



# The Value of U.S. Downtowns and Center Cities

CALCULATING THE VALUE OF HOLLYWOOD, CALIFORNIA  
A 2019 IDA STUDY

A 2019 PUBLICATION CREATED BY  
THE INTERNATIONAL DOWNTOWN ASSOCIATION



**INSPIRED LEADERS  
SHAPING CITIES**

## ABOUT IDA



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The International Downtown Association is the premier association of urban place managers who are shaping and activating dynamic downtown districts. Founded in 1954, IDA represents an industry of more than 2,500 place management organizations that employ 100,000 people throughout North America. Through its network of diverse practitioners, its rich body of knowledge, and its unique capacity to nurture community-building partnerships, IDA provides tools, intelligence and strategies for creating healthy and dynamic centers that anchor the well-being of towns, cities and regions of the world. IDA members are downtown champions who bring urban centers to life. For more information on IDA, visit [downtown.org](http://downtown.org).

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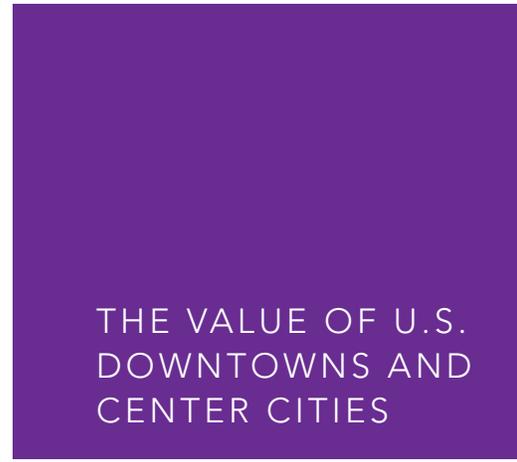
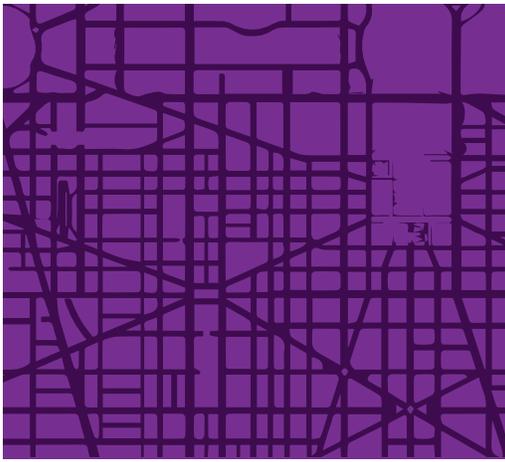
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# THE VALUE OF U.S. DOWNTOWNS AND CENTER CITIES



## Stantec's Urban Places

*Project Advisors for The Value of U.S. Downtowns and Center Cities*

Stantec's Urban Places is an interdisciplinary hub bringing together leaders in planning and urban design, transportation including smart and urban mobility, resilience, development, mixed-use architecture, smart cities, and brownfield redevelopment. They work in downtowns across North America—in cities and suburbs alike—to unlock the extraordinary urban promise of enhanced livability, equity, and resilience.

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SECTION ONE  
PROJECT  
OVERVIEW



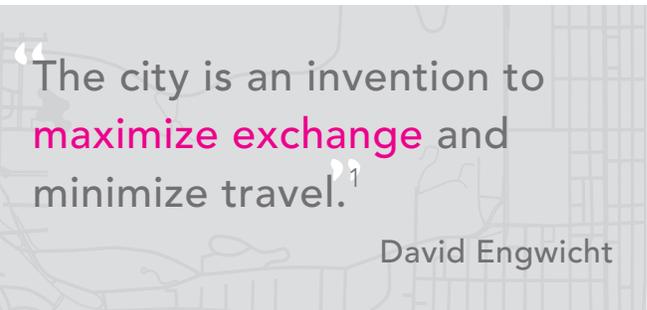
## Introduction

### GREAT CITIES START DOWNTOWN

No city or region can succeed without a strong downtown, the place where compactness and density bring people, capital, and ideas into the kind of proximity that builds economies, opportunity, community and identity. Taking David Engwicht's point a step farther, no place in the city maximizes exchange and minimizes travel the way downtowns and center cities do. Despite a relatively small share of a city's overall geography, downtowns deliver significant economic and community impacts across both city and region. Downtowns serve as the epicenter of commerce, capital investment, diversity, public discourse, socialization, knowledge and innovation. They provide social benefits through access to community spaces and public institutions. They play a crucial role as the hub for employment, civic engagement, arts and culture, historical importance, local identity, and financial impact. In short, the very proximity and density that downtowns and center cities champion make them strong environments for the city at large to thrive.

Though geographically small, the impact of a strong downtown or center city is felt far beyond its boundaries. Downtowns contain a disproportionately large share of the city and region's most important resources. These range from economic assets such as jobs, tax revenue, private investment, and property value to cultural and recreational resources like restaurants, historical places, theatres, museums, public art and festivals. Vibrant and vital downtowns drive growth in and around their districts. A thriving downtown increases nearby value, driving growth in adjacent neighborhoods and beyond.

Leveraging IDA's unique industry-wide perspective and expertise, this study quantifies the value of U.S. downtowns and center cities across five core value principles and over 150 metrics, with a focus on how downtown contributes to the city and region around it. *The Value of U.S. Downtowns and Center Cities* study is a partnership between IDA and a local urban place management organization (UPMO). UPMOs have invaluable insights into their managed areas and the relationships to unlock essential data sources for this study.



## Urban Place Management Organizations

IDA members are UPMOs who manage growing districts to help create vital, healthy, thriving cities for everyone — from residents to tourists to business owners. These UPMOs are downtown champions who bring urban centers to life.

Since 1970, property and business owners in cities throughout North America have realized that revitalizing and sustaining vibrant downtowns, city centers and neighborhood districts requires special attention beyond the services city administrations can provide alone. These private-sector actors come together, with funding from property and business owners, to form nonprofit management associations that deliver key services and activities within their districts. UPMOs are often called business improvement districts (BIDs), business improvement areas (BIAs), partnerships and alliances.



## About the Value of Downtowns Study

The study aims to emphasize the importance of downtown, to demonstrate its unique return on investment, to inform future decision making, and to increase support for downtown from local decision makers. The project has two primary goals:



Provide a **common set of metrics** to communicate the value of downtown.

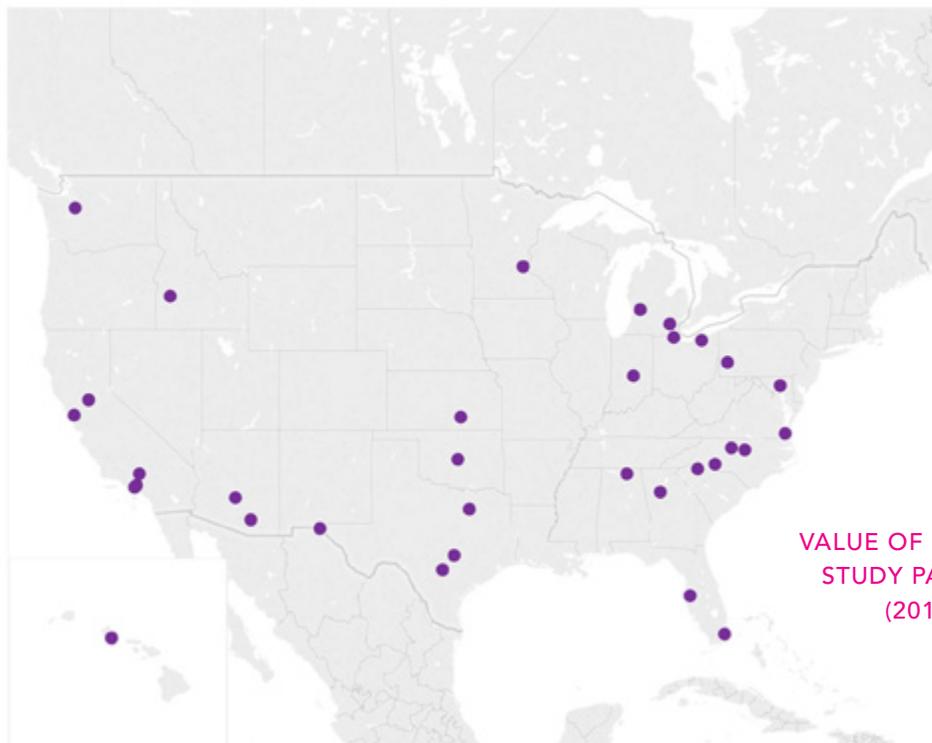


Expand the **range of arguments** UPMOs can make to their stakeholders using publicly available data.

IDA began this research in 2017, working in collaboration with Stantec's Urban Places and an initial cohort of 13 UPMOs to develop a methodology for compiling and evaluating data from their downtowns. In 2019, our analysis adds 9 new locations to bring the total to 33 downtowns and center cities across the U.S.

The analysis focuses on how downtown provides value in the five principles of economy, inclusion, vibrancy, identity,

and resilience. IDA and our UPMO partners work together to collect over 250 individual metrics across four benchmark years (most current year available, 2015, 2010, and 2000), and across three geographic levels (study area, city, and MSA/county). In total, more than 3,000 individual pieces of data are collected for each participating downtown. Our downtown database currently contains around 100,000 data points.



## ECONOMY



Downtowns and center cities deliver great value due to their roles as economic anchors for their regions. As traditional centers of commerce, transportation, education, and government, downtowns and center cities frequently serve as hubs of industry and revenue generators—despite their making up only a small fraction of the land area. Downtowns support high percentages of jobs across many different industries and skill levels. Thanks to relatively high density of economic activity in the center city, investment provides a greater return per dollar for both public and private sectors.

## INCLUSION



As the literal and figurative heart of the city, downtowns welcome residents, employees, and visitors from all walks of life. Residents of strong downtowns vary widely in age and often come from a wide range of racial, socioeconomic, cultural, and educational backgrounds. This diversity ensures that as an inclusive place, downtown has a broad appeal to all users and a strong social fabric. Downtowns provide access to opportunity, essential services, culture, recreation, entertainment and civic activities for everyone.

## VIBRANCY



The ability of vibrant places to attract new residents, and a regionwide consumer base creates value. Vibrancy is the buzz of activity and excitement that comes with high-quality experiential offerings like breweries, restaurants, theatres, or outdoor events. Many unique regional cultural institutions, businesses, centers of innovation, public spaces and activities are located downtown. As the cultural center of a city, downtown typically attracts a large share of citywide visitors and accounts for a large share of citywide hotels and hotel rooms.

## IDENTITY



Downtowns and center cities often serve as iconic symbols of their cities, and this strong sense of place enhances local pride. The distinctive cultural offerings in downtown enhance its character, heritage, and beauty, and create an environment that other parts of the city can't replicate. Combining community history and personal memory, a downtown's cultural value plays a central role in preserving and promoting the region's identity. Downtowns and center cities serve as places for regional residents to come together, participate in civic life, and celebrate their region, which in turn promotes tourism and civic society.

## RESILIENCE



As key centers of economy and culture, downtowns play a key role in ensuring stability, sustainability, and prosperity; they can power citywide and regional efforts to bounce back from economic or environmental shocks. Thanks to the diversity and density of their resources and services, center cities and their inhabitants can better absorb economic, social, and environmental shocks and stresses than their surrounding cities and regions. The diversity and economic strengths of successful downtowns and center cities equip them to adapt to economic and social shocks better than more homogenous areas. Consequently, they can play a key role in advancing regional resilience, particularly in the wake of economic and environmental shocks that disproportionately affect less economically and socially dynamic areas.

