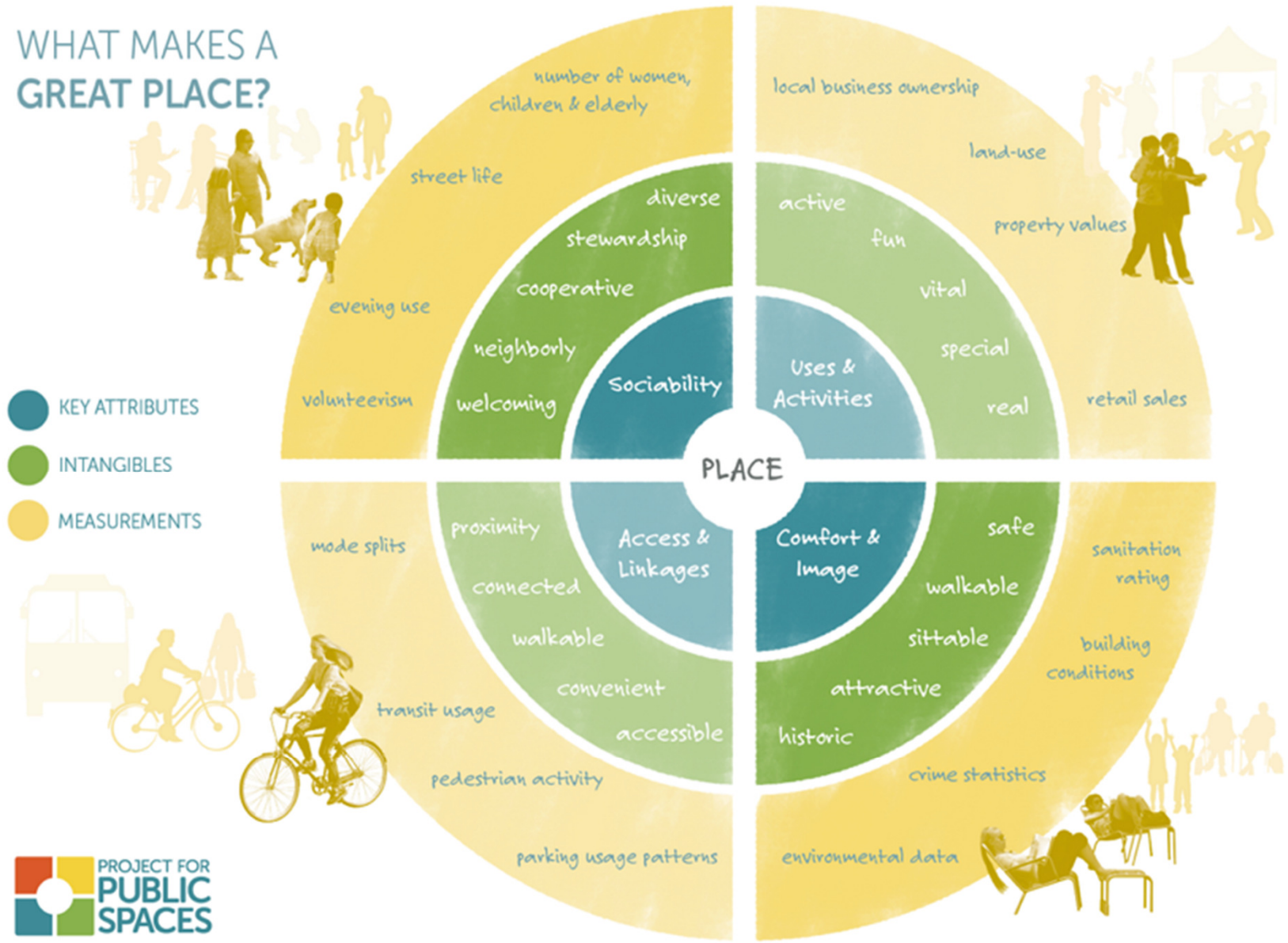


*William H. Whyte*

Project for Public Spaces

**William (Holly)  
Whyte**, author of  
**The Social Life  
of Small Urban  
Spaces - 1975**

# WHAT MAKES A GREAT PLACE?



# POWER OF 10+

## How Communities Transform Through Public Placemaking



City/Region

10+ MAJOR DESTINATIONS



Destination

10+ PLACES IN EACH



Place

10+ THINGS TO DO,  
LAYERED TO CREATE SYNERGY

An aerial photograph of a city waterfront, likely Baltimore, Maryland, showing a mix of urban buildings, a marina with several boats, and a large body of water. A semi-transparent red rounded rectangle is overlaid on the center of the image, containing white text. The text reads: "3. Transportation Infrastructure And Services Are Part of Successful Placemaking".

**3. Transportation  
Infrastructure And Services  
Are Part of Successful  
Placemaking**

# Millennial Placemaking Attributes

Basics

	Raleigh NC	Wash. DC	Charlotte NC	Austin TX	Atlanta GA	Denver CO
Is safe	89%	87%	86%	91%	81%	90%
Has a variety of employment options	90%	82%	83%	85%	82%	87%
Quality and affordability of housing options	92%	83%	87%	87%	83%	83%
Offers outdoor recreation options	71%	60%	71%	77%	71%	76%
Offers a great food scene	76%	75%	78%	85%	77%	75%
Embraces creativity	59%	55%	58%	69%	59%	64%
Embraces innovation	70%	58%	61%	69%	60%	64%
Is near the mountains	28%	24%	40%	17%	30%	64%
Has access to water	59%	54%	64%	65%	54%	63%
Is bike-able/walkable	46%	50%	41%	43%	44%	61%
Has easy public transportation	42%	66%	40%	47%	46%	60%
Embraces small business/start-ups/entrepreneurship	54%	48%	60%	61%	54%	57%
Higher education options	76%	60%	60%	73%	62%	57%
Is diverse	60%	63%	55%	69%	55%	55%
Urban living environment	47%	59%	51%	60%	46%	53%
Offers an active music scene	51%	36%	46%	53%	49%	49%
Offers an active arts scene	42%	38%	44%	43%	42%	46%
Has rich history	42%	47%	39%	41%	42%	42%

Q20. When you think about a city as a place you'd really want to live, how important are each of the following to you?

# Millennial Placemaking Attributes

	Raleigh NC	Wash. DC	Charlotte NC	Austin TX	Atlanta GA	Denver CO	
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Placemaking



**OIPI Assignment:**  
Conduct Research  
To Test These Assertions  
. . . Inform VTrans2040

# **OIPI / VTrans2040 Research Inputs**

- 1. Scan of existing research on placemaking**
- 2. Interviews with top U.S. site selection consultants**
- 3. National survey among corporate real estate executives**
  - 1. Scan of existing research on why / where people move**
  - 1. National survey among current and future movers**



Office of  
**INTERMODAL**  
Planning and Investment

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# Placemaking, Transportation Planning and the Future of Virginia's Localities

## Summary Report of 5 Research Studies

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September 2016



**Michael Baker**  
INTERNATIONAL

# 5 Major Insights

1. Today and for the foreseeable future, expanding and relocating companies are chasing available workforce talent.
2. Every community type - rural, suburban and urban – has a unique appeal and market.
3. People move for both rational and emotional reasons. Tap into your community's emotional sell in creating place.
4. The key ideal neighborhood for all types of locations is a 15-minute livable community.
5. Transportation and mobility options, especially for younger age cohorts, play an important role in creating a winning place.



**Today and for the foreseeable future, expanding and relocating companies are chasing available and future workforce talent.**

*“Most site selection today is really site elimination. You need to have the products to offer, then talk workforce development and business climate.”*

Site Selection Consultant

*“Location decisions today start—  
and end—with, ‘do they have  
the people we want?’”*

Site Selection Consultant

*“The pipeline of workers  
is the ultimate driving force of all  
relocation decisions today.”*

Site Selection Consultant

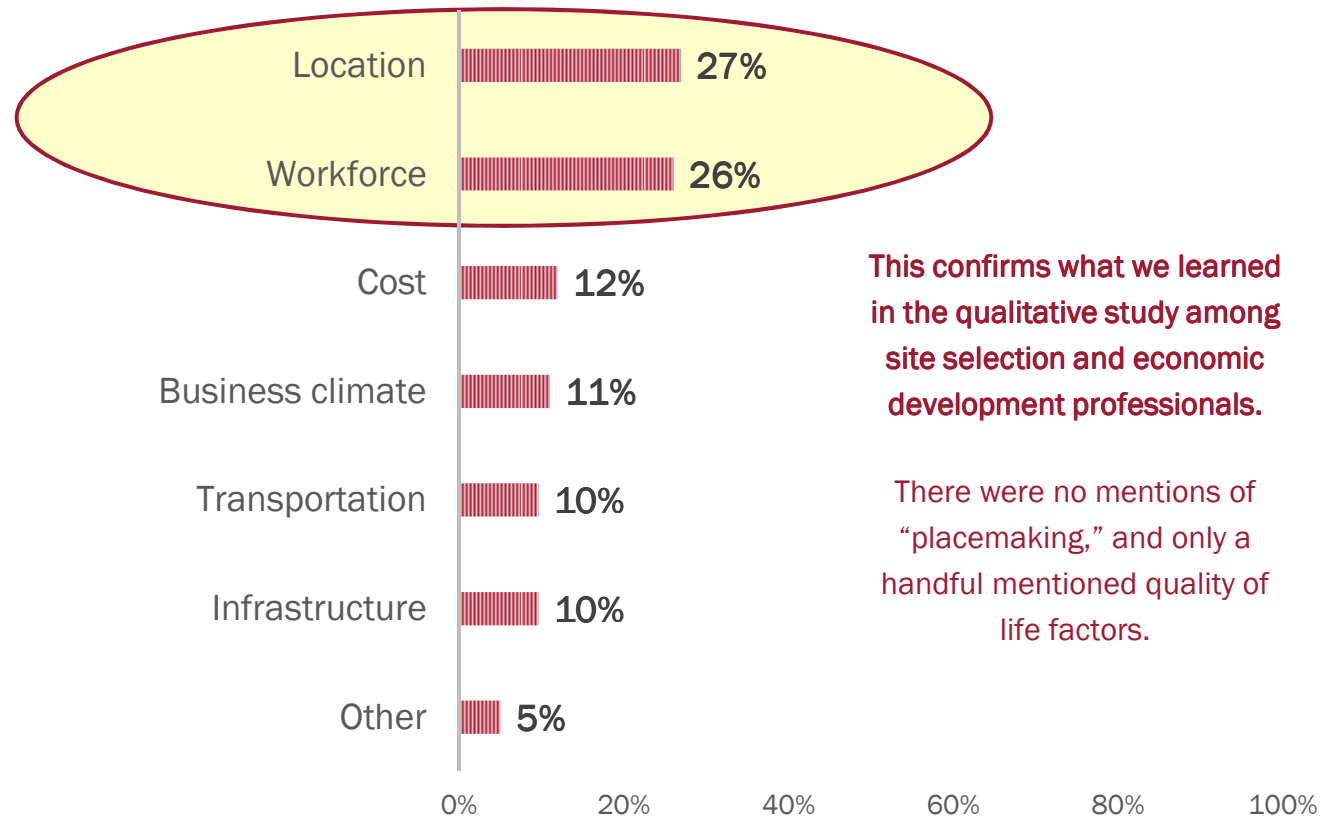


*“Companies expanding or relocating know that 85 percent or more of their workers will come from the population already in place.”*

Site Selection Consultant

## Site Evaluation and Selection Survey

The most important issues for respondents in site selection today are **location** and **workforce**