## Methodology Overview<sup>i</sup>

The study began by identifying the best boundaries for defining a downtown district. Geographic parameters often vary across data sources and may not align with a UPMO's jurisdiction. This study defined the commercial downtown even when that meant moving beyond the boundaries of local development authority or business improvement district. IDA's *Value of Investing in Canadian Downtowns* report expresses the challenge well: "Overall, endless debate could be had around the exact boundaries of a downtown, what constitutes a downtown and what elements should be in or out. Yet it is the hope of this study that anyone picking up this report and flicking to their home city will generally think: Give or take a little, this downtown boundary makes sense to me for my home city."<sup>2</sup> IDA worked with each UPMO to determine the boundaries of its downtown for this project, focusing on alignment with census tracts for ease of incorporating data from the U.S. Census.

To measure the value of downtowns relative to their cities, the analysis relied heavily on data that could be collected efficiently and uniformly for each downtown, its city, and its region. IDA collected data from multiple national databases such as the U.S. Census, Longitudinal Employer-Household Dynamics program (LEHD), and ESRI. In addition, we asked our UPMO partners to collect local data through local channels like county assessors or commercial real estate brokers. We then analyzed the data to identify individual downtown trends, benchmark performance against the city and region, and compare the downtown against other downtowns in the study.

We used meaningful qualitative observations to acknowledge unique features or add nuance and context to trends revealed in the data. As an example, universities often sit just outside the downtown study area. We can assume that the student body, even if technically outside the study area, forms a major consumer market for downtown and describe in our analysis how students influence the study area.

The analytical focus of the report is to make data-supported value statements about downtown by comparing it to the city, identifying its growth trends, and illustrating its density. For instance, the data allowed us to conclude this about downtown Seattle's 2017 employment totals:

*Downtown is a strong employment and industry hub for the city, with a concentration of high-paying and high-growth employment sectors. 43% of all citywide jobs are located downtown and 58% of citywide knowledge jobs. Overall, employment increased 14% since 2010, outpacing both the city and region. In addition, the number of knowledge jobs grew 28% during the same period. Per square mile there are 85,924 workers on average, more than ten times the average job density citywide.*



<sup>i</sup> Refer to the appendix for the full methodology.

## Known Limits to this Study

While this study seeks to quantify the value of downtowns, we have several limitations to our approach. Data collection from local sources was inconsistent. Some of the supplemental data we asked our local partners to collect was not always available, making comparisons based on these metrics impossible. At times, the data we asked for simply did not exist or hadn't been collected at the relatively small scale of census tracts or downtown neighborhoods. This made it challenging to rely on local data for analysis and often resulted in some missing pieces in our narrative.

The sample size of 33 does gain representational power by its selection of downtowns that operate across a range of geographies and within widely varying contexts. Nevertheless, we recognize that its extrapolations may not apply to every downtown across the U.S. Our most recent

data also comes predominantly from the 2017 American Community Surveys (ACS), the 2017 LEHD On the Map tool, and ESRI Business Analyst. Due to a lag in data availability, some metrics may not align with more recent data from local downtown, municipal, or proprietary sources.

Citywide context plays a large role in the analysis. Because the size of cities varies significantly (e.g., from 20 square miles in Spartanburg to 606 square miles in Oklahoma City), comparisons of the percentage of citywide jobs and residents between districts can be skewed. However, since each downtown operates within the context of its city, understanding the comparative proportion of jobs and residents, along with other metrics, provides an important tool for assessing a downtown's contribution to its city and region.



## Improvements and Areas for Future Research

This year, IDA implemented a new data-collection system that allows us not only to expand the database for new study participants, but also to make regular updates in the publicly available data from downtowns analyzed in previous years. This means that we benchmarked this year's cohort of data to the updated data from previous years, rather than comparing older data. We have begun to develop a plan for updating the local data from earlier cohorts (e.g., tax information, visitor counts, etc.) to coincide with the results of the 2020 census.

In addition to all the data collected in previous years, we have continued to add new metrics from untapped data sources. Most notably, we collected new data from Zillow, the Center for Neighborhood Technology, the Centers for Disease Control and Prevention, National Register of Historic Places, and Geolounge.

Analysis this year also included maps of population change and job concentration in downtown versus the city. We plan to develop additional forms of spatial analysis in future updates.



SECTION TWO  
DOWNTOWN  
PROFILE

# Downtown Profile | Overview

A city's strength and prosperity depend on a strong downtown and center city, which serve as centers of culture, knowledge, and innovation. The performance of downtowns and center cities strengthens the entire region's economic productivity, inclusion, vibrancy, identity, and resilience.

## Study Area

DOWNTOWN PARTNER

Hollywood Property  
Owners Alliance

CITY

Los Angeles, CA



**With strong economic momentum and mounting demand to live, work, and play in the district, Hollywood's star has begun rising again. Revitalization initiatives undertaken over the past two decades have begun paying off, with the entertainment industry returning in force and planning under way for dozens of new development projects. Significant job growth has spurred construction of thousands of new residential units, and new storefronts have popped up to capitalize on Hollywood's renewed buzz.**

As of 2017, Hollywood counted 27,300 residents in an area of 1.41 square miles. Residential population has grown 3.5% since 2010, adding just under 1,000 people. This growth tracks regional rates but lags slightly behind in Council District 13 and the city at large. A 2017 consultant's analysis, *Hollywood Economic Analysis & The Business Improvement Districts*, found sustained interest in residential development in the study area.<sup>1</sup> The residential development pipeline for the Hollywood Entertainment District, which includes projects recently completed, under construction, and planned or proposed, is over 5,700 new units. Upon completion, this significant increase in residential inventory will see a spike in the residential population. At more than 19,000 residents per square mile, Hollywood boasts a high-density environment—in fact, the fourth-highest density of any district in this study.

With just over 29,000 workers, the study area accounts for 2% of citywide jobs and more than a third of all jobs in Council District 13. Job density in Hollywood grew from 12,500 workers per square mile in 2002 to 20,600 workers per square mile in 2017. The study area saw significant job growth



## Residential Population

	Hollywood	Council District 13	City	Region
Population	27,261	232,789	3.9M	13.3M
Share of	n/a	12%	1%	n/a
Per Square Mile	19,334	19,155	8,428	2,734
Residential Growth 2010-2017	3.5%	3.7%	4.1%	3.4%

Source: U.S. Decennial Census (2010); American Community Survey 5-Year Estimates (2013–2017)



## Employment Population

	Hollywood	Council District 13	City	Region
Jobs (2017)	29,033	80,634	1.59M	5.57M
Downtown Share	n/a	36%	2%	1%
Per Square Mile	20,591	6,635	3,398	1,148
Worker Population Growth 2002-2017	64%	22%	21%	16%

Source: LEHD On the Map: Primary Jobs (2002, 2017)



## Inventory

	Hollywood	% of City	Per Square Mile	Growth Since 2010
 OFFICE (SF)	3.9M	2%*	2.8M	n/a
 RESIDENTIAL (UNITS)**	6,194	n/a	n/a	40% (2015)
 HOTEL (ROOMS)	4,194	10%	2,974	16%

Source: Cushman & Wakefield (2019), Economic & Planning Systems, Inc. (2017), CoStar (2017), STR. LA County (2018)

\*The boundary for this citywide figure is defined as "Greater LA" in the Cushman & Wakefield report.

\*\*Within the Hollywood Entertainment District boundary

between 2002 and 2017, when it added about 11,400 jobs for an increase of 64%. Half of the other downtowns in the study saw employment stagnation or loss in employment during and after the recession, but Hollywood appeared unaffected. Employment grew 20% between 2002 and 2010, greatly outpacing jobs growth in the council district, city, and region. Between 2010 and 2017 Hollywood added 8,000 jobs for a growth rate of 36%—again, far exceeding the rate of growth for its larger geographic contexts.

Seeing more opportunity for employment to grow, developers have just under 1 million square feet of new office space under construction. This will add significantly to 3.9 million square feet already in operation. Absorption of office space in Hollywood remains healthy. According to the Cushman & Wakefield Q3 2019 report, the overall vacancy rate for Hollywood office space stood at 5.6%, in contrast to the region's 13.6% rate. Hotel developers also see opportunity in the study area. They've added 600 rooms to existing inventory since 2010. As of 2019, there are 2,211 rooms in the pipeline in the Hollywood Entertainment District and over 4,700 rooms in the Hollywood study area.<sup>2</sup>

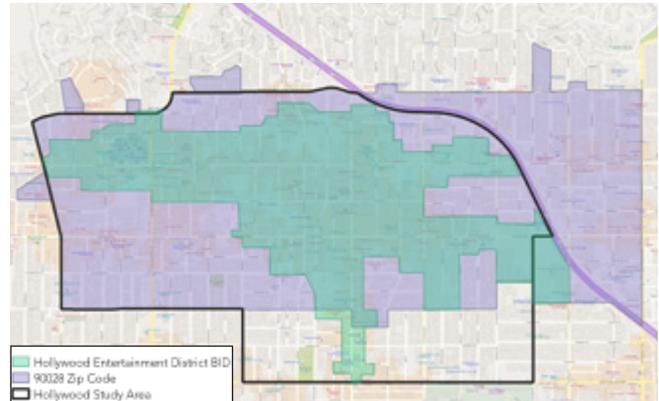
## Defining Boundaries

The study area extends beyond the boundaries of the business improvement district; geographic parameters vary across data sources and don't typically align with a place management organization's jurisdiction. For this study, IDA recommended that participating urban place management organizations use the commonly understood definition of their downtowns and match boundaries to hard edges like roads, water, natural features or highways. IDA worked with each group to align its study area with census tract boundaries for ease of incorporating publicly available data from the U.S. Census.

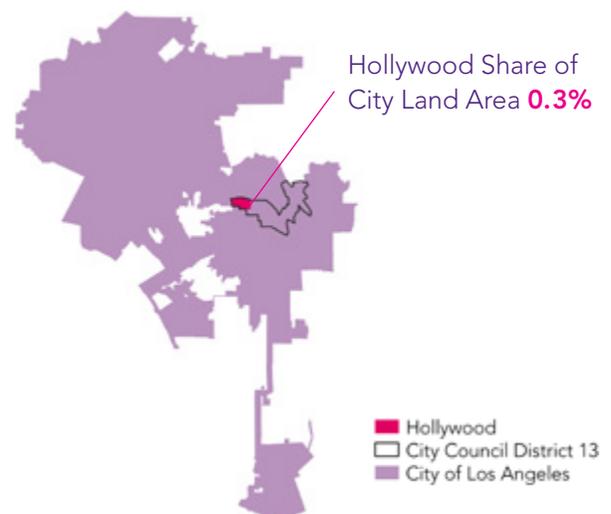
This report set the study area boundaries shown in the accompanying map. The teal section of the map is the Hollywood Entertainment District, the geographic area managed by the Hollywood Property Owners Alliance, also known as the Hollywood Business Improvement District. The boundary begins in the northwest at N. La Brea and Franklin avenues. It follows Franklin to Highway 101, then follows 101 South to Sunset Boulevard, cutting west one block to N. Van Ness Avenue before proceeding south to Santa Monica Boulevard. The boundary then runs west to Seward Street, north to Fountain Avenue, then west back to N. La Brea Avenue. The boundary follows N. La Brea until it reconnects with the starting point at Franklin Avenue. The report defines Los Angeles using the city boundary and the region as the Los Angeles–Long Beach–Anaheim Metropolitan Statistical Area (MSA).