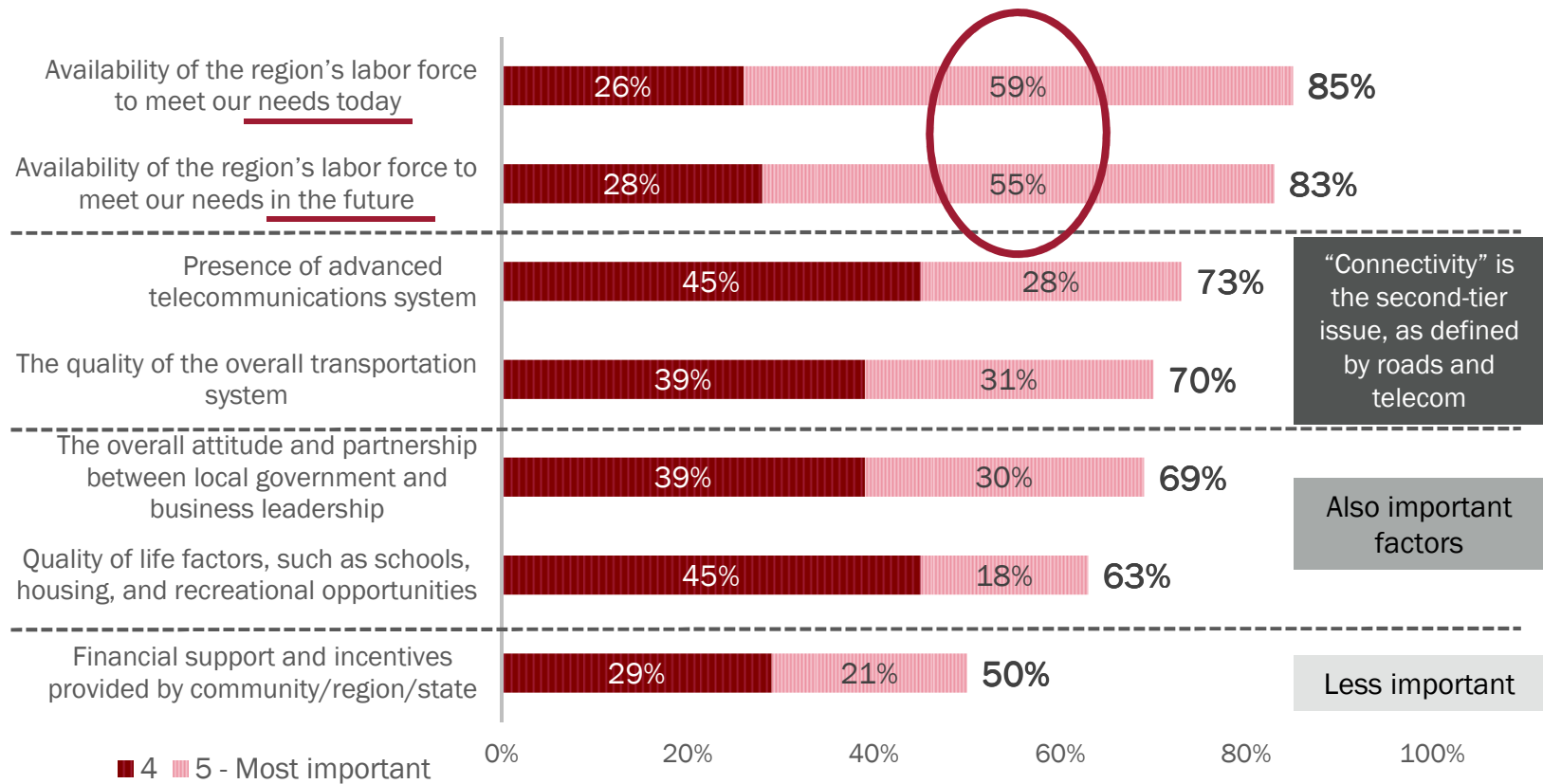
Please note:  
Categories were created based on coded open-ended responses.

n = 232

Q4. When selecting a new location or site for your company—such as a site for a new facility, a new manufacturing center, a data center, an expansion, a new headquarters location, and so forth—what one issue is of greatest concern to you?

## Site Evaluation and Selection Survey

The current availability and future availability of the **workforce** are the most important site selection attributes



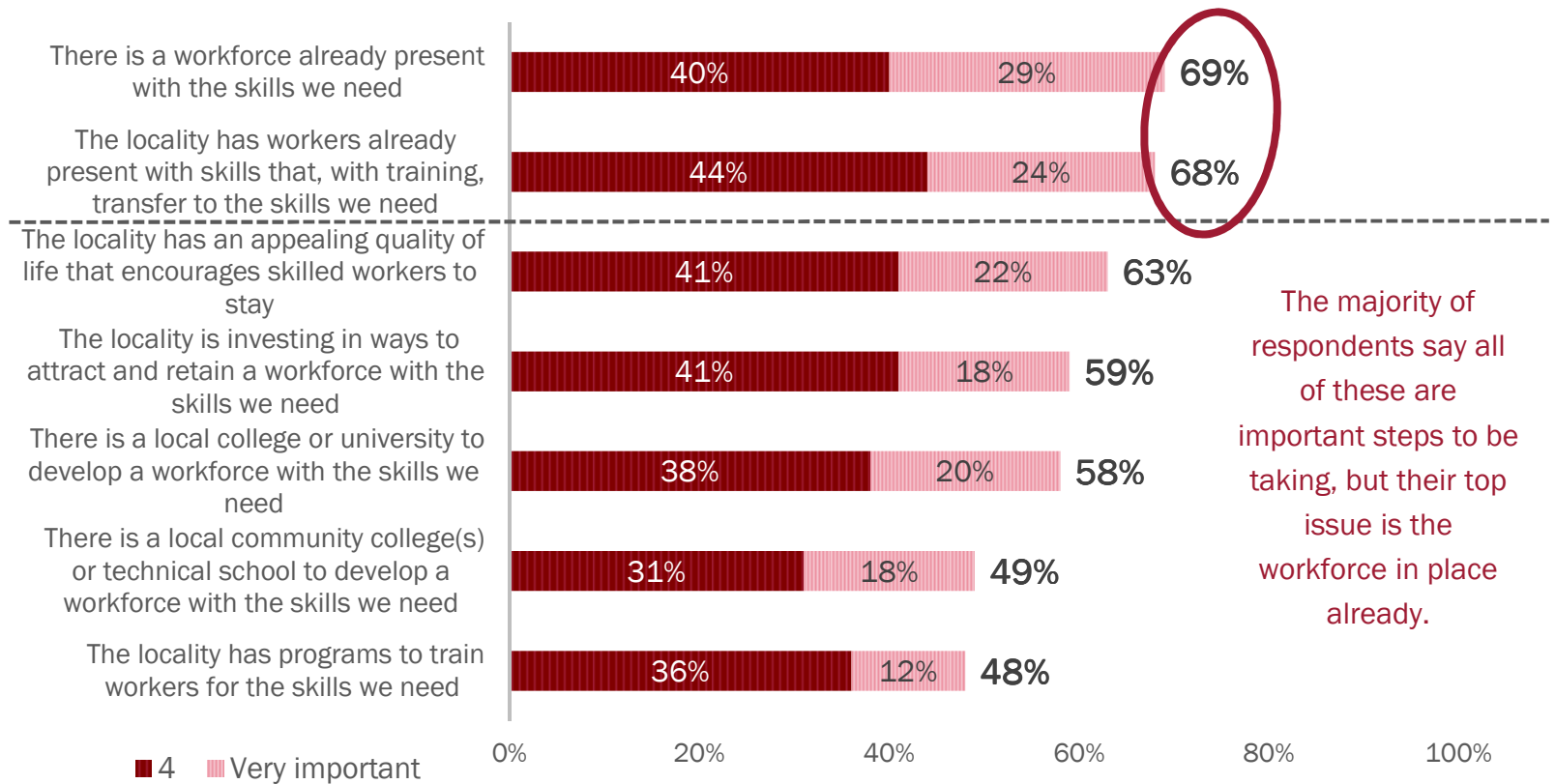
Scores of 65% or higher for “4” and “5” combined ratings indicate top attributes.

n = 185

Q7. How important are each of the following when your **company considers a new location**?

## Site Evaluation and Selection Survey

Having **workers already present** with skills they need is the most important workforce development issue



n = 170

Q37. How important is each of the following workforce development issues in your site selection evaluation?

*“Phipps said other factors that played into O&M’s decision was its **desire to woo more Millennials** to the company.”*



This is your town.  
This is your bank.

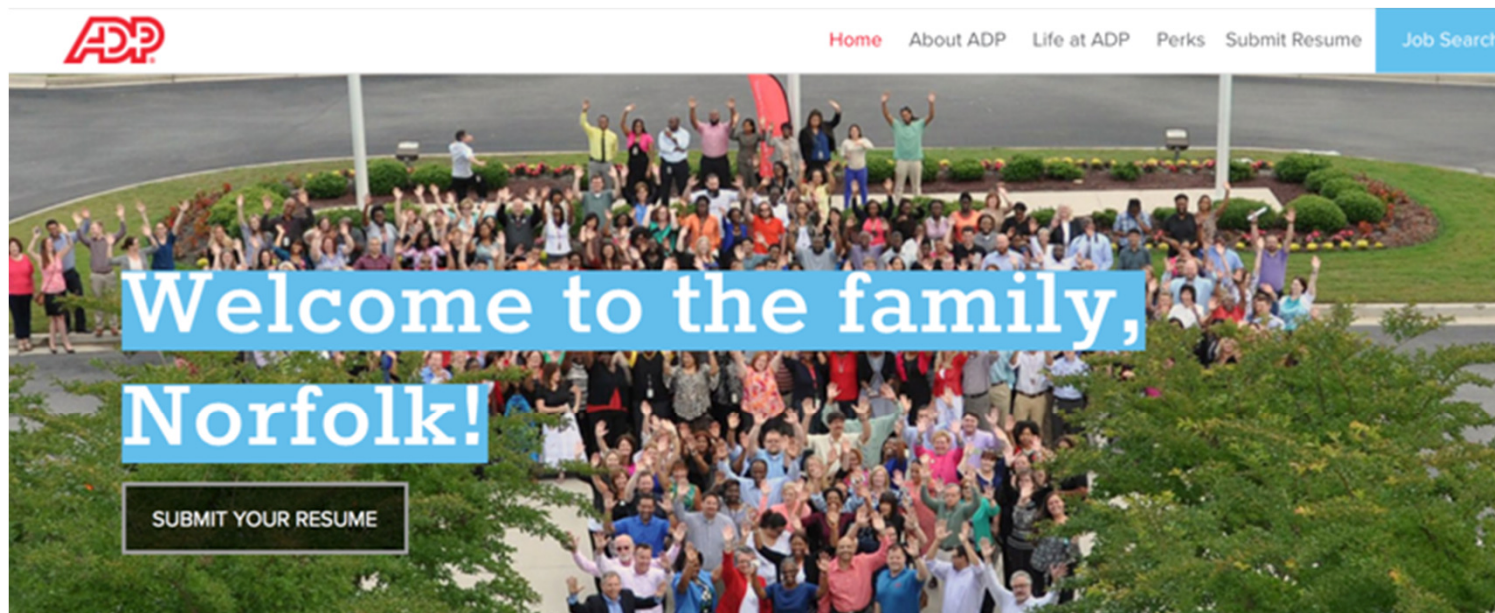
Home News The List BizSense Pro Advertise About Us [Subscribe to Newsfeed](#)