IDA and the Hollywood Property Owners Alliance wanted to build a deeper understanding of Hollywood's contribution to citywide and regional performance across a range of areas. We grouped these areas under five principles—economy, inclusion, vibrancy, identity, and resilience—developed in 2017 in workshops with the first cohort of urban place management organizations that IDA assembled for this analysis. We evaluated data for multiple factors within each principle, focusing on trends and growth over time and how downtown compared to the city and the region.

*The Value of U.S. Downtowns and Center Cities* study typically compares a downtown or urban district to its city and region to identify the value of the study area, but that approach presents a challenge with a district like Hollywood. In assessing share of citywide jobs or residents, Hollywood struggles with a distinct disadvantage—the sheer size of Los Angeles and the fact that Hollywood is only one of several districts classified as a dense



Hollywood study area, BID and ZIP Code areas



urban place within Los Angeles. Among the 33 cities in the study to date, Los Angeles has the highest number of jobs (nearly double the second city, Dallas); the largest population (nearly triple the next largest city, San Antonio); and the second-largest land area, behind Oklahoma City. For certain topics the report uses Los Angeles City Council District 13 for comparisons designed to demonstrate the study area's impact on its immediate geographic context. The data for City Council District 13 comes from a best-fit match with census tracts that don't precisely line up with the district's political boundary. For these measurements of Hollywood's impact on the city, it is vital to bear in mind that Hollywood covers only 0.3% of Los Angeles's land area and 12% of Council District 13.

# Economy | Impact, Innovation

Downtowns make up a small share of their city's land area but have substantial economic importance.

While downtowns and center cities constitute a small share of citywide land area, there's no understating their regional economic importance. As traditional centers of commerce, transportation, education, and government, downtowns serve as economic anchors for their cities and regions. Thanks to highly concentrated economic activity, investment in the center city yields a high level of return per dollar. Analyzing the economic role of downtowns and center cities in the larger city and region highlights their unique value and provides a useful guide for development policy.

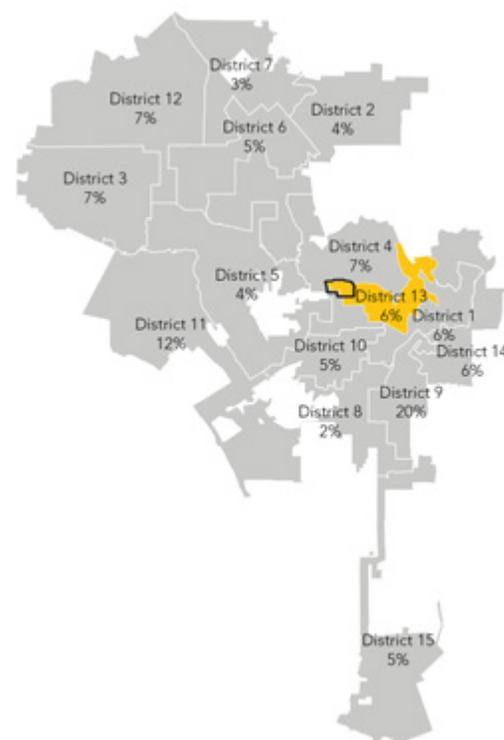
**Benefits of Economy:** Economic Output, Economic Impact, Investment, Creativity, Innovation, Visitation, Spending, Density, Sustainability, Tax Revenue, Scale, Commerce, Opportunity

## Jobs/Industries

As of 2017 Hollywood had 29,000 jobs, accounting for 2% of citywide employment but more than a third of employment within Council District 13. Hollywood has seen very strong job growth over the last two decades, adding more than 11,000 jobs between 2002 and 2017 – tripling the citywide job growth rate. The disparity between job growth citywide and in Hollywood shows that the district is drawing in a disproportionate number of new jobs – marking it as an up-and-coming employment node within the city, consistently beating citywide growth rates. Netflix, which has leased the most property in Hollywood in the last few years, has been one of the biggest drivers of employment growth, employing approximately 8,500 people in Hollywood as of 2019. While many urban places endured stalled growth or even heavy job losses during and after the Great Recession, Hollywood added 3,600 jobs between 2002 and 2010.

The largest sectors in Hollywood, accounting for a combined 15,500 jobs, are Accommodation and Food Services; Information; and Healthcare and Social Assistance. The conspicuous absence of the “entertainment industry” from that list is due to a quirk of terminology. Several of the largest

Los Angeles 2017 Employment By Council District



companies within the study area create and distribute media and are locally referred to as the “entertainment industry.” This includes companies like Capitol Studios, Viacom, Sunset Gower Studios, and Caviar LA. However, the data source used in the study categorizes many of the jobs locally seen as part of the “entertainment industry” as jobs in Information, which includes jobs and companies associated with audio/video production, postproduction, editing, or internet broadcasting.

Businesses and employers recognize the benefits of locating in the district and will pay a premium to do so. On average, class A office space costs nearly \$1.15 more per square foot than the citywide average. Since 2013, the cost per square foot of office space within Hollywood has increased from

just over \$3 per month to just below \$5, and vacancy rates have remained low. As noted, 1 million square feet of office space under construction will expand the existing inventory of 3.8 million square feet by more than 25%. Real estate company Cushman & Wakefield says that “Hollywood has steadily improved the quality of its office inventory while maintaining its historic charm. With some of the lowest vacancy in Los Angeles and much of the new developments already preleased, Hollywood is transitioning to a luxury office market.”<sup>3</sup> In addition to traditional office space there are seven coworking spaces within the study area catering to small businesses and startups.

Hollywood shows particular strength in knowledge jobs; their number doubled between 2002 and 2017 for a net increase of just under 7,000 jobs. With a 96% increase since 2002, knowledge job growth in Hollywood has tripled the growth rate for knowledge jobs across the city and region. Most of those gains took place in the Health Care and Social Assistance; Information; and Professional, Scientific, and Technical Services sectors. Hollywood has the second-highest knowledge job growth rate among the 33 study participants.

Outside of knowledge jobs, the number of creative and service jobs has grown as well. Employment across retail trade, accommodation and food services, and arts, entertainment, and recreation jobs has increased 72% since 2002, adding a total of around 3,000 jobs. Hollywood has a proportionally high concentration of these jobs. With 2% of citywide jobs, it has 4% of citywide accommodation and food service jobs and 3% of citywide creative jobs.

**Fiscal Impact**

The Hollywood Entertainment District has an aggregate assessed value of \$5,058,755,000, or \$11.2 billion per square mile, excluding right of way. A square mile in Hollywood is worth more than eight times an average square mile citywide. High value also vaults Hollywood into the top downtowns in this analysis, giving it the fifth-highest value per square mile among 33 districts. Another measure tracks the area’s importance: Transaction values highlight demand for real estate in a particular area. The median price for land that changed hands in the Hollywood Entertainment District hit an all-time high of \$395 per square foot in 2016. That represented an increase of 884% since 2000—more than triple the citywide increase of 286%.<sup>4</sup>



Hollywood’s Entertainment District assessed value is **\$5B**, more than **8x** an average square mile citywide.

Source: Hollywood Property Owners Alliance (2019), Los Angeles City Budget (2019)



**Land Value and Investment**

	Hollywood Entertainment District	City
ASSESSED VALUE	\$5.06B	\$611B
AREA IN SQUARE MILES*	0.45	468
VALUE PER SQUARE MILE	\$11.2B	\$1.3B

\*Excluding right of way

Source: Hollywood Property Owners Alliance (2019), Los Angeles City Budget (2019)

**Hollywood Employment**

		
<b>36%</b>	<b>31%</b>	<b>79%</b>
DISTRICT 13'S JOBS	DISTRICT 13'S KNOWLEDGE INDUSTRY JOBS	DISTRICT 13'S CREATIVE JOBS

Source: LEHD On the Map (2017)

## Knowledge Industry Employment Growth 2002-2017

Finance, Insurance, Real Estate and Rental and Leasing



Management of Companies and Enterprises



Professional, Scientific, and Technical Services



Information



Health Care and Social Assistance



	Finance, Insurance, Real Estate and Rental and Leasing	Management of Companies and Enterprises	Professional, Scientific, and Technical Services	Information	Health Care and Social Assistance
Hollywood	5%	-1.5%	149%	55%	302%
Council District 13	50%	-47%	111%	-12%	61%
City	2%	-38%	24%	9%	88%
Region	5%	-18%	30%	17%	81%

Source: LEHD On the Map (2002, 2017)

## Tax Impact



	90028 ZIP Code	% of City
HOTEL TAX*	\$14.9M	5%
PARKING TAX	\$3.9M	3%
SALES TAX	\$6.8M	1%

\*Hotel tax data uses the "downtown" Hollywood boundary as defined by the Tourism Marketing District.

Source: City of Los Angeles (2019)

Tax revenues generated from hotels, parking structures, and retail sales are major sources of revenue for the City of Los Angeles. The 90028 ZIP Code, which encompasses most of the study area, produces 5% of LA's hotel tax revenue, 3% of its parking tax revenue, and 1% of its sales tax revenue. Combined, those revenues amount to \$25.7 million annually. In particular, Hollywood generates a large share of the city's hotel taxes relative to its size, and those revenues will continue to increase as the thousands of new rooms in the pipeline enter operation.

# Inclusion | Diversity, Affordability

Downtowns and center cities invite and welcome residents and visitors by providing access to opportunity, essential services, culture, recreation, entertainment and participation in civic activities.

## Resident Diversity

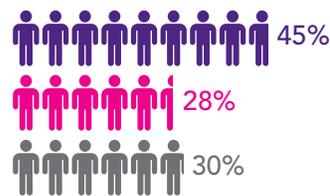
The racial demography of Hollywood is quite diverse, with no race constituting a majority of the district. Hollywood has a much higher share of white residents (45%), but a much lower share of Hispanic or Latino residents (35%) than the city or region. The Hispanic or Latino population has dropped by 25% since 2000, with much of that loss occurring between 2000 and 2010, when Hispanic population dropped by 3,000. Since 2010 Hollywood's racial diversity has changed only

**Benefits of Inclusion:** Equity, Diversity, Affordability, Civic Participation, Culture, Mobility, Accessibility, Tradition, Heritage, Services, Opportunity

"Inclusive spaces in the public realm, particularly in our cities' downtowns, can help break down the social barriers that often divide us. Thriving downtown districts and public spaces promote not only economic prosperity, but also social cohesion."<sup>5</sup>

## Residents By Race

### WHITE



### HISPANIC OR LATINO



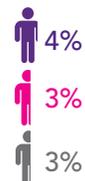
### BLACK



### ASIAN



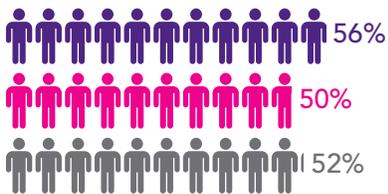
### OTHER



Source: American Community Survey 5-Year Estimates (2013–2017)

# Workforce Racial Diversity

## WHITE



## BLACK



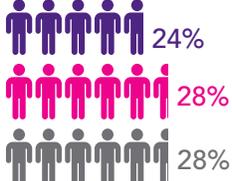
## ASIAN



## OTHER



## HISPANIC OR LATINO



Source: LEHD On the Map (2017)

minimally; its Diversity Index score has gained two points to 82, and the non-white proportion of residents has risen by less than 1%. The index, an indicator of the mix of residents within an area, expresses the probability that any two random people within the district identify as different races or ethnicities. It doesn't, however, necessarily reflect the extent of mixed neighborhoods within the study area.

### Workforce Racial Diversity

The breakdown of employment by race in Hollywood closely tracks employment throughout the city and region, with a slightly higher share of white employees and lower share of Hispanic or Latino workers.

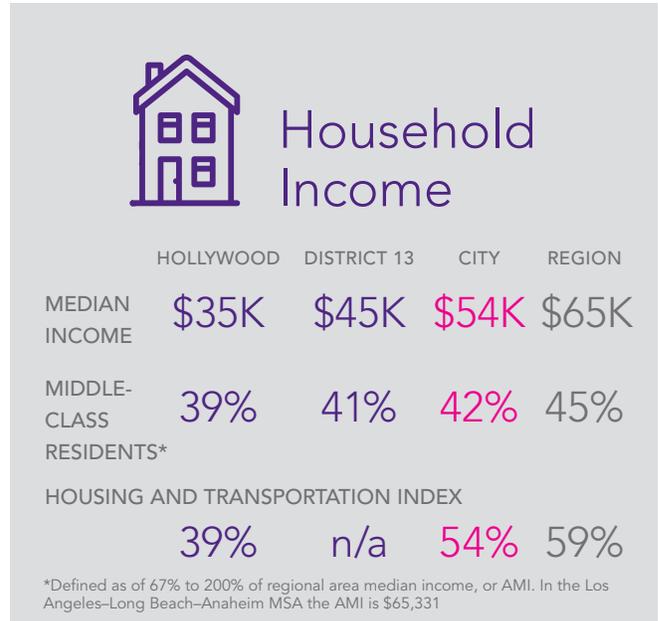


**Socioeconomic Diversity**

Hollywood residents lag the region in terms of wealth. The median household income of \$35,400 sits \$30,000 below the regional median and \$10,000 below the median for Council District 13. Just north of the study area, by contrast, the Hollywood Hills contain several census tracts where the median income exceeds \$100,000. 39% of Hollywood residents qualify as middle class for the Los Angeles–Long Beach–Anaheim MSA, slightly lower than 42% proportion citywide.

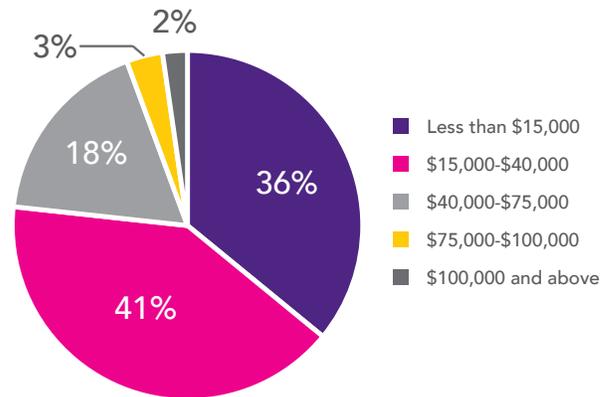
Housing affordability in Hollywood and Los Angeles remains a concern. Since 2000, even as the total count of households in Hollywood has risen, the number of households with annual incomes below \$40,000 has fallen by 30%. Over that same period, the number with incomes above \$100,000 has grown by 500%. This trend extends well beyond Hollywood: The city overall saw a 23% decrease in the number of households with incomes below \$40,000 and a doubling of households with incomes above \$100,000. Meanwhile, Hollywood has moved pre-emptively to keep housing affordable with 20% of residential units in the Hollywood Entertainment District, or 1,000 units, being income-restricted to those with low or extremely low incomes. Currently there are six residential buildings in Hollywood that are fully affordable. As well, roughly 10% of new units within the housing pipeline will be income-restricted. Two key factors have helped create Hollywood’s affordable housing inventory. The first is the Transit-Oriented Communities (TOC) density bonus program, which encourages creation of mixed-income and affordable housing near transit. The second is pre-emptive city council involvement, with the Council District 13 office negotiating directly with developers for inclusion of affordable units in residential development projects. Although maintaining housing affordability will require constant monitoring and management, continued development will bring new investment and wealth to the study area, spurring growth and revitalization.

Rental prices in Hollywood changed dramatically between 2000 and 2017. In 2000, 83% of renters paid less than \$800 per month for housing. By 2010 only 33% of renters paid less than \$800, and by 2017 the ratio inverted, with 82% of residents paying more than \$800 in rent. During this period the median gross rent jumped from \$579 to \$1,244.

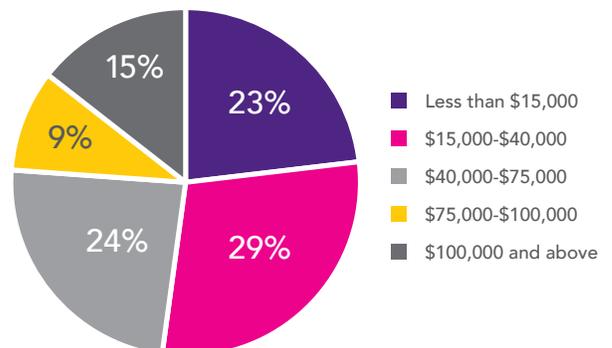


Source: American Community Survey 5-Year Estimates (2013–2017), Center for Neighborhood Technology (2017)

**Household Income 2000**

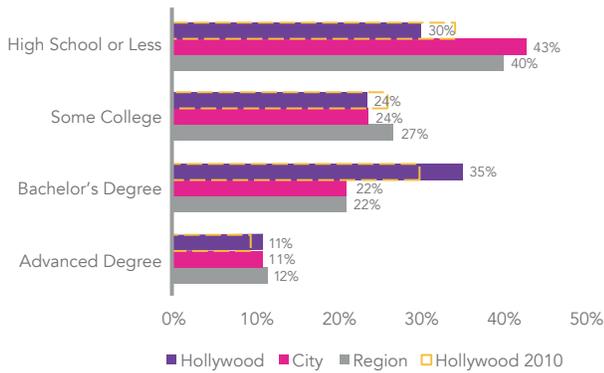


**Household Income 2017**



Source: U.S. Decennial Census (2000), American Community Survey 5-Year Estimates (2017)

### Educational Attainment In Hollywood

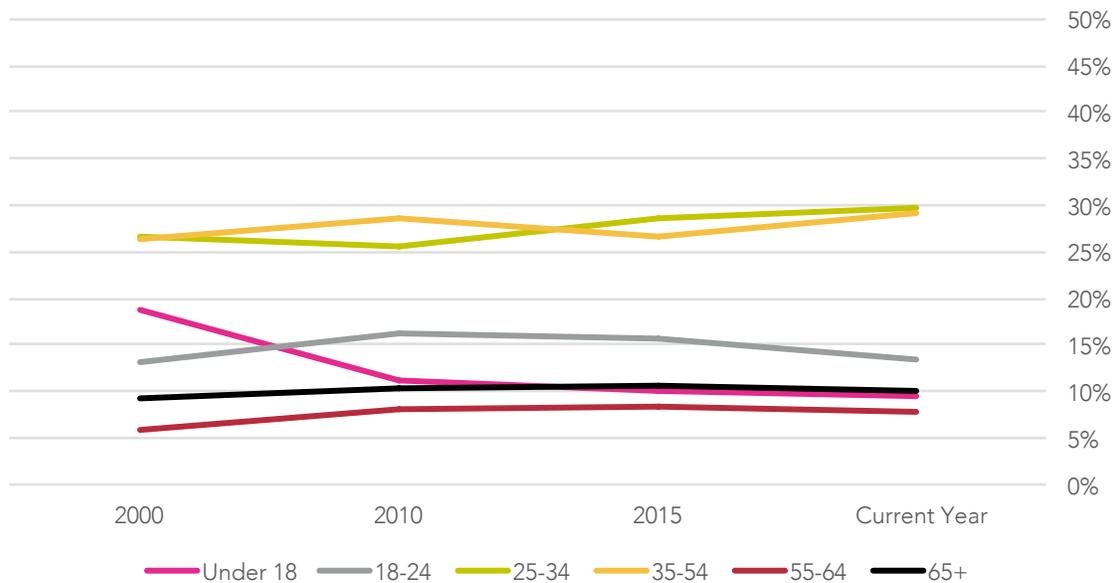


Source: American Community Survey 5-Year Estimates (2005–2010, 2013–2017)

Relatively speaking, the Hollywood residential community is young. Millennials constitute a large share of Hollywood's population, with 43% of residents between 18 and 34. By comparison, only 25% of residents regionally fall into that age range. Residents between 35 and 54 also cluster in Hollywood, making up nearly 30% of the population. The proportion for each range of ages has stayed consistent since 2000, with only the share of children under 18 shifting by more than 5%.

46% of residents hold a bachelor's degree or higher, compared to 33% citywide, and 11% more residents had a college degree in 2017 than did in 2010. The percentage of residents with a bachelor's degree or higher almost exactly matches the median of 45% for all districts in this analysis.

### Change in Age Diversity Over Time



Source: U.S. Decennial Census (2000, 2010), American Community Survey 5-Year Estimates (2015, 2017)

# Vibrancy | Spending, Fun

Due to their expansive base of users, center cities can support a variety of unique retail, infrastructural, and institutional uses that offer cross-cutting benefits to the region.

Downtowns and center cities typically form the regional epicenter of culture, innovation, community and commerce. Downtowns flourish due to density, diversity, identity and use. An engaging downtown “creates the critical mass of activity that supports retail and restaurants, brings people together in social settings, makes streets feel safe, and encourages people to live and work downtown because of the extensive amenities.”<sup>6</sup>

**Benefits of Vibrancy:** Density, Creativity, Innovation, Investment, Spending, Fun, Utilization, Brand, Variety, Infrastructure, Celebration

### Residential Growth

As of 2017 Hollywood had 27,300 residents, despite its small footprint. This gave the study area 19,000 residents per square mile, the fourth-highest population density in this analysis. From 2000 to 2010 the Hollywood study area lost 2,400 residents, then gained just under 1,000 between 2010 and 2017. Comparing growth rates between 2010 and 2017, Hollywood has kept pace with the growth of

## Residential Change

Hollywood Entertainment District

**RESIDENTIAL POPULATION CHANGE (SINCE 2010)**

**18%\***

**TOTAL RESIDENTIAL UNITS**

**6,194**

**RESIDENTIAL UNITS IN PIPELINE**

**5,733**

**RESIDENTIAL UNITS UNDER CONSTRUCTION**

**1,412**



Hollywood

**3.5%**

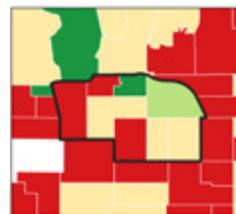
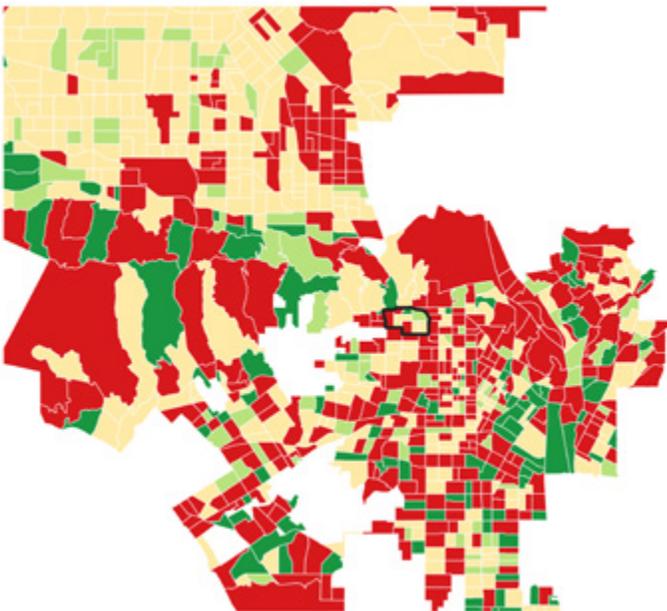
**16,862**

**n/a**

**n/a**

\* From the Hollywood Economic Analysis & The Business Improvement Districts report (2017)

Source: U.S. Decennial Census (2010), American Community Survey 5-Year Estimates (2017), CoStar (2017)



**Population Growth 2000 to 2017**

- <0%
- 0% - 25%
- 25% - 50%
- 50%+

### Population Change in Los Angeles by Census Tract

Source: U.S. Decennial Census (2000); American Community Survey 5-Year Estimates (2013–2017)

## All Retail

### TOTAL RETAIL BUSINESSES

	Hollywood	District 13	City	Region
	620	2K	33K	106K

### NUMBER OF RETAIL BUSINESSES PER SQUARE MILE

	Hollywood	District 13	City	Region
	440	159	71	21.9

### NUMBER OF RESTAURANTS AND BARS

	Hollywood	District 13	City	Region
	310	800	10K	32K

### NUMBER OF DESTINATION RETAIL BUSINESSES

	Hollywood	District 13	City	Region
	101	219	7K	18K

Source: ESRI Business Analyst Marketplace Profile (2019)

Council District 13, the city, and region overall – growing 3.5%. The accompanying map shows mixed outcomes within the study area, with different census tracts seeing growth or decline. Within the Hollywood Entertainment District specifically, population growth has greatly outpaced the study area and larger context, increasing 31% between 2000 and 2016 (from 5,500 to 7,250). The number of housing units in the district has seen strong growth as well, increasing from 1,700 to 6,200 while housing absorption for multifamily units remained steady at or above 95% occupancy.<sup>7</sup> One possible explanation is a reduction in household size. The share of Hollywood’s residents who are under 18 has halved since 2000 and the average household size decreased from 2.15 to 1.85.