## O&M to invest \$15M, add 500 jobs in downtown move

by J. ELIAS O'NEAL | FEBRUARY 17, 2017

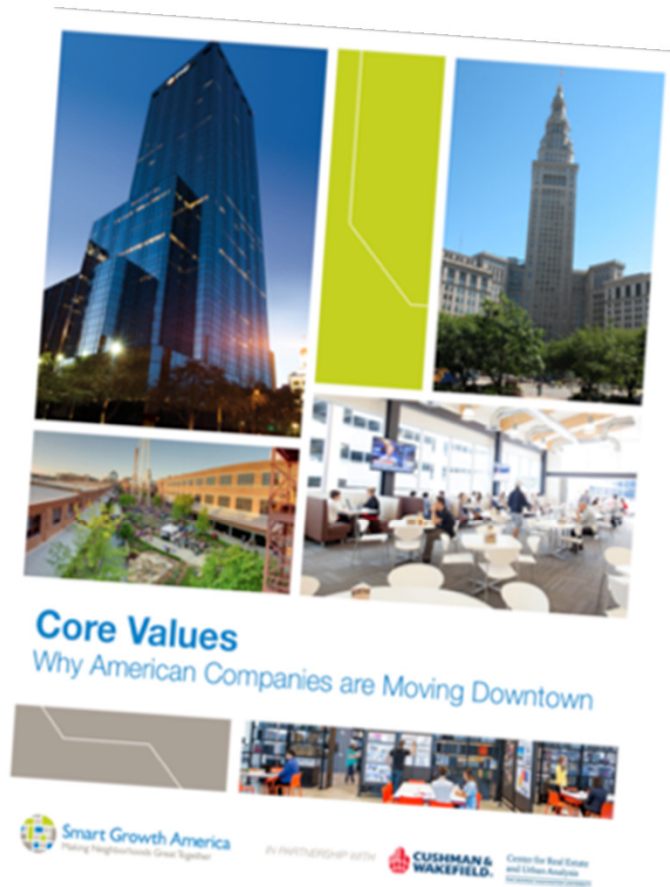


*“The thriving business climate in the city and the Commonwealth and **the ability to attract a diverse workforce** as reasons for selecting Norfolk over Jacksonville and San Antonio.”*



We're hiring.

ADP came to Norfolk to be a game changer. We're revitalizing downtown, bringing new talent to the area, and providing opportunities for local veterans. You'll help us make a positive and lasting impact when you join us.

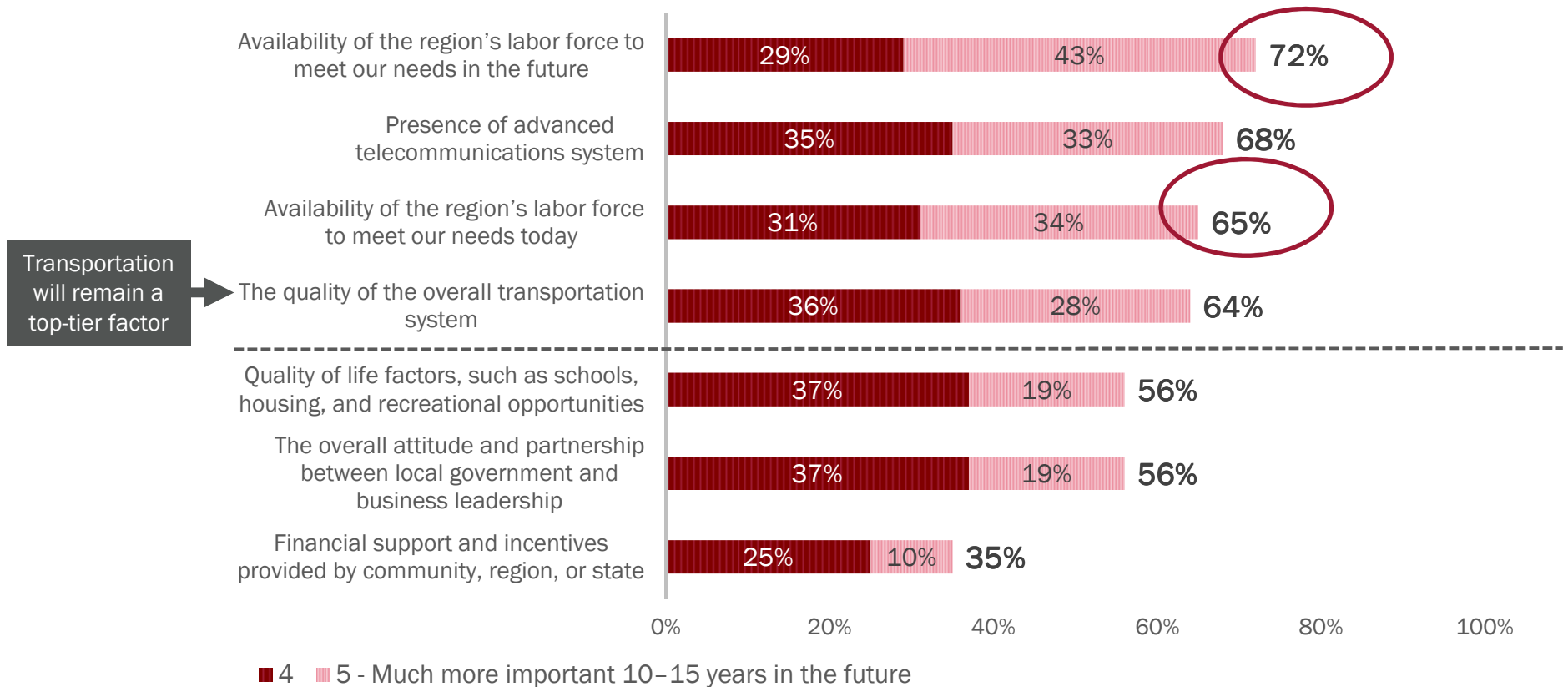


**500 recent  
corporate  
moves:  
“Talent  
recruitment  
and retention”**

Source: Smart Growth America

## Site Evaluation and Selection Survey

Respondents project that workforce availability and connectivity will be **even more important** site location attributes in 10–15 years



Transportation will remain a top-tier factor

n = 185

Q12. Now, what about 10–15 years in the future? Will each of these factors be more or less important 5–10 years from now?