As noted earlier, the 2017 report *Hollywood Economic Analysis & The Business Improvement Districts* found

## Retail Sales



	Hollywood	District 13	Share of City
Annual Spending	\$821M	35%	2%
Revenue per square mile	\$582M	n/a	n/a

Source: ESRI Business Analyst Marketplace Profile (2019)

sustained interest in development within the study area. At the time of the report, the pipeline of recently completed, under construction, or proposed residential projects for the Hollywood Entertainment District contained more than 5,700 units, whose completion will spur significant population growth. This spike in inventory—nearly doubling the number of housing units in the Hollywood Entertainment District—likely reflects demand for more workforce housing, as employment in the study area continues to grow. Hollywood’s vibrancy and live/work dynamic represent a significant draw for new residents.

### Retail Vitality

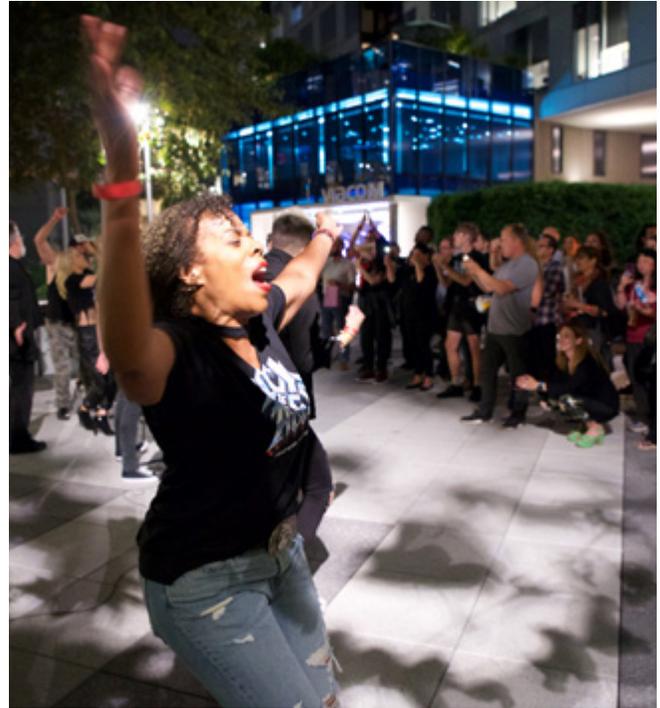
Storefronts in Hollywood generate an estimated \$821 million in retail sales, and residents create an estimated \$364 million in retail demand. The difference between the two figures suggests that non-residents account for around \$456 million in sales, or 56% of all retail dollars. This identifies Hollywood as a destination whose offerings appeal to more than just local residents. Further supporting this point are the 7.6 million annual unique visitors to Hollywood. Of visitors to the county, 15.3% come to visit the study area. Retail vitality serves as “a top draw”, with 62% of visitors dining in restaurants and 61% going shopping, according to a 2017 visitor profile report.<sup>8</sup> The density and quality of storefront offerings plays a big role in Hollywood’s appeal to visitors, workers, and residents. At 440 storefronts per square mile Hollywood offers a highly interactive and engaging environment. Among the 33 districts in this analysis, Hollywood has the fifth-highest retail density and sixth-highest retail sales per square mile.

Solid demand for storefront space in Hollywood produces an average rental cost per square foot of \$4 per month, among the highest in this study. In 2009 the average monthly cost per square foot fell within a few cents of the citywide average, but since then a gap has emerged: as of 2016, retail space in Hollywood commanded more than a \$1 per month more than the citywide average.<sup>9</sup> The significance of Hollywood's retail sector shows itself in revenue figures: 35% of retail dollars spent in Council District 13 come from Hollywood, again only 12% of the district's land area.

### Live Events and Entertainment

Hollywood offers a wealth of entertainment venues hosting a range of shows and events. True to its identity and reputation, several historic and iconic movie theaters—such as Grauman's Chinese Theatre, El Capitan Theatre, The Egyptian Theatre, and ArcLight Hollywood—hold premieres for new releases and show rare independent and classic films. For live theatre, the historic Pantages Theatre presents productions, occasionally featuring Broadway shows, to an audience of 2,700. Beyond the big names and venues, many more intimate stages and shows operate throughout the study area.

The Dolby Theatre hosts the Academy Awards annually. Globally televised, it drew 30 million U.S. viewers in 2019. As the historic capital of the industry, Hollywood hosts several other renowned celebrations of film annually. The American Film Institute Fest showcases more than 125 films over eight days, featuring the works of master filmmakers and new talent. The TCM Classic Film Festival hosts screenings of classic films and brings in celebrity guests, filmmakers and stars tied to the movies presented. For non-film-related events, the Hollywood Christmas Parade and LA Marathon both bring thousands more through the district annually. Hollywood hosts a long-lived and highly successful farmers market. For the past 29 years the Hollywood Farmers Market has taken place every Sunday at Ivar and Selma, serving between 10,000 and 12,000 shoppers weekly.



## Hollywood Events



30+

EVENT VENUES  
WITH LIVE  
ENTERTAINMENT

3

FARMERS  
MARKETS

17

THEATRES

5+

TOTAL ANNUAL  
FESTIVALS /  
PARADES WITH  
1,000+ ATTENDEES

Source: Hollywood Property Owners Alliance (2019)

## Identity | Visitation, Heritage, Tradition

Downtowns and center cities preserve the heritage of a place, provide a common point of physical connection for regional residents and contribute positively to the brand of the regions they anchor.

Downtowns are “iconic and powerful symbols for a city and often contain the most iconic landmarks, distinctive features, and unique neighborhoods. Given that most downtowns were one of the oldest neighborhoods citywide, they offer rare insights into their city’s past, present, and future.”<sup>10</sup> The authentic cultural offerings in downtown enhance its character, heritage, and beauty, and create a unique sense of place not easily replicable in other parts of the city.

**Benefits of Identity:** Brand, Visitation, Heritage, Tradition, Memory, Celebration, Fun, Utilization, Culture



Source: Instagram (5-20-2019)

Few districts in the world enjoy the international name recognition Hollywood has. Nearly 40% of its visitors come from outside the United States, citing general sightseeing and specific attractions among the most common reasons for visiting.<sup>11</sup> Hollywood offers a unique concentration of iconic locations and sightseeing opportunities, including globally recognized attractions like the Walk of Fame and the “Hollywood” sign among dozens within the study area.

This polished international image, however, doesn’t fully reflect the challenges of an urban district or how locals perceive it. Tourists imagine bumping into movie stars on the

sidewalk and experiencing the culture of Hollywood as seen in movies, TV shows, travel brochures, and on Instagram. Some Los Angeles locals, however, take a more critical view, put off by fixtures of the tourist experience such as photo ops with costumed characters and street vendors, or by urban challenges like panhandlers and people affected by homelessness.

Hollywood Property Owners Alliance has allied with several other local organizations, including the Hollywood Chamber of Commerce and the Council District 13 office, to revolutionize the experience and character of Hollywood Boulevard. The goal is to create an experience that delights visitors but also supports repeated visits by local residents. Mitch O’Farrell, City Council member for Council District 13, has proposed “a long-term strategic and creative initiative to promote economic growth, world-class design, and a strong sense of place and community in the historic core of Hollywood” under the name “HEART of Hollywood.”<sup>12</sup>

Hollywood’s identity rests on its long-time identification with the American film industry. The connection stretches back to the early 1900s, when filmmakers fled the East Coast and Thomas Edison’s harsh enforcement of technological patents, intended to stifle competition to his own productions. Hollywood’s “Golden Age” occurred between 1915 and around 1950, as the industry established itself, consolidated, and turned out classic films such as *The Wizard of Oz*, *Citizen Kane*, and *All About Eve*. During this period the “Big Five” movie studios—Warner Brothers, RKO, Fox, MGM, and Paramount—all ran their operations from Hollywood.

Today, only one of those five, Paramount, remains; the others have relocated to other parts of California or elsewhere. As the studios left Hollywood, so did wealthy residents—particularly in the 1960s and '70s, when many relocated to suburban neighborhoods—leaving the district struggling

for years before revitalization began in the 2000s. In recent years entertainment giants have rediscovered Hollywood. Netflix and Viacom have relocated thousands of employees to the district, bringing Hollywood’s history and relationship with the entertainment industry full circle. A 2017 article in *The Hollywood Reporter*, “Surprise! Hollywood Is Becoming Entertainment’s New ‘It’ Neighborhood,” outlines how a central location and the interconnectivity of the studios has made the district attractive to studios again. In the article, Sarah Fischer—head of production at Shondaland, which shoots *Scandal* and *How to Get Away With Murder* at Sunset Gower Studios within the district—comments on the impact of production’s return to Hollywood. “There’s more hustle and bustle. It’s great to see the industry so alive. Not only that, but the history of Hollywood is something that never gets old to me. It’s where the magic began.”<sup>13</sup>

Perhaps less commonly known, Hollywood has a deep and historic connection to both music broadcasting and recording. The first Hollywood radio station opened in 1924, when KNX began broadcasting orchestral music and interviews with movie stars. In the next few years, theaters and nightclubs along Vine Street underwent conversion into sets for radio shows as the new medium enjoyed rapid growth. During the 1930s and '40s broadcasting giants RCA, NBC, CBS, and ABC all had a substantial presence in Hollywood’s newly dubbed “Vinyl District” centered at Cahuenga Club Corridor and Selma Avenue. Music studios also dotted the district. Household names new and old have recorded albums in

Hollywood—Frank Sinatra, The Beach Boys, Neil Diamond, Weezer, and Cream, to name a few. In 2001 Amoeba Music opened its Hollywood store, featuring as many as 250,000 musical titles—physically in stock—and becoming an instant landmark.<sup>14</sup>

Hollywood’s own self-image is evolving, but different groups carry contrasting opinions about what it is or should become. Visitors want tourist-focused commercial offerings designed to excite and entertain. Yet, the rapidly growing population of residents and workers in the district wants businesses that serve as local watering holes and support the needs of daily living.

Data supports Hollywood’s status as a global destination that receives millions of visitors annually. Hollywood contains 4,194 hotel rooms—just over 10% of all rooms citywide. That number has grown steadily since 2010, with close to 600 rooms added, a 16% increase, and another 4,700 in the pipeline for the study area - 2,200 of which are in the Hollywood Entertainment District.

	HOLLYWOOD	CITY	COUNTY
<b>Hotels</b>			
HOTELS	28	345	1,036
HOTEL ROOMS	4K	40K	104K
AVERAGE OCCUPANCY RATE	80%	81%	80%
VISITORS	7.6M	n/a	50M

Source: STR Report



Source: Hollywood Property Owners Alliance (2019)

# Resilience | Sustainability, Diversity

At its broadest, resilience means a place's ability to withstand shocks and stresses. Thanks to their diversity and density of resources and services, center cities and their residents can better absorb economic, social, and environmental shocks and stresses than other parts of the city.

Diversity and economic vitality equip downtowns and center cities to adapt to economic and social shocks better than more homogenous communities. Similarly, density better positions downtowns and center cities to make investments needed to hedge against and bounce back from increasingly frequent environmental shocks and stresses.

**Benefits of Resilience:** Health, Equity, Sustainability, Accessibility, Mobility, Durability of Services, Density, Diversity, Affordability, Civic Participation, Opportunity, Scale, Infrastructure

## Economic Resilience

Hollywood must remain aware of its economic vulnerabilities. As many urban places have discovered—including Hollywood in the 1950s—heavy reliance on a single dominant industry leaves a district vulnerable when that industry falls victim to shocks or disruptions. The emergence and popularity of TV severely disrupted the film industry; by most accountings, TV's rise, along with a legal ruling that ended lucrative relationships between studios and movie theatres, brought Hollywood's Golden Age to an end. Today, the study area relies on tourism to support a large

accommodation and food service sector, but the renewed strength and presence of the entertainment industry has added substantial economic value. Disruptions to either would present challenges for the district, but the emergence and growth of two other sectors—educational services, health care and social assistance, and professional, scientific, and tech services—between 2002 and 2017 suggest welcome diversification and a more stable economy.

Having educated residents also improves economic resilience, as their expertise and knowledge often equip them better to adapt to economic shocks and stresses. Access to 21 postsecondary institutions within the study area brings a wealth of opportunities for higher education to enrich the district's workforce and train new talent.

## Social Resilience

Access to community resources and gathering places improves the health and social fabric of a place. Hollywood has a wealth of recreation and community centers; religious institutions; and primary, secondary, and postsecondary schools. The 21 institutions of postsecondary education have an aggregate enrollment of 7,500 students. Many focus on the performing arts, music, visual and media arts, and writing.

## Hollywood Community Resources



2

LIBRARIES



5

RECREATION AND  
COMMUNITY  
CENTERS

11

RELIGIOUS  
INSTITUTIONS

6

PARKS AND  
NATURAL  
AREAS

21

POSTSECONDARY  
INSTITUTIONS

6

PRIMARY AND  
SECONDARY  
SCHOOLS

Source: Hollywood Property Owners Alliance (2019)

Looking at housing and transportation together casts Hollywood as more affordable to residents than the rest of the city. Residents on average spend around 39% of income on housing and transportation combined, while residents of the city and region devote more than 50% of income to these two basic needs. Hollywood residents can absorb the cost of higher median rents because they spend much less on transportation than residents of other parts of the city.

While property and violent crime rates sit slightly above those for the city overall, visitors and residents generally perceive Hollywood as safe, with only 4% of visitor-survey respondents suggesting that safety needs improvement.<sup>15</sup> The formation of the Hollywood Entertainment District has had a strong positive impact on people's perception of the district's safety over the last 20 years.<sup>16</sup>

Keeping housing affordable and rents manageable plays a big role in strengthening a community's social cohesion. While socioeconomic characteristics have shifted toward a more affluent populace, only 29% of Hollywood households qualify as rent-burdened, meaning that they spend more than 30% of income to pay rent. By comparison, 53% of residents in Council District 13 and 13% of residents citywide qualify as rent-burdened. This demonstrates that rent is more affordable to residents of the study area than in the rest of the council district but less so than in the city overall. The number of subsidized rental units demonstrates a clear effort to keep Hollywood affordable and reduce the pressure of gentrifying forces. One of the greatest challenges to building new affordable housing comes from the ongoing conflict over dense residential projects or plans, which detractors have frequently blocked or stalled with lawsuits.

As in many urban districts, the presence of people affected by homelessness presents a chronic challenge, both for Hollywood and the city as a whole. Based on a snapshot count made in January 2019, an estimated 1,000 of the 36,000 people affected by homelessness in Los Angeles live on the streets of the greater Hollywood area.

### Environmental Resilience

Hollywood lacks open space. Its total of 2.34 acres—very low for an urban area of this size—ranks it last among the 19 areas in this study for which we could obtain open space acreage data. In addition to open space's role in supporting recreation, research has shown links between urban open space and a range of environmental benefits, such as tempering urban heat islands, reducing air pollution, and capturing/storing greenhouse gases.<sup>17</sup>

The average Hollywood household produces 2.7 tons fewer greenhouse gasses annually than an average household citywide and 4.1 fewer tons than the regional average. A smaller share of residents drive to work alone than in the city as a whole. 39% of residents use a sustainable mode of transportation to commute, compared to only 27% citywide. Among the 33 areas studied for this analysis, Hollywood has the fourth-highest share of residents taking transit to work, but the seventh-lowest share of residents who walk. Although only 11% of commuting residents walk to work, this is 7% more than the share of commuters in Los Angeles walking to work. Hollywood's Walk Score is 91, indicating a highly walkable environment conducive to a strong live/work dynamic.

## Environmental Resilience



	HOLLYWOOD	CITY	REGION
ACRES OF OPEN SPACE	2.34	n/a	n/a
ANNUAL GHG EMISSIONS PER HOUSEHOLD (IN TONS)	3.04	5.75	7.15

Source: Los Angeles County Parks and Recreation (2019), Center for Neighborhood Technology (2017)

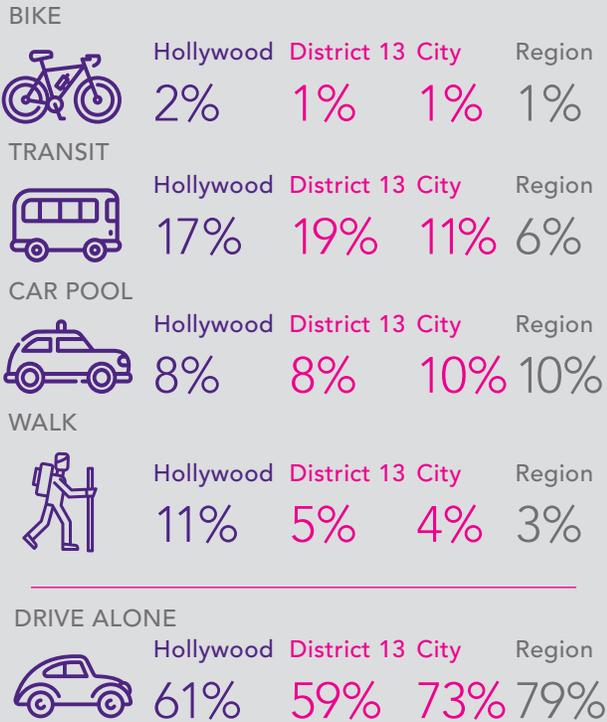
## Social Resilience



	HOLLYWOOD	DISTRICT 13	CITY
RESIDENTS IN POVERTY	7,239	54K	790K
RENT-BURDENED RESIDENTS	7,959	46K	498K
AVERAGE LIFE EXPECTANCY	79.9	80.4	80.6
NO LEISURE-TIME PHYSICAL ACTIVITY	20%	n/a	22%

Source: American Community Survey 5-Year Estimates (2013-2017); Robert Wood Johnson Foundation (2017); CDC (2018)

## Hollywood Residents' Commuting Patterns\*



\*Percentages may not add up to 100% due to rounding and exclusion of taxicabs.

Source: American Community Survey 5-Year Estimates (2013-2017)

## Mobility Options

	HOLLYWOOD	CITY
BIKESHARE STATIONS	10	150
DOCKED BIKES	100	1,500
SCOOTERS	2,127	21,270
TOTAL TRANSIT STOPS, INCLUDING RAIL AND BUS*	53	n/a

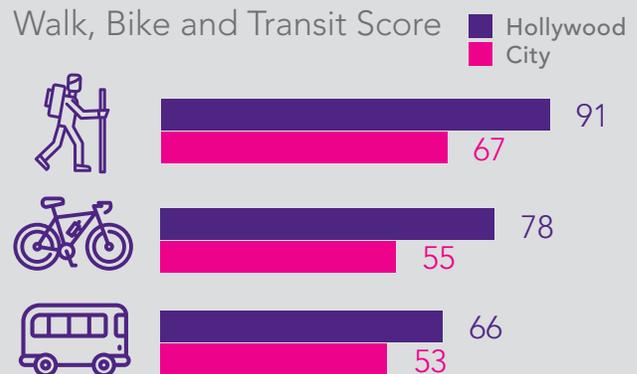
\*Aggregate of stops on each bus line that runs through the district—this figure represents the number of stops on the route, not physical stops.

Los Angeles Metro (2019)

Hollywood benefits from a high level of public transit service: The study area contains two Metro stops and 53 bus route stops (these do not represent physical boarding locations but the sum of in-district stops for every Hollywood-serving route). In 2016, the Hollywood/Vine and Hollywood/Highland Metro stations logged an estimated combined daily average of 13,200 off-boardings. Bike, Walk, and Transit scores all sit well above citywide levels, showing the ease and accessibility of non-automotive modes of transit, yet transit and bike scores remain slightly below the average for all study areas.

Broad stakeholder support exists for better transit and less dependence on driving. In surveys, visitors and residents alike cite traffic and parking among the most important issues needing improvement. Making alternate modes of transportation more attractive and convenient will naturally reduce traffic volume and parking demand. Developers, property owners, and workers all cite central location and interconnectivity as key qualities that make Hollywood attractive for employers. In *The Hollywood Reporter* article on the resurgence of the entertainment industry in Hollywood, several employees expressed enthusiasm for the newfound ease of connectivity between studios.<sup>18</sup> Installing bikeshare docks, especially near the two Metro stops, would strengthen the citywide network and improve multimodal access in and out of the district. The 100 new Metro BikeShare bikes represent a strong first step towards improving multimodal access.

Environmentally conscientious development appears to be a growing trend in the study area. The current development pipeline includes at least eight green buildings.



Source: Walk Score (2019)

# Downtown Profile | Summary

A dense live, work, and play neighborhood, Hollywood has experienced extraordinary revitalization led by rapid jobs growth. With significant new development coming online in housing, hotels, and office space, downtown stands well-positioned to continue its trajectory of growth. Although Los Angeles's vast scale limits Hollywood's impact on the city as a whole, comparing it to Council District 13 makes the value it generates clearer.

Based on the data collected for *The Value of U.S. Downtowns and Center Cities* study, we identified three tiers of downtowns, defined by stage of development. We divided the study downtowns into *established*, *growing* and *emerging* tiers based on the citywide significance of residents and jobs, density of residents and jobs within the district, assessed value per square mile, and the rate of growth in residents and jobs from 2000 to 2017.