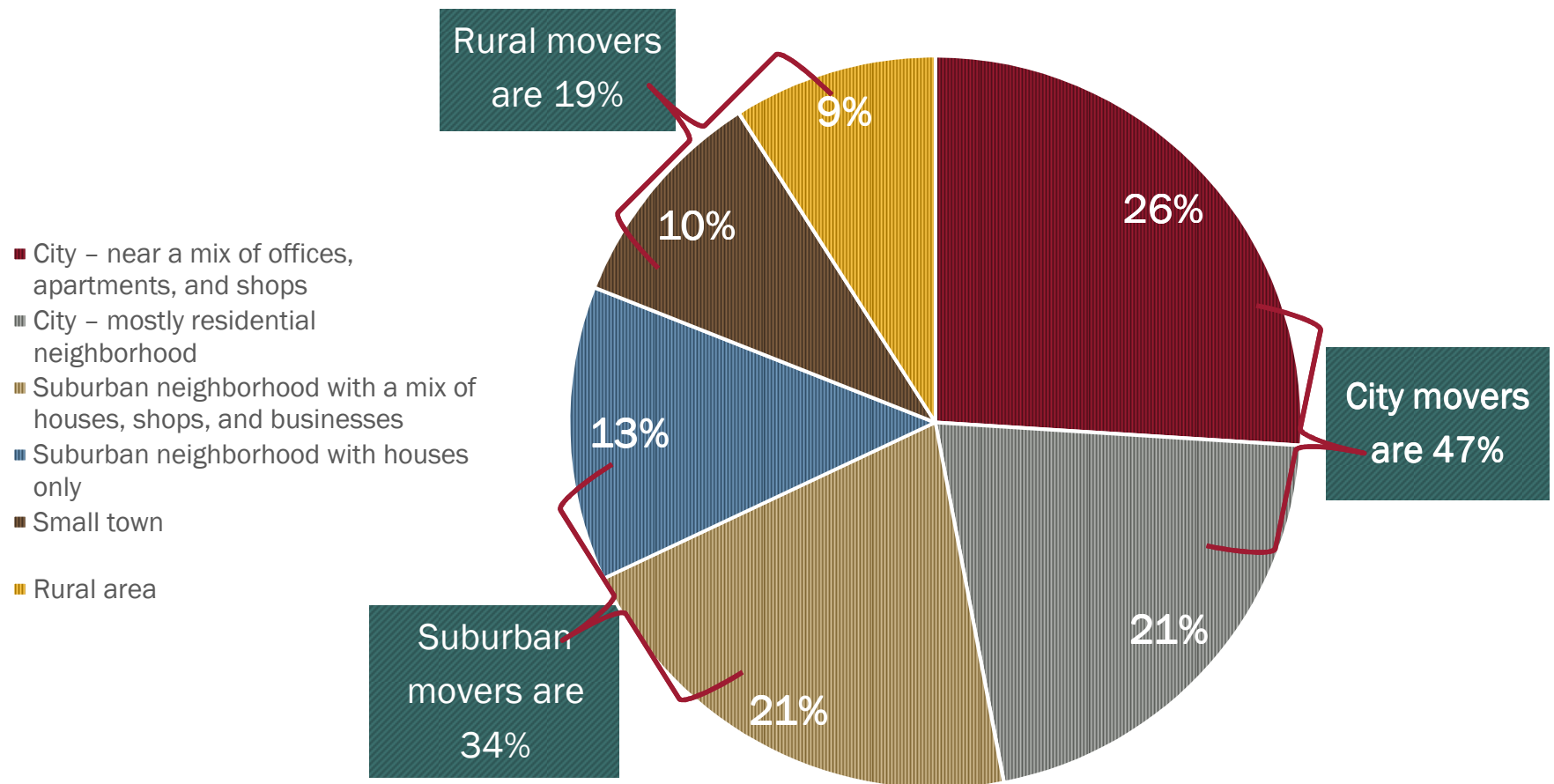




**Every community type - rural, suburban and urban – has a unique appeal and market.**

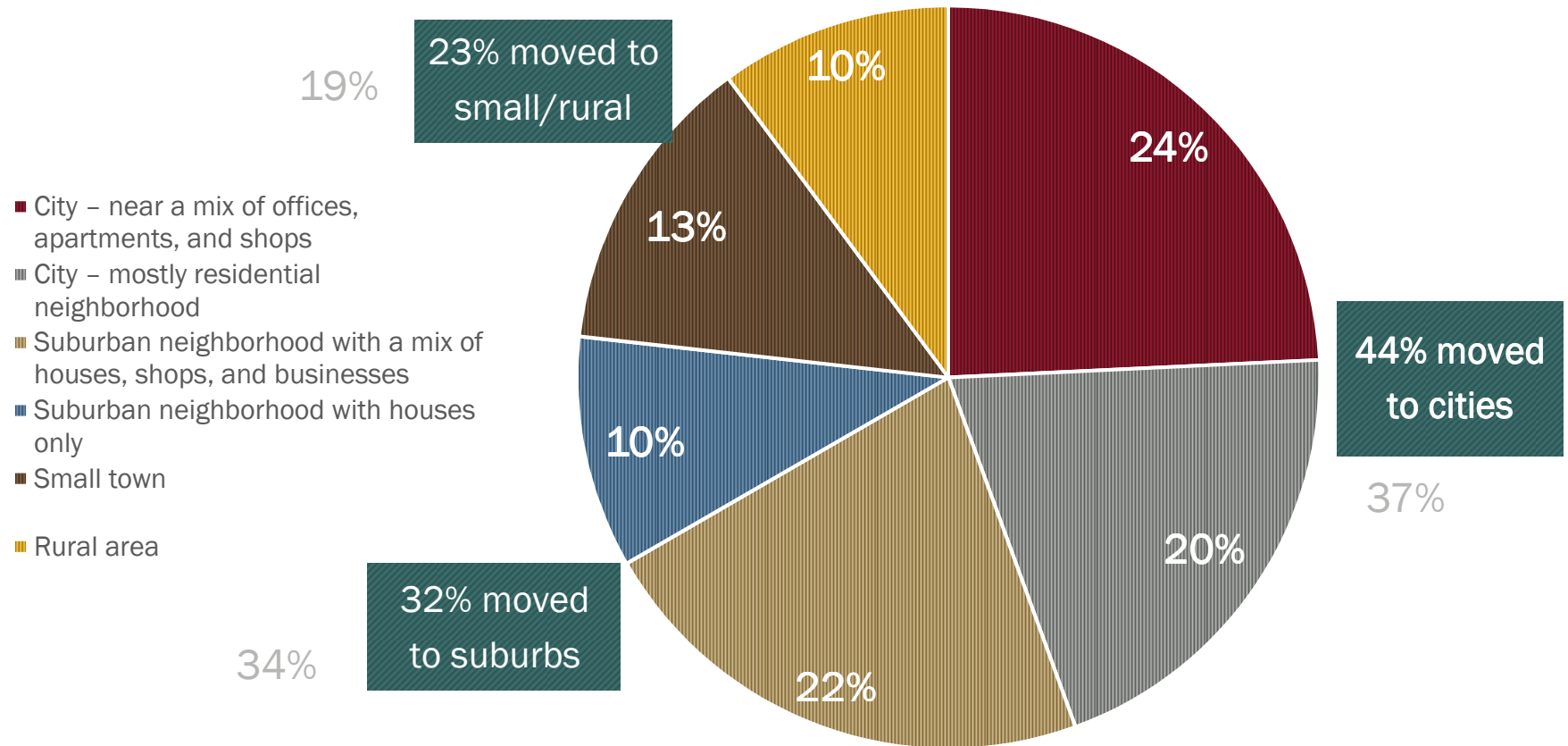
## National Movers Study

Among all **recent** mover respondents, most moved from cities



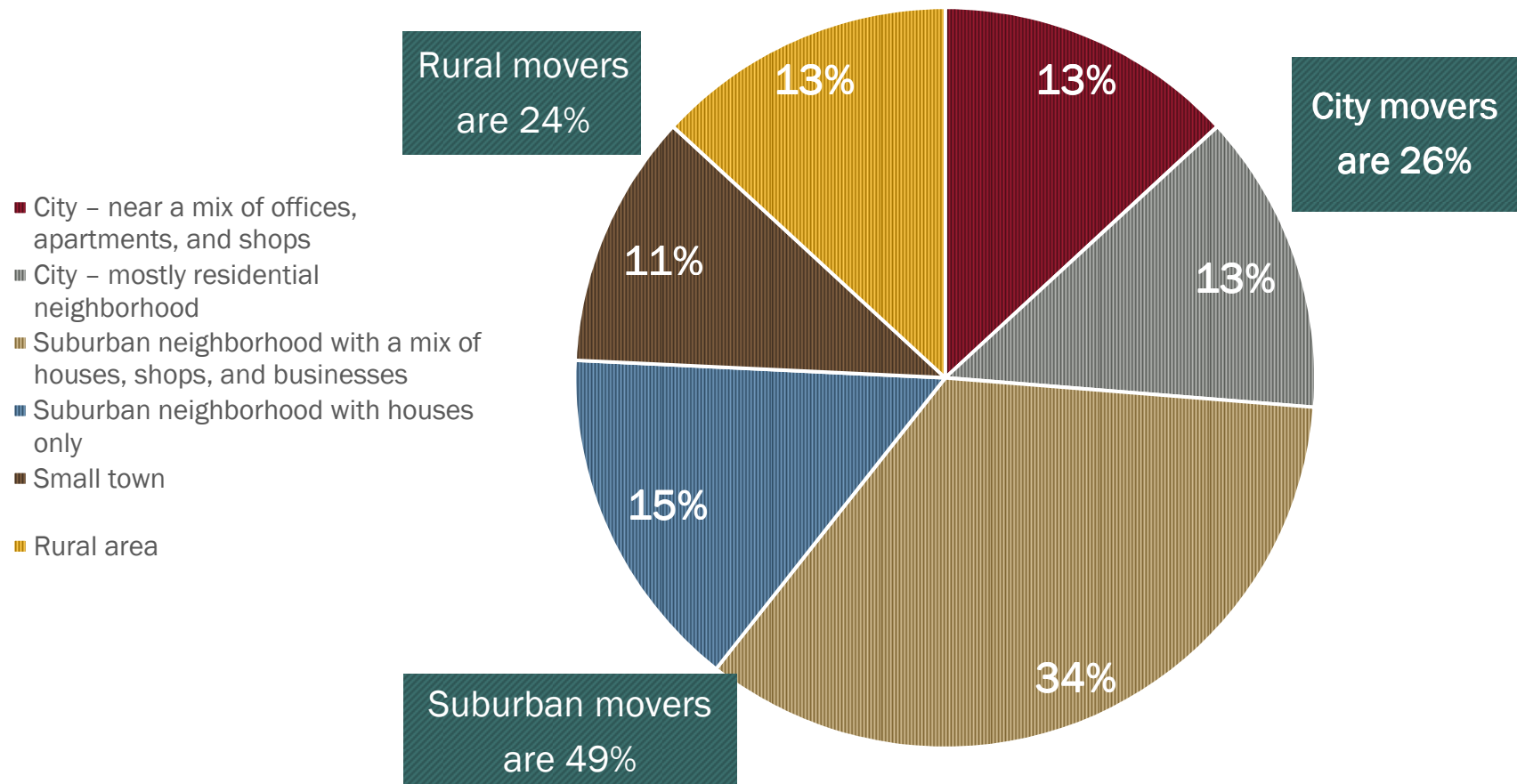
## National Movers Study

**Recent** mover respondents appear to have moved to similar types of localities



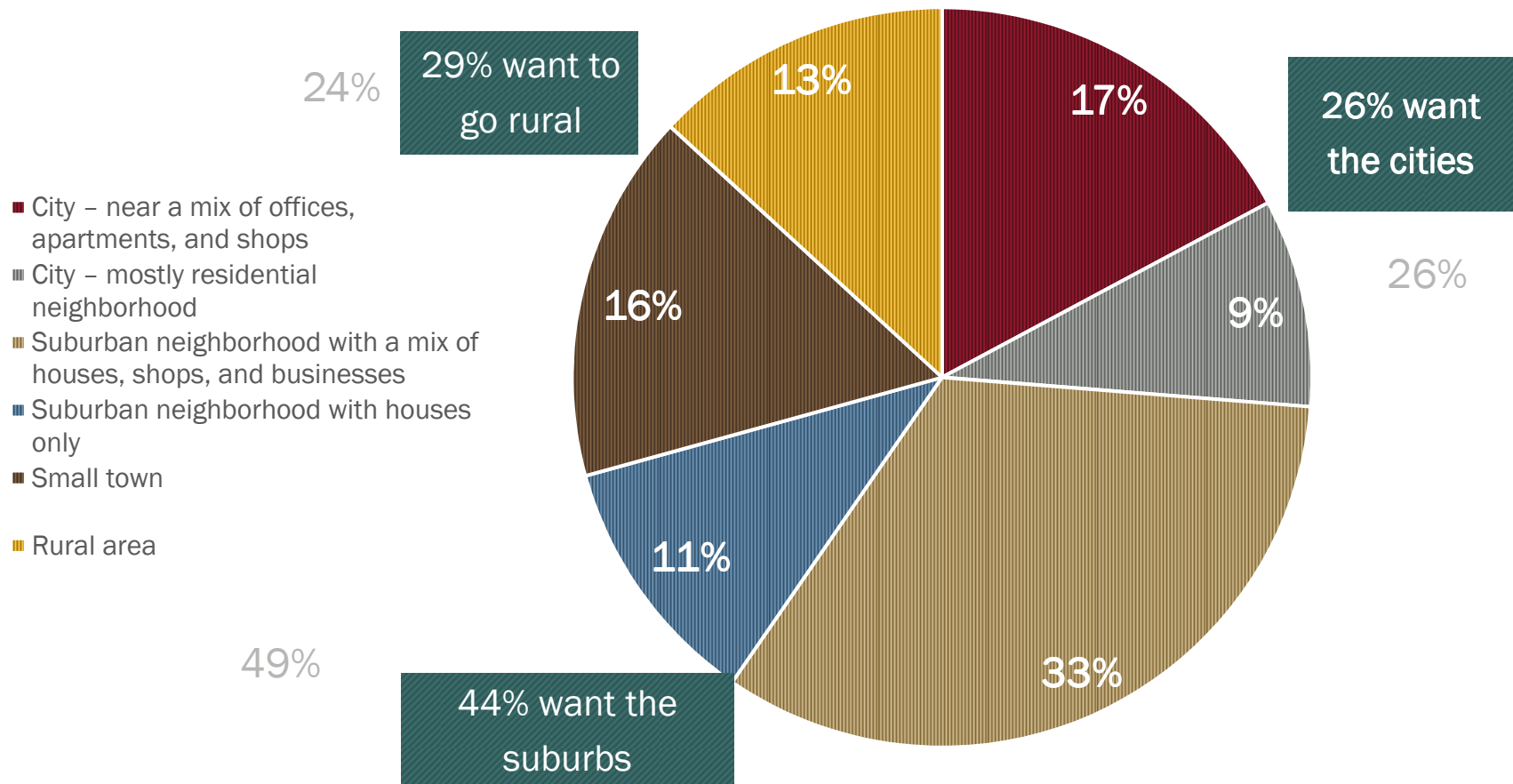
## National Movers Study

Future mover respondents are more likely to be leaving suburbia



## National Movers Study

But future mover respondents also appear to be moving to similar places

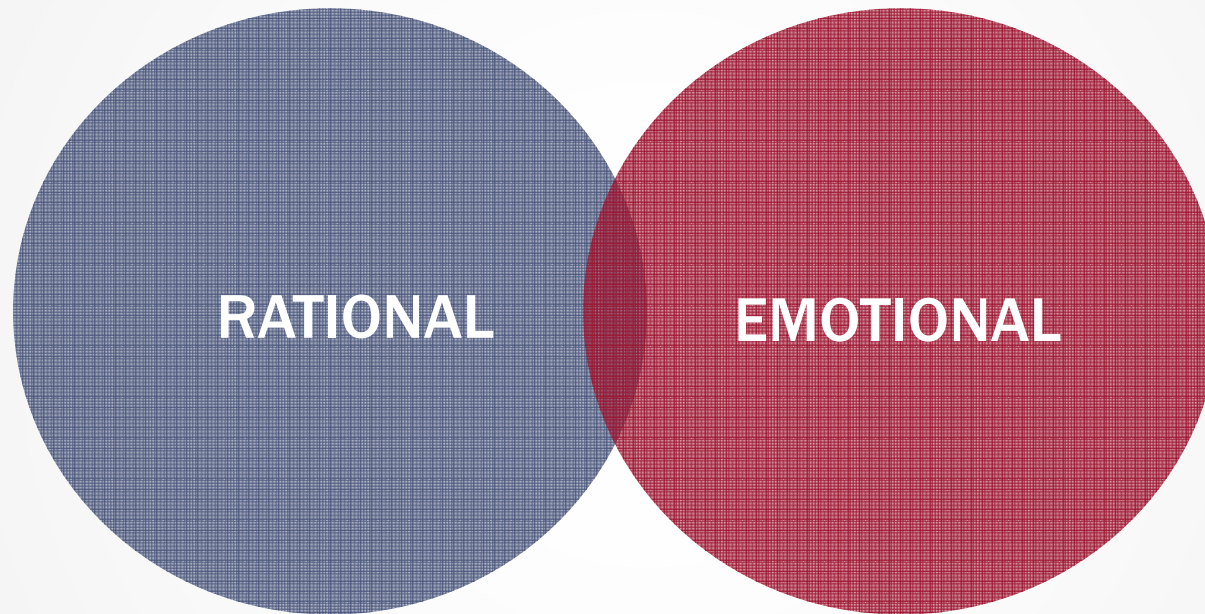




**People move for both rational  
and emotional reasons. Tap  
into your community's  
emotional sell in creating place.**