The accompanying tables show how Hollywood compares to its peers in the same tier, and to citywide averages for tier cities. To see the full set of cities by tier, accompanying data points, and methodology, please refer to *The Value of U.S. Downtowns and Center Cities* compendium.\*

**Hollywood falls in the "emerging" tier.** Emerging downtowns do not yet have the high citywide significance in jobs and residents found in established downtowns, and they generally have relatively lower density than other downtowns. Emerging downtowns have lots of potential; typically, property value per square mile remains low relative to other urban places, allowing developers to get much greater return on their investment dollar. Similarly, lower rental costs make these downtowns attractive to small businesses and creators/makers.

Due to its high density, Hollywood stands as an exception among its peers, although its low citywide significance (due to L.A.'s sheer size) and population decline between 2000 and 2017 places it in the emerging tier. On some measures of density, such as population and retail sales density, Hollywood far outperforms the emerging tier and fares well against established downtowns such as Santa Monica, Waikiki, and Miami. At 19,300 residents per square mile,

\*The compendium report is available at the IDA website, [downtown.org](http://downtown.org).

## Emerging Downtowns

DURHAM	HUNTSVILLE	TAMPA
EL PASO	LANCASTER	TOLEDO
GRAND RAPIDS	OKLAHOMA CITY	TUCSON
GREENSBORO	SAN ANTONIO	WICHITA
HOLLYWOOD	SPARTANBURG	

Average of **2.1%** of the citywide land area, with an average assessed value of **\$1.6 billion** (5.8% of citywide assessed value) and accounts for:

	HOLLYWOOD	EMERGING DOWNTOWNS
CITYWIDE POPULATION	1%	3.1%
MILLENNIALS LIVING CITYWIDE	1%	4.5%

## RESIDENTIAL



	HOLLYWOOD	EMERGING DOWNTOWNS	EMERGING CITIES
<b>GROWTH</b> AVG. 2000 – 2017	-5%	16%	16%
<b>DENSITY</b> RESIDENTS / ACRE	30.2	7.5	4.5
<b>DIVERSITY INDEX</b>	82	64	70
<b>MEDIAN HOUSEHOLD INCOME</b>	\$35K	\$36K	\$47K



## EMPLOYMENT

	HOLLYWOOD	EMERGING DOWNTOWNS
GROWTH 2002-2017	64%	2.1%
CITYWIDE JOBS	2%	15%
CITYWIDE KNOWLEDGE JOBS	2%	18%
CITYWIDE CREATIVE JOBS	3%	18%
RESIDENTS HOLDING A BACHELOR'S DEGREE OR HIGHER	46%	37%

DOWNTOWN SUSTAINABLE COMMUTE



	HOLLYWOOD	EMERGING DOWNTOWNS	EMERGING CITIES
	39%	29%	17%



	HOLLYWOOD	EMERGING DOWNTOWNS
% CITYWIDE RETAIL SALES	2%	6%
RETAIL SALES PER SQUARE MILE	\$582M	\$130M*

\*This figure excludes retail sales per square mile for Hollywood and San Antonio, which are outliers for emerging downtowns.



	HOLLYWOOD	EMERGING DOWNTOWNS
HOTELS	28	12
HOTEL ROOMS	4,194	1,439*

\*This figure excludes hotel rooms for San Antonio, which is an outlier for emerging downtowns.

	HOLLYWOOD	EMERGING DOWNTOWNS	EMERGING CITIES
WALK SCORE 	91	81	38
BIKE SCORE 	78	74	43
TRANSIT SCORE 	66	44	22

Hollywood beats the established tier average, landing between downtown Santa Monica's residential density of 16,500 and Waikiki's 22,700. A clear outlier at four times the emerging tier average, Hollywood's closest retail sales density peer is Miami—an established downtown. However, Hollywood's job density is in line with emerging tier peers such as Tampa.

On measures of citywide significance, such as percent of citywide jobs and percent of citywide population, Hollywood falls well below the averages for the emerging tier. Because Los Angeles is so large, and Hollywood is just one of many dense urban centers within the city, it seems unlikely that Hollywood will ever gain enough significance relative to the city to qualify as an established district. For instance, the average established downtown contains 37% of citywide jobs and 9% of citywide population—Hollywood would need 589,000 workers and 355,500 residents to reach those percentages in Los Angeles. To frame the challenge of being in such a large city differently, many of the downtowns in the established tier would not qualify as established if they were located in Los Angeles. Inversely, Hollywood could be considered established in a city the size of Miami.

Looking at other trends, Hollywood has excelled in employment growth but not yet in population growth. At 64%, job growth since 2002 ranks among the highest in the study, far outpacing the average for the emerging tier. Hollywood has also seen remarkable growth in knowledge industries; knowledge jobs have risen 96% since 2002, the second-largest increase in the study. As mentioned, population will also climb as new housing moves from development to operation. Naturally the population increase will feed Hollywood's growing live/work nature and identity.

As an internationally recognized destination, Hollywood enjoys a rich identity and vibrancy. With one of the highest counts of storefronts per square mile in the study, the district has a dense and engaging retail environment that numerous surveys list as the top attraction for visitors. From a qualitative perspective, few places in the country can claim attractions as iconic as the Walk of Fame or the Hollywood sign. While its rich history and international profile attract tourists and visitors by the millions, the district faces challenges of perception among residents that local organizations are working to address.



APPENDICES

PROJECT  
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PRINCIPLES AND  
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# Appendix I: Project Framework and Methodology



## BACKGROUND

In 2017, IDA launched the Value of U.S. Downtowns and Center Cities study. IDA staff and the IDA Research Committee worked with an initial group of 13 downtown organizations, Stantec's Urban Places as a project advisor, and HR&A as an external consultant to develop the valuation methodology and metrics. Since 2017, IDA has added another 20 downtowns or urban districts to the study database, and worked with their respective urban place management organizations (UPMOs) to collect local data, obtain data from agencies in their cities, and combine these metrics with publicly available statistics on demographics, economy, and housing. Data collected included publicly available census figures (population, demographics, employment, transportation), downtown economic performance, municipal finances, capital projects, GIS data, and the local qualitative context. The 33 downtowns and urban districts studied to date represent diverse geographic regions and have relatively comparable levels of complexity and relationships to their respective cities and regions.

Guiding questions for this project included:

- What is the economic case for downtowns? What stands out about land values, taxes, or city investments?
- How do downtowns strengthen their regions?
- Can we standardize metrics to calculate the value of a downtown?
- How can downtowns measure their distinctiveness, cultural and historical heritage?
- How does a downtown's diversity make it inclusive, inviting, and accessible for all?
- What inherent characteristics of downtown make it an anchor of the city and region?
- Due to its mix of land-uses, diversity of jobs, and density, is downtown more socially, economically, and environmentally resilient than the rest of the city and region?



## PROJECT PURPOSE

The project measured the performance of U.S. downtowns using metrics developed collaboratively and organized under five principles that contribute to a valuable urban center. This study:

- Provides a framework of principles and metrics to guide data collection for evaluating the value of downtowns and center cities.
- Standardizes key metrics for evaluating the economic, social, cultural and environmental impacts of American downtowns.
- Develops an industry-wide model for calculating the economic value of downtowns, creating a replicable methodology for continued data collection.
- Provides individual analysis and performance benchmarks for participating downtowns in this standardized framework, including supplemental qualitative analysis.
- Empowers and continues to support IDA members' economic and community development efforts through comparative analysis.

## THE FIVE PRINCIPLES



## What factors make a vibrant downtown?

Downtowns have differing strengths: some function as employment anchors, some as tourist hubs, and some as neighborhood centers. Some are all three. We distilled the factors for measuring the value from attributes common to all downtowns regardless of their specific characteristics.



### DETERMINING PRINCIPLES FOR A VALUABLE DOWNTOWN

This project began with a Principles and Metrics Workshop held in 2017 with representatives of UPMOs from the 13 pilot downtowns. The workshop focused on developing value principles that collectively capture a downtown's multiple functions and qualities, and its contributions to the city and region. They identified five principles that became the organizing framework for determining benchmarking metrics.

Downtown advocates tailor their advocacy to the interests of different audiences. For instance, the figure for sales tax revenue generated downtown would have resonance for government officials but likely wouldn't hold much interest for visitors and workers. For these audiences, a UPMO might assemble data showing the types of retail available downtown, whether the offerings meet user needs, and how fully residents, workers, and visitors use these retail establishments. The study team sought arguments that would appeal to multiple audiences and worked to identify metrics that could support multiple statements about downtown value. The workshop identified these value statements:



1. Downtowns are typically the economic engines of their regions due to a density of jobs, suppliers, customers, professional clusters, goods, and services.
2. Downtowns offer convenient access to outlying markets of residents, customers, suppliers, and peers thanks to past and ongoing investment in transportation infrastructure.
3. Downtowns provide a concentration of culture, recreation, and entertainment.
4. Downtowns offer choices for people with different levels of disposable income and lifestyle preferences.
5. Because of their density and diversity, downtowns encourage agglomeration, collaboration, and innovation.
6. Downtowns are central to the brand of the cities and regions they anchor.
7. Downtowns can be more economically and socially resilient than their broader regions.
8. Downtown resources and urban form support healthy lifestyles.
9. Downtowns' density translates into relatively low per-capita rates of natural resource consumption.
10. Relatively high rates of fiscal revenue generation and efficient consumption of public resources mean that downtowns yield a high return on public investment.

## METRICS SELECTION

To identify metrics that allow comparisons across jurisdictions, we made sure necessary comparison data was available for every (or almost every) downtown, city, and region. We favored data that would be:

1. Readily available to most downtown management organizations (and ideally public).
2. Replicable (enabling year-to-year comparisons), and
3. Scalable across jurisdictions, allowing for benchmarking and regional comparisons.

Specifically, we chose metrics like population, employment, and assessed value for which we could reliably obtain data. We used more specialized data—I figures for downtown visitors or hotel tax revenue—when it helped tell a particular downtown story. Comparisons across jurisdictions, however, focus on commonly available metrics.

We expect most downtowns to rely on similar sources of proprietary data, but participating downtowns may prefer one source over another when obtaining similar data on metrics like commercial real estate (e.g., Colliers vs. CBRE). To the extent possible, instructions require that data sources remain consistent across geographic scales (downtown, city, region) and consistent over time for longitudinal analysis.

The study team analyzed metrics and comparisons to develop value statements about each downtown or district. Three types of data fully illustrate each argument:

1. **Absolute facts** provide quantitative context and a feel for the scale of the characteristic being used to make the argument.

For example, under economy, a UPMO might want to make the argument that a thriving financial services sector plays a critical role in the city's economy. The number of financial services jobs, the share of the city's financial services jobs located downtown, and the number/list of large financial services companies headquartered downtown will help make the case that downtown has great importance to that sector and therefore the city.

2. **Indicators** measure an argument at a secondary level by focusing on inputs or outputs and may reflect the subject geography or serve as benchmarks for



comparison to peer downtowns or case studies of best practices.

At this level, a UPMO could argue that its city's financial services sector is healthy and thriving. Comparing the growth of this sector in other downtowns, or the concentration of financial services jobs relative to other downtowns would highlight the strength of the downtown's appeal to financial services businesses.

3. **Qualitative assessments** inject anecdotal context and color into an argument.

For this level, the UPMO might include news reports of financial services companies choosing to open offices downtown. An interview with a company executive on why a firm chose to locate downtown would also be a powerful anecdote on downtown's appeal.

Together, these different types of information allow IDA and the UPMO to communicate a downtown's unique value to its city.



## DEFINING DOWNTOWN

This study defined the commercial downtown as extending beyond the boundaries of a development authority or a business improvement district. For one thing, geographic parameters vary across data sources and frequently did not align with a UPMO's jurisdiction.