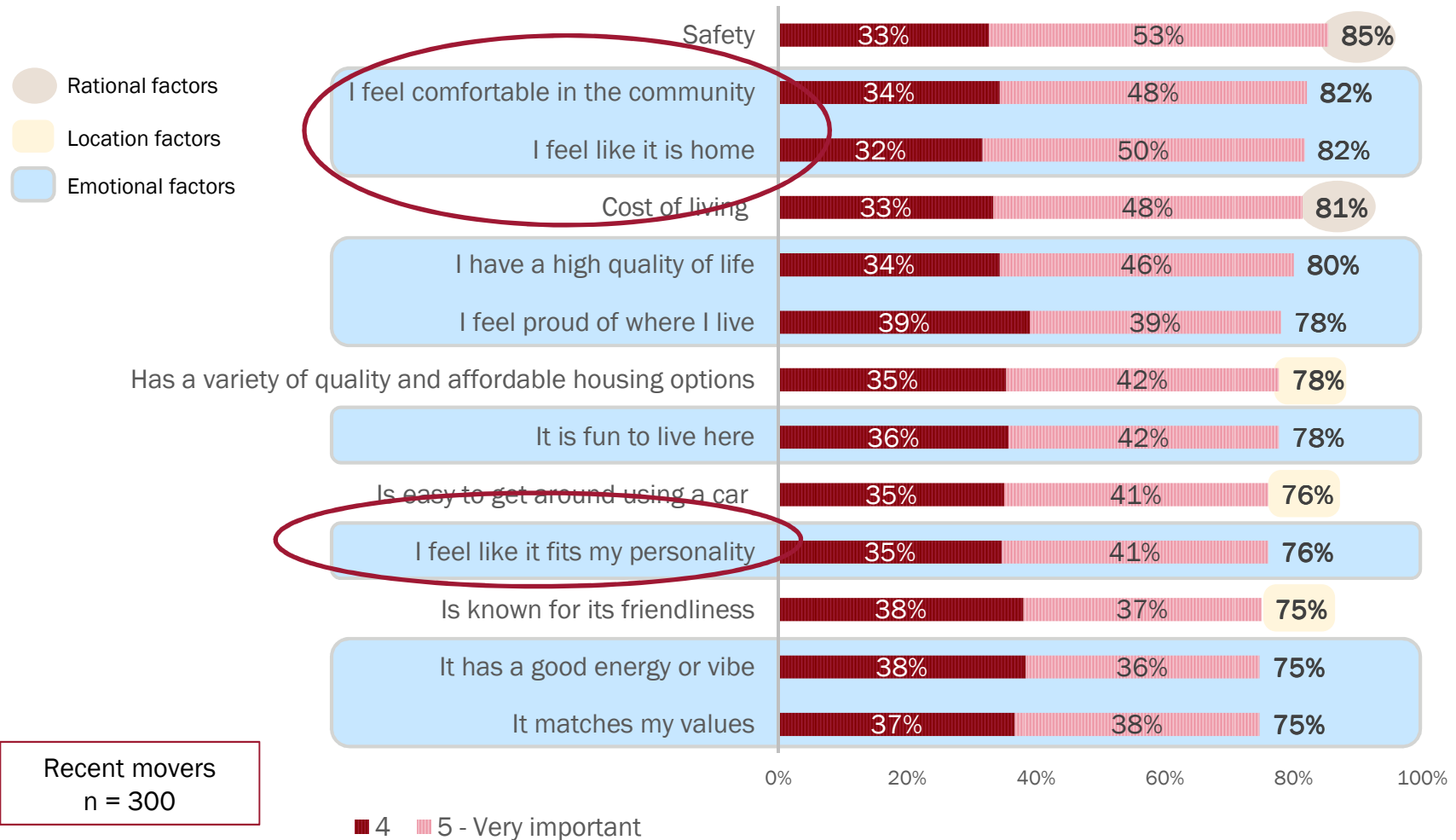
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Decisions on where to live are  
driven by both **RATIONAL** and  
**EMOTIONAL** Factors



## National Movers Study

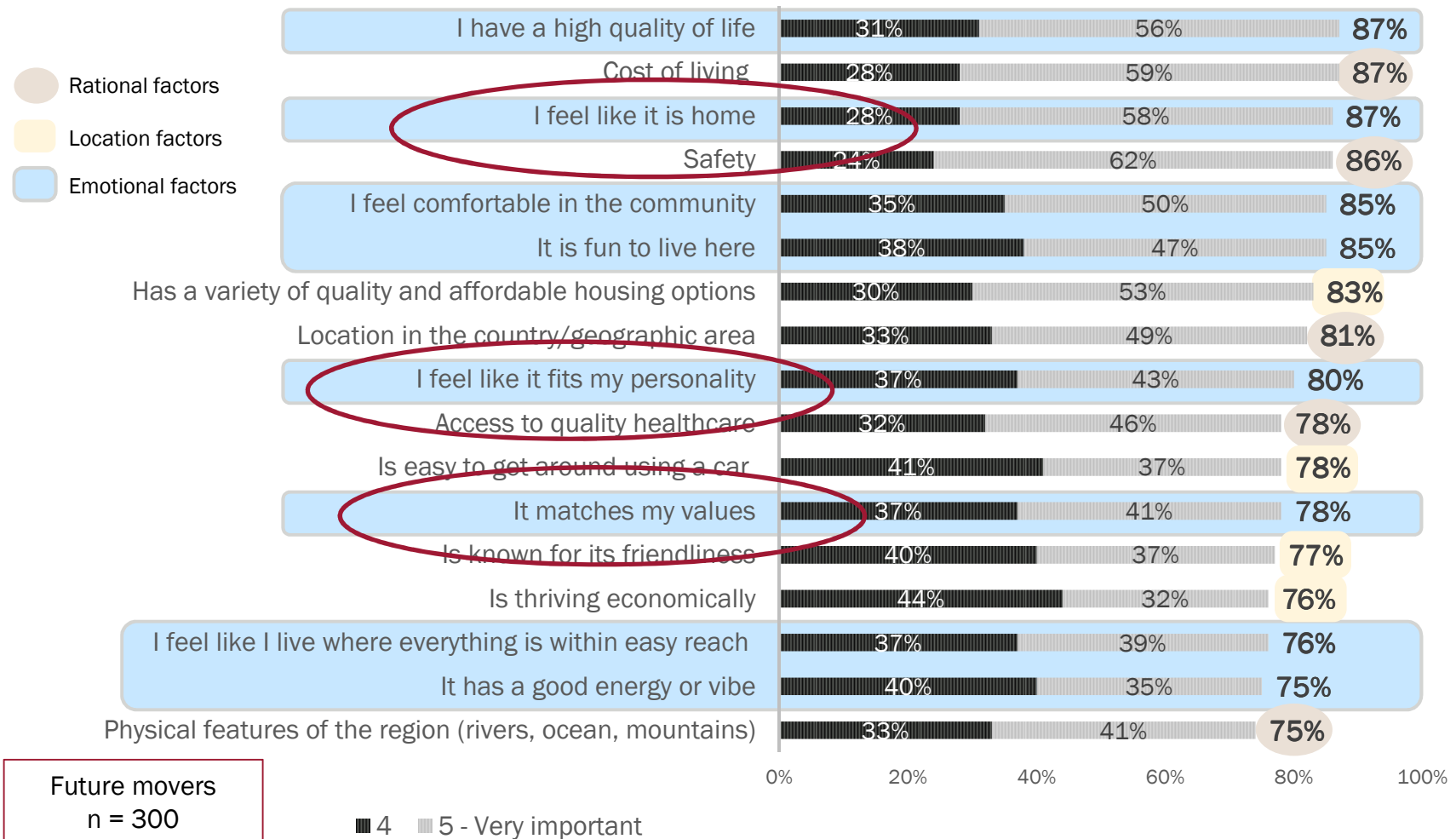
Emotional factors are by far the most prevalent top-rated factors when deciding where to live for **recent** movers





## National Movers Study

Emotional factors dominate the list of important factors when deciding where to live for **future** movers, too



# Placemaking

	Raleigh NC	Wash. DC	Charlotte NC	Austin TX	Atlanta GA	Denver CO	
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Has access to water	59%	54%	64%	65%	54%	63%	
Is bike-able/walkable	<b>46%</b>	<b>50%</b>	<b>41%</b>	<b>43%</b>	<b>44%</b>	<b>61%</b>	
Has easy public transportation	<b>42%</b>	<b>66%</b>	<b>40%</b>	<b>47%</b>	<b>46%</b>	<b>60%</b>	
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Urban living environment	<b>47%</b>	<b>59%</b>	<b>51%</b>	<b>60%</b>	<b>46%</b>	<b>53%</b>	
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Has rich history	42%	47%	39%	41%	42%	42%	

**WINNING PLACES OF TOMORROW:**

**Places for everyone  
of every race,  
economic class,  
gender, and mindset  
... Where everyone  
belongs.**



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# WINNING PLACES WILL BE THE “BIG TENTS”



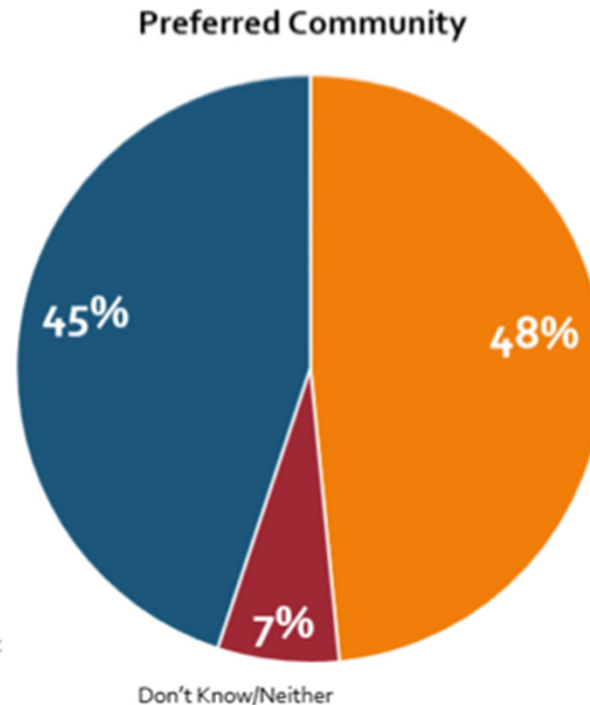
# 4

**The ideal neighborhood for all three location types is the 15-minute livable community.**

# Split community preferences

On the whole, Americans are split between choosing **walkable** or **conventional** communities.

**Community A:**  
**(conventional suburb)**  
Houses with large yards  
and you have to drive to  
the places you need to  
go.



**Community B:**  
**(walkable community)**  
Houses with small yards  
and it is easy to walk to  
the places you need to  
go.

Q17. Imagine for a moment that you are moving to another community. These questions are about the kind of community where you would like to live. Please select the community where you would prefer to live.

Source: National Association of Realtors® and the Transportation Research and Education Center at Portland State University, 2015 National Community and Transportation Preference Survey

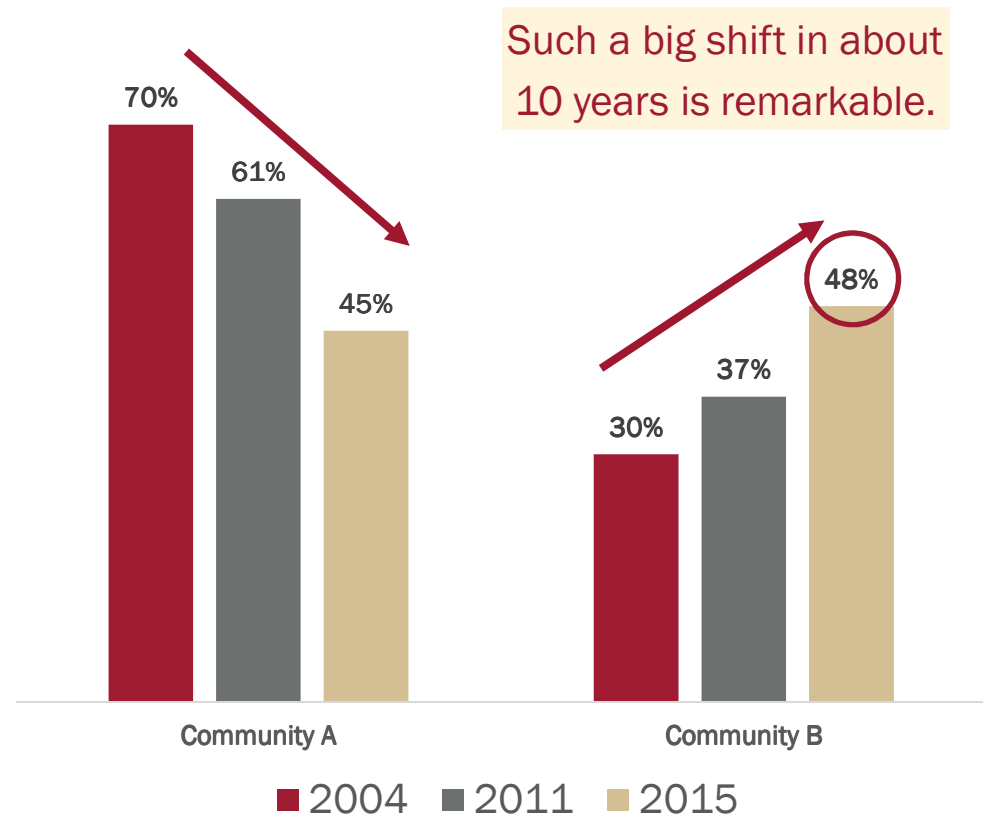
# Walkable community trends

## Community A:

Houses with large yards, and you have to drive to the places you need to go

## Community B:

Houses with small yards, and it is easy to walk to the places you need to go



Source: National Association of Realtors National Community and Transportation Preference Survey (2004, 2011, 2015)

## National Movers Study

American Planning Association

# Desire for the traditional suburb is declining

Where do you live now, and where do you want to live someday if you can afford it?

### A suburb where most people drive to most places

	National	Millennials	“Active” Boomers
Now	40%	41%	39%
Someday	7%	8%	7%
Change	-33%	-33%	-32%

Interest is declining

### A suburb with walkable amenities

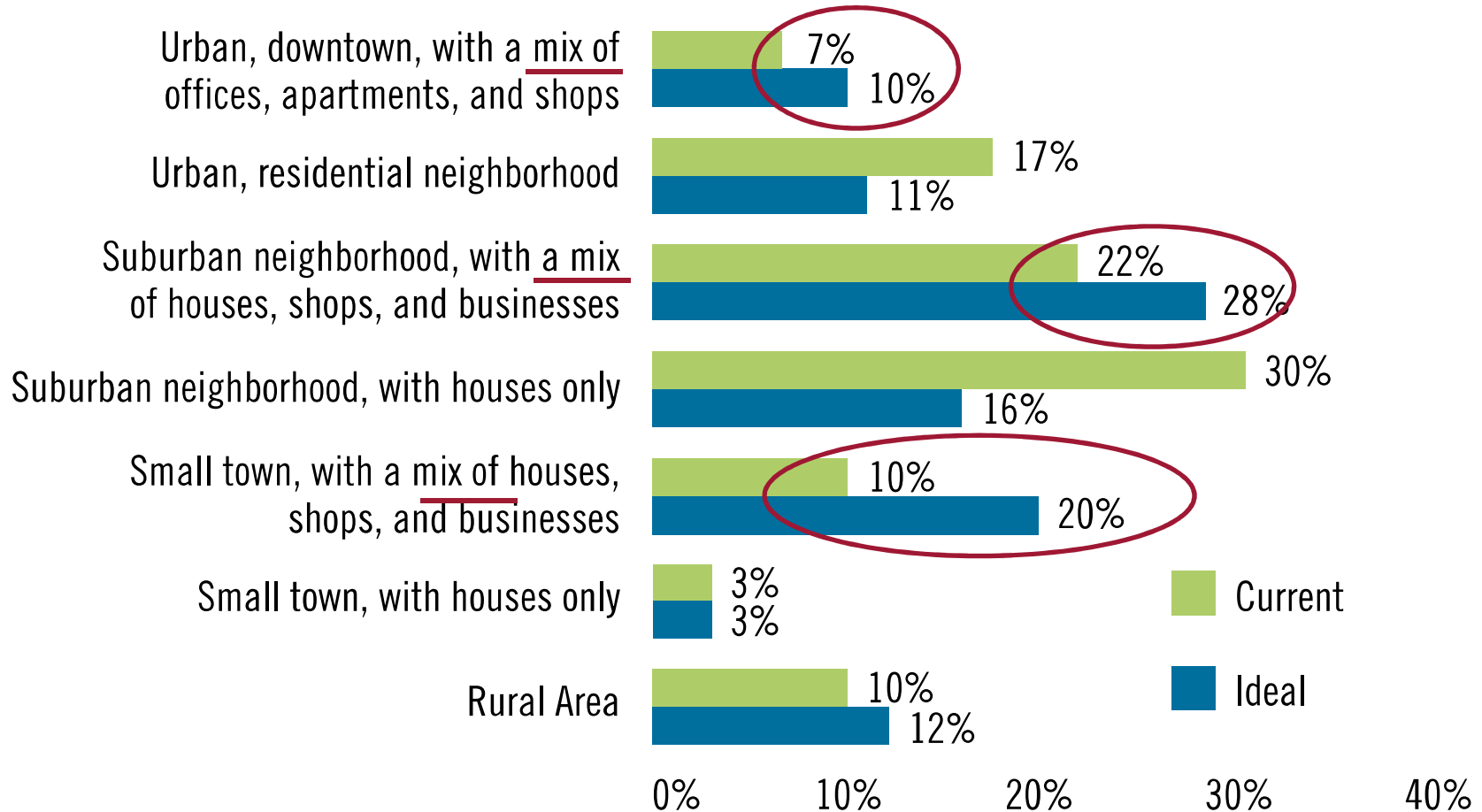
	National	Millennials	“Active” Boomers
Now	18%	19%	14%
Someday	21%	25%	19%
Change	+3%	+6%	+5%

Interest is growing



# Mixed-use suburban ideals

No matter where they live, everyone rates mixed-use neighborhoods higher



# OIPI Research – The 15 Minute Livable Neighborhood Concept Tops The List for An Ideal Neighborhood

Percent saying “4” or “5”

Having access to stores, restaurants, and services close to my home (within about 15 minutes)



81%

I would love to live within 15 minutes commute of my work and/or my school.



64%

Future Movers  
n = 300

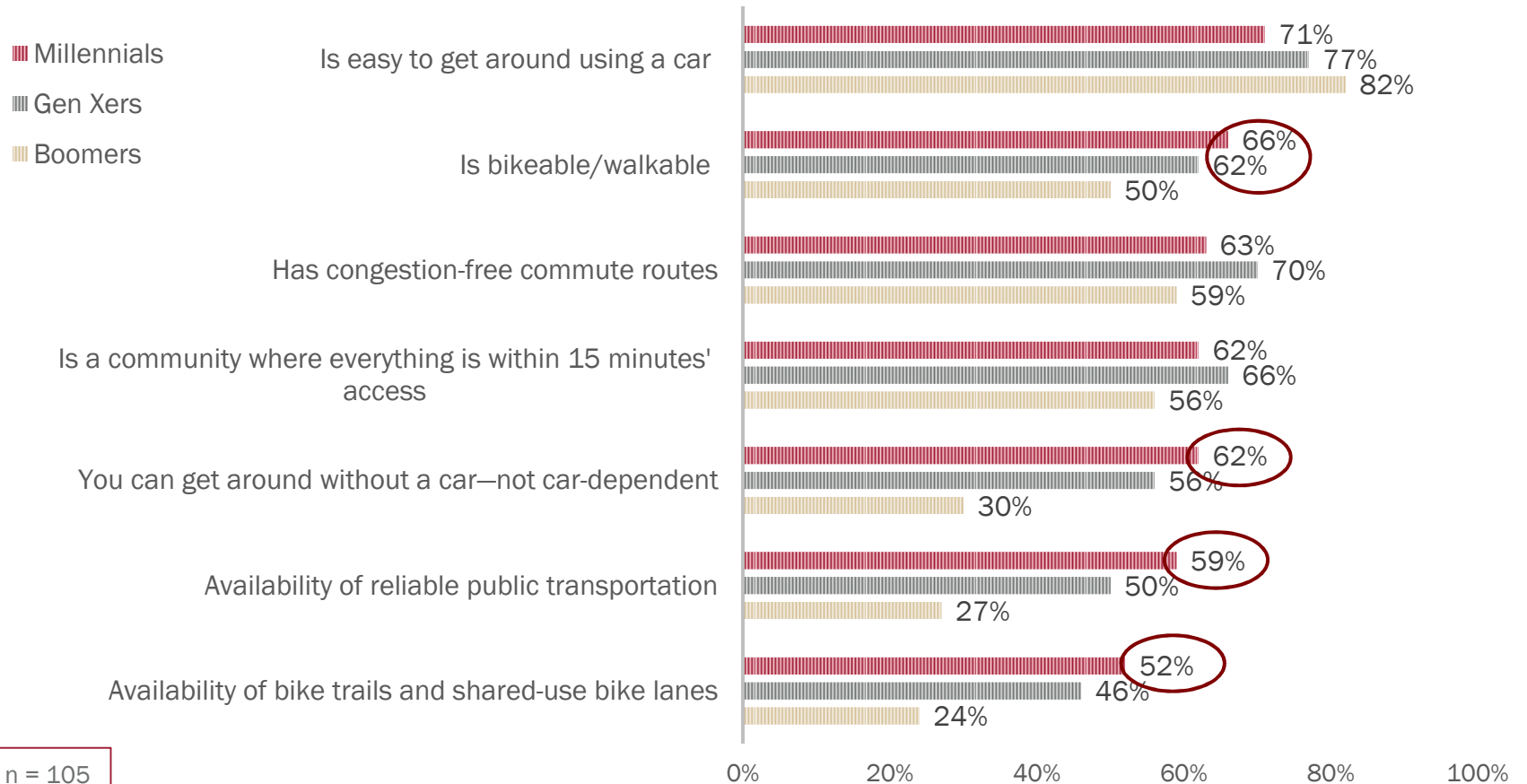
Q40. How much do you agree with each of the following statements, when thinking about your ideal neighborhood? Please use a scale of 1 to 5, where “1” means “completely disagree” and “5” means “completely agree.”

# 5

**Transportation and mobility options, especially for younger age cohorts, play an important role in creating a winning place.**

## National Movers Study

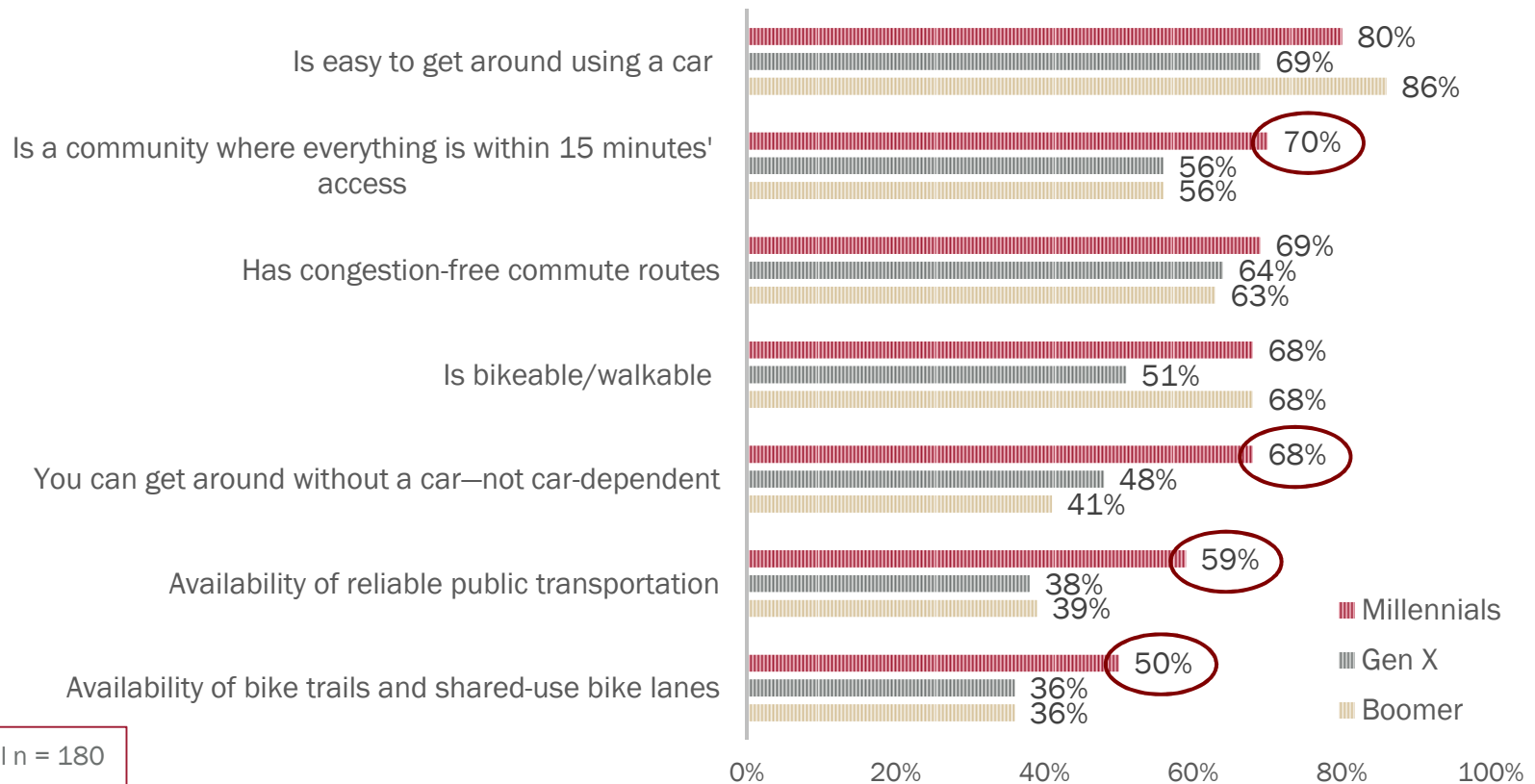
For **recent** movers, easy car access is top ranked, but Millennials rate “carless” factors higher than do others



Millennial n = 105  
 Gen X n = 125  
 Boomer n = 70

## National Movers Study

Similarly for **future** movers, Millennials have higher importance ratings for public transportation, walkability, bikeability, and carless lifestyles



Millennial n = 180  
 Gen X n = 239  
 Boomer n = 181

## National Movers Study – Walkability Studies

ULI: America in 2015

# Movers prefer less car-centric communities

### Movers

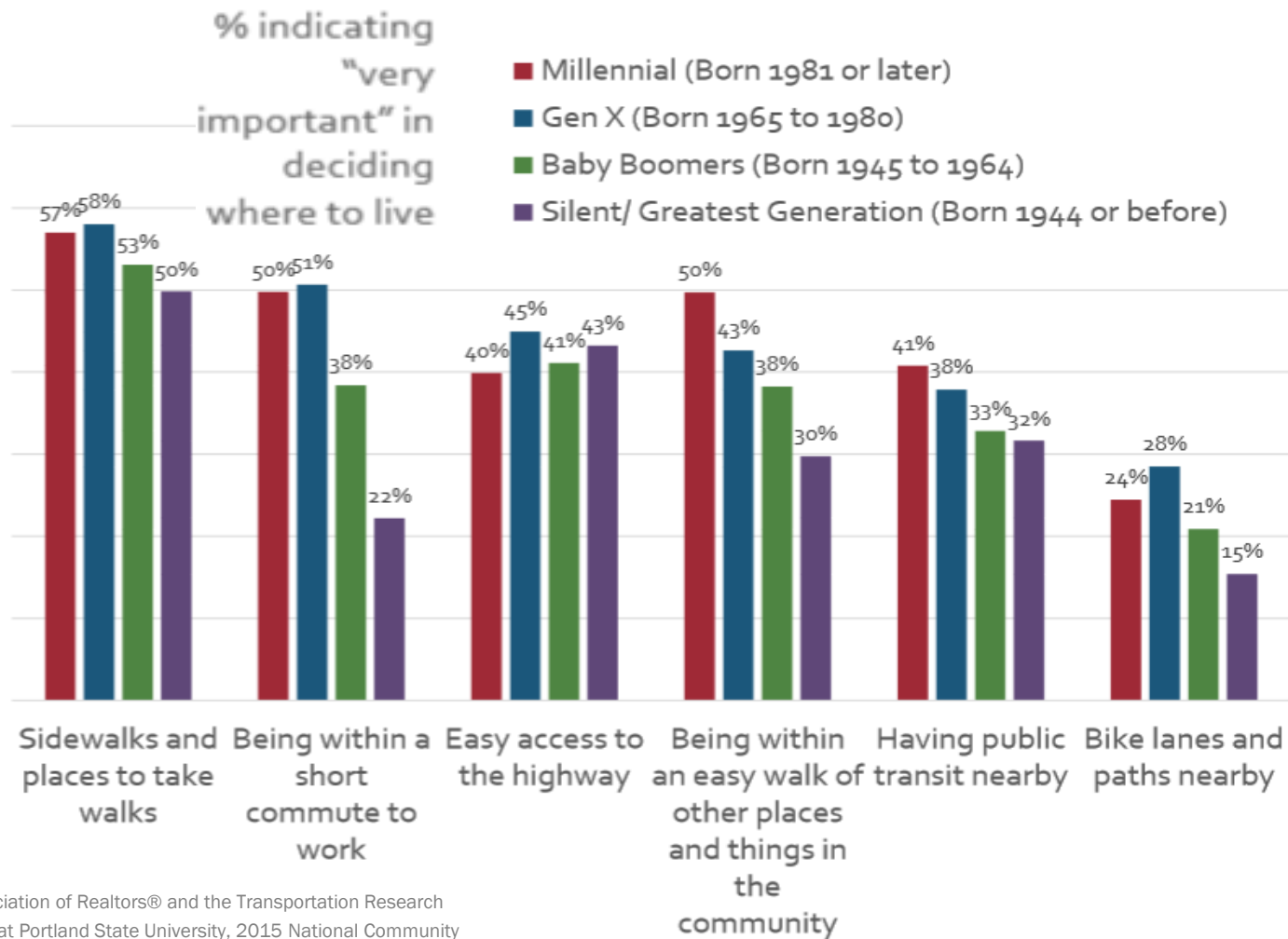


**59%** of likely **movers** somewhat or strongly agree that they would **prefer communities to be less car-centric.**

# Transportation preferences are generational

When choosing where to live, people want **varied transportation options**.

**Millennials** are more interested in being within easy **walking distance** of places and having **public transit** nearby.



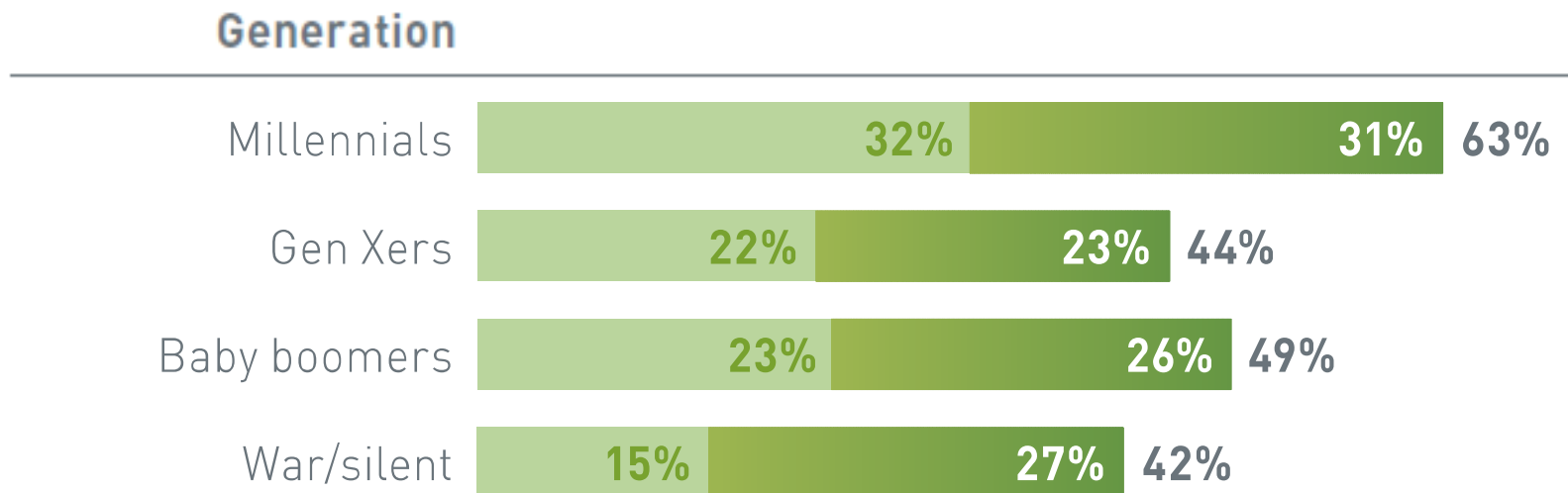
Source: National Association of Realtors® and the Transportation Research and Education Center at Portland State University, 2015 National Community and Transportation Preference Survey

## National Movers Study – Walkability Studies

ULI: America in 2015

# Millennials prefer car-free living

*“I would like to live in a place where I did not need to use a car very often.”*



**63%** of **Millennials** strongly agree that they would **prefer communities to be less car-centric.**

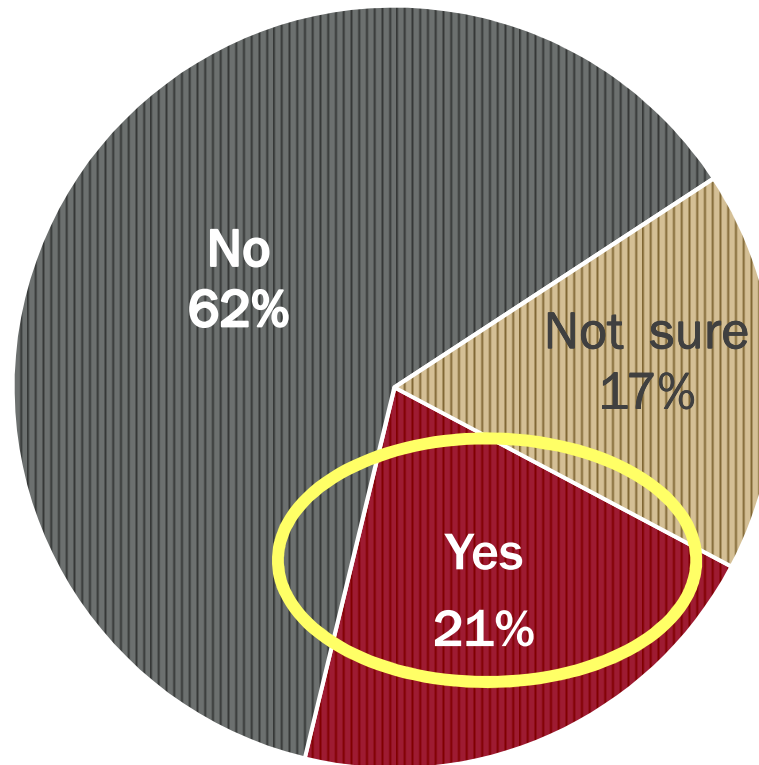




**The “aha” moment: Corporate real estate professionals who understand and value placemaking think about workers as people in a community, not just employees, and they see the connection between placemaking and transportation.**

## Site Evaluation and Selection Survey

Unaided awareness of the term “placemaking” is low



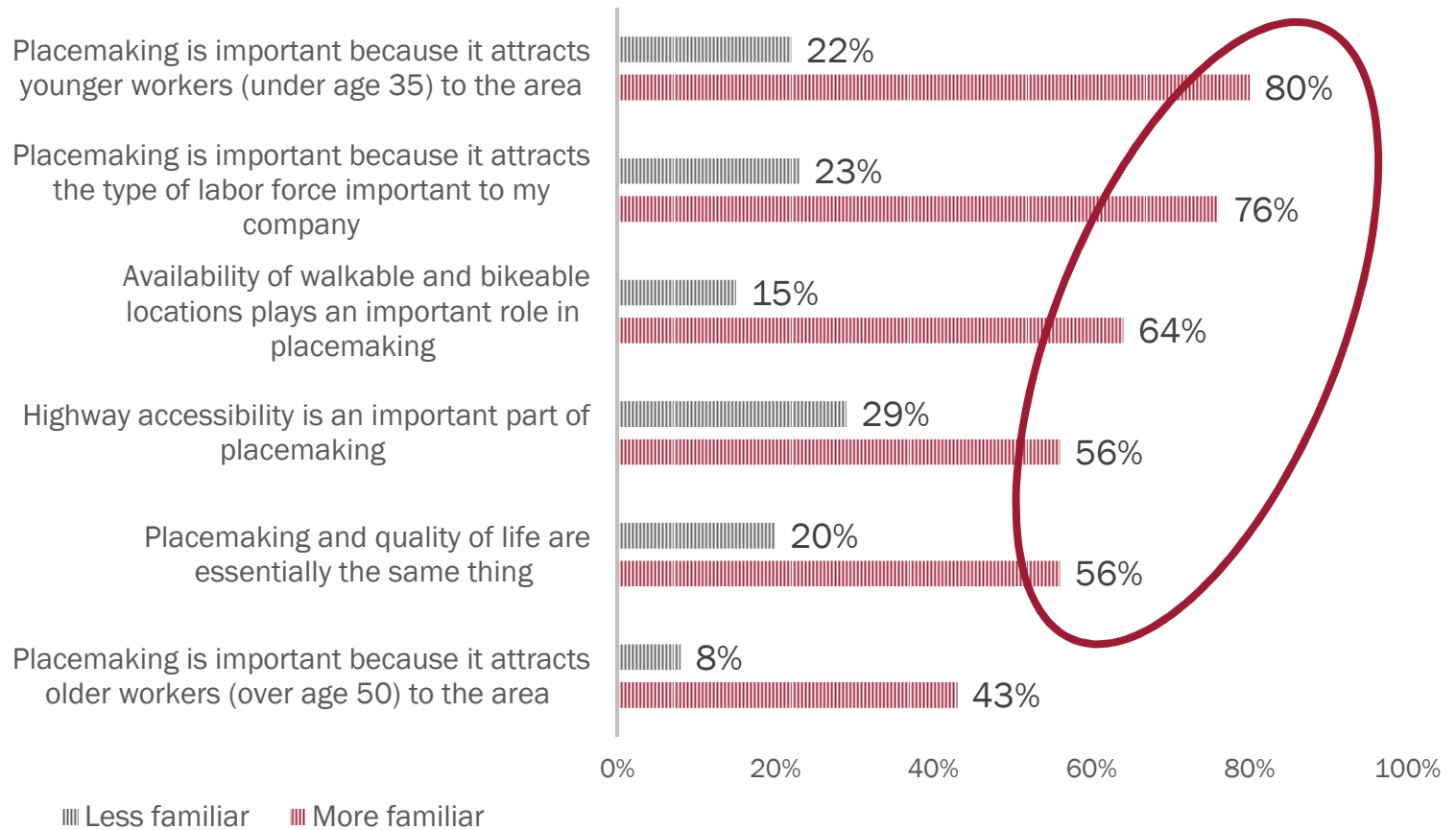
**Freight-dependent respondents:**  
Only 14% said “yes,”  
77% said “no.”

n = 185

Q30. Have you ever heard or read anything about placemaking?

## Site Evaluation and Selection Survey

# More familiar respondents rate the benefits of placemaking significantly higher



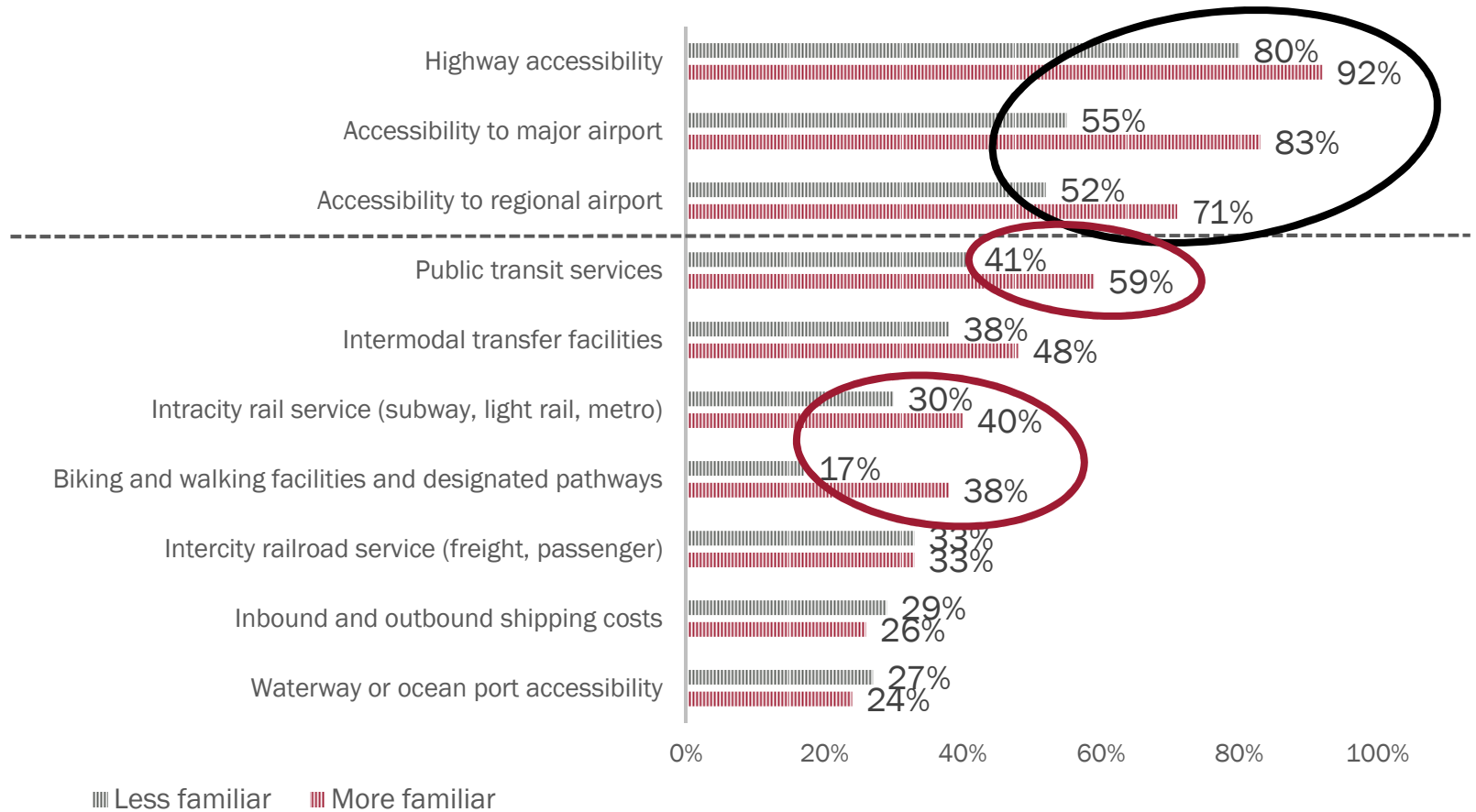
Combined ratings of "4" and "5."

n = 185

Q31. To what extent do you agree with each of the following statements about the benefits of placemaking?

## Site Evaluation and Selection Survey

More familiar respondents place high value on many **transportation** factors



Combined ratings of "4" and "5."

n = 184

Q14. In regard to transportation, how important is each of the following?

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# Taking Action

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**How transportation leaders across Virginia can use this research to advance economic development in Virginia**

# Leadership's Role

1. Understand the younger generations.

The battle is on for younger workers.

2. Invest in placemaking. Don't ignore the basics: access, mobility, safety. But invest in ways to make your community more appealing to today's younger workforce. You can start here:



Focus on the specific appeal of your locality's unique features.

Promote the emotional benefits of your locality.

Design and promote your neighborhoods as "15-minute livable communities."

Make your locality more bikeable and walkable.

# Leadership's Role

- 3. Share this message.** Look for opportunities to share these insights with every community in Virginia. Customize this message for your stakeholders.
- 4. Get the full report!**





Office of  
**INTERMODAL**  
Planning and Investment

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# Placemaking, Transportation Planning and the Future of Virginia's Localities

## Summary Report of 5 Research Studies

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September 2016



**Michael Baker**  
INTERNATIONAL



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# Q&As

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