Urban place management organizations vary widely in how they define their service geography. To make boundaries replicable and comparable across data sources, the study team recommended aligning each downtown study area with commonly used census boundaries. In most cases this meant using census tracts, the smallest permanent subdivisions that receive annual data updates under the American Community Survey. They make ideal geographic identifiers, since new data is released regularly, and tract boundaries do not change.

Employing census tracts may not accurately reflect the value of every downtown. In some cases, census block groups more accurately captured the downtown boundaries. Though the Census Bureau occasionally subdivides block groups over time, block groups also receive annual data updates and are compatible with most data sources. We looked to the 2012 publication, *The Value of Canadian Downtowns*, for effective criteria:

1. The downtown boundary had to include the city's financial core.
2. The downtown study area had to include diverse urban elements and land uses.
3. Where possible, we sought hard boundaries such as major streets, train tracks, or geographic features like rivers.
4. An overarching consideration was that data compiled align with selected downtown study areas.

Each downtown provided IDA with the geography selected for its downtown, which IDA then worked to refine, given local conditions and UPMO needs. Customized shapefiles or census tracts defined the downtown boundaries. For city and regional boundaries, IDA worked with the downtown management organization to confirm the accuracy of the respective census-designated place or MSA.

## PROJECT PROCESS

### DATA COLLECTION

Both IDA and the local partner spent the first phase of the project collecting data for the study. IDA collected data primarily from national databases (see Appendix 3 for data sources), and the local partner worked with its data partners to obtain other locally-specific data. In instances where local data was not available, we allowed substitution or approximation for some metrics if clearly noted and explained.

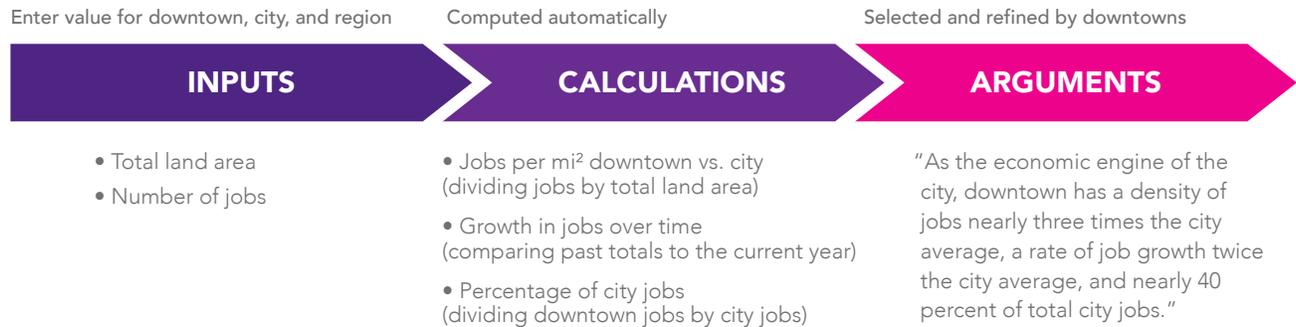
### CALCULATIONS AND ANALYSIS

After compiling the data, we plugged all the information into an IDA database for analysis. The database organizes the data by metric, year, and geography for each district. This specialized tool also tabulates numerous ratios, percentages, changes, and comparisons used in the report. As an example, after plugging in employment and land area data the tool can calculate:

- Percent of citywide and regional jobs
- Percent of citywide and regional land area
- Percent total job growth between specified years
- Percent job growth between specified years broken out by industry
- Average jobs per square mile
- Percent of employment in knowledge industries
- Percent of citywide and regional knowledge jobs located downtown
- Share of employment by race
- Share of employment by age
- Share of workers living and working within the selected area

Applying this analysis across all years collected and all applicable geographies captured trends over time and within larger contexts. The flow chart of inputs, calculations, and arguments demonstrates how we move from raw data to making arguments in the report. Research staff also use their expertise and knowledge of downtowns to highlight key trends and draw connections between local insights and trends in the data.





## BENCHMARKING TIERS

Based on the data collected for this study, we identified three tiers of downtowns, defined by stage of development. We divided the 33 downtowns that have participated to date into “established,” “growing” and “emerging” tiers. Our analysis compared downtown figures to study-wide medians in three areas:

- Density
  - o Jobs per square mile
  - o Residents per square mile
  - o Assessed value per square mile
- Significance to city
  - o Percentage of citywide jobs
  - o Percentage of citywide residents
- Long-term growth
  - o Percent growth in jobs (2002–2017)
  - o Percent growth in population (2000–2017)

**Established** – These downtowns contain high proportions of their cities’ jobs and residents, are dense and highly valuable to their cities.

**Growing** – These downtowns have not yet hit a critical level of density and citywide significance but show steady movement toward that critical mass. This group includes both larger downtowns with lower growth rates, and smaller downtowns with exceptional growth rates.

**Emerging** – Varying sizes and growth rates mark these downtowns, which generally have lower density and a low proportion of citywide jobs and residents. Because the study examined growth rates since 2000, many downtowns that struggled during the recession had a harder time demonstrating significant growth over the longer term despite stronger growth in recent years.

The compendium report *The Value of U.S. Downtowns and Center Cities: Third Edition* has additional data on the performance of emerging, growing, and established tiers of downtowns.

# Appendix II: Principles and Benefits

**ECONOMY:** Within their regions, downtowns have substantial economic importance.

Downtowns and center cities are valuable due to their roles as economic anchors for their regions. As traditional centers of commerce, transportation, education, and government, downtowns and center cities frequently serve as hubs of industry and revenue generators despite only occupying a small fraction of citywide land area. Downtowns support high percentages of jobs across many different industries and skill levels. Because of their relatively high density of economic activity, investment in the center city provides a greater return per dollar for both public and private sectors.



## Illustrative metrics:

- Annual private investment
- Annual public investment
- Assessed value
- Average office vacancy rate
- Average Class A office rent
- Average Class B office rent
- Average Class C office rent
- Employment (primary jobs)
  - By two-digit NAICS employment sectors
  - By earnings
  - By residence
  - By demographics
- Hotel tax
- Income tax
- Incubator and co-working spaces
- Investment in construction projects
- Number of approved building permits
- Number of Fortune 1000 headquarters
- Office inventory
- Office space under construction
- Office square footage in pipeline (to be completed in three years)
- Property tax
- Parking tax
- Sales tax

**INCLUSION:** Downtowns invite and welcome all residents of the region (as well as visitors from elsewhere) by providing access to opportunity, essential services, culture, recreation, entertainment, and participation in civic activities.

As the literal and figurative heart of the city, downtowns welcome residents, employees, and visitors from all walks of life. Residents of strong downtowns often come from a wide range of racial, socioeconomic, cultural, and educational backgrounds, and represent all ages. This diversity ensures that as an inclusive place, a downtown has broad appeal to all users and a strong social fabric.



**Illustrative metrics:**

- Average residential vacancy rate
- Demographics
- Diversity Index
- Employment diversity
- Foreign-born residents
- Homeless residents
- House value for owner-occupied housing units
- Households by income
- Median gross rent
- Median home price
- Median household income
- Rent-burdened residents
- Resident population
- Resident population by age
- Resident population by highest educational attainment
- Resident population by race and ethnicity
- Residential inventory
- Residential units in pipeline (to be completed in three years)
- Residential units under construction
- Subsidized housing units
- Zillow median rental listing price by number of bedrooms
- Zillow median rental listing price per square foot by number of bedrooms

**VIBRANCY:** Thanks to a wide base of users, downtowns and center cities can support a variety of retail, infrastructure, and institutional uses that offer broad benefits to the region.

The ability of vibrant places to attract visitors and new residents, as well as a regionwide consumer base, creates value. Vibrancy is the buzz of activity and excitement that comes with high-quality experiential offerings like breweries, restaurants, theatres, or outdoor events. As the cultural center of its city, downtown typically attracts a large share of citywide visitors and holds a large share of citywide hotels and hotel rooms. An engaging downtown “creates the critical mass of activity that supports retail and restaurants, brings people together in social settings, makes streets feel safe, and encourages people to live and work downtown because of the extensive amenities.”<sup>1</sup>



**Illustrative metrics:**

- Annual festivals/parades
- Average hotel occupancy rate
- Average retail rent
- Average retail vacancy rate
- Average visitor length of stay
- Convention centers
- Gyms and fitness studios
- Hotel rooms
- Hotels
- Outdoor events permitted by city
- Population
- Retail businesses (retail trade and food & drink)
- Retail demand (retail trade and food & drink)
- Retail sales (retail trade and food & drink)
- Retail space in pipeline (to be completed in three years)
- Retail space inventory
- Retail space under construction
- Venues with live entertainment
- Visitation by origin
- Visitors

**IDENTITY:** Downtowns preserve the heritage of a place, provide a common point of physical connection for regional residents, and contribute positively to the brand of the regions they represent.

Downtowns and center cities are often iconic symbols of their cities, and this strong sense of place enhances local pride. The distinctive cultural offerings in downtown enhance its character, heritage, and beauty, and create an environment that other parts of the city can't easily match. Combining community history and personal memory, a downtown's cultural value plays a central role in preserving and promoting the region's identity. Downtowns and center cities serve as places for regional residents to come together, participate in civic life, and celebrate their region, which in turn promotes tourism and civic society.

Downtowns are "iconic and powerful symbols for a city and often contain the most iconic landmarks, distinctive features, and unique neighborhoods. Given that most downtowns were one of the oldest neighborhoods citywide, they offer rare insights into their city's past, present and future."<sup>2</sup>



#### Illustrative metrics:

- Convention attendees
- Conventions
- Farmers markets
- Libraries
- Locally designated historic districts
- Locally designated historic structures
- Media mentions
- Museums
- National Register of Historic Places districts
- National Register of Historic Places structures
- Number of followers on Facebook
- Number of followers on Twitter
- Number of posts with Instagram hashtag
- Parks and natural areas
- Playgrounds
- Plazas/squares/amphitheater or other public outdoor gathering spaces
- Postsecondary institutions
- Postsecondary students
- Primary and secondary schools (public and private)
- Public art installations
- Public pools
- Recreation and community centers, both public and private (e.g., YMCA)
- Religious institutions
- Sports stadiums
- Sports teams

**RESILIENCE:** Because of their diversity and density of resources and services, downtowns and their inhabitants can better absorb economic, social, and environmental, shocks and stresses.

As key centers of economy and culture, being resilient to city, regional, or even national shocks is highly important for ensuring stability, sustainability, and prosperity. Because of diversity and density of resources and services, center cities and their inhabitants can better absorb economic, social, and environmental shocks and stresses than the surrounding cities and regions. The diversity and economic strengths of strong downtowns and center cities equip them to adapt to economic and social shocks better than more homogenous communities. Consequently, they can play a key role in advancing regional resilience, particularly in the wake of economic and environmental shocks that hit less economically and socially dynamic areas particularly hard.



**Illustrative metrics:**

- Acreage of open space
- Annual greenhouse gas emissions per household
- Average life expectancy
- Average property crime rate
- Average violent crime rate
- Bike Score
- Bike share stations
- Community gardens
- Commute mode for workers 16 and over
- Commute time for workers 16 and over
- Docked bikes
- Dockless bikes
- Electric car charging points
- Housing and Transportation Index
- LEED-certified buildings
- Miles of bike lanes
- No leisure-time physical activity among adults aged > 18 in the last month
- Resident population in poverty
- Scooters
- Transit Score
- Transit stops (including rail and bus)
- Unemployment rate
- Walk Score

# Appendix III: Data Sources

## NATIONAL DATA SOURCES FOR THE VALUE OF U.S. DOWNTOWNS AND CENTER CITIES

Source	Data Available	Pricing	Geographic Limitations	Most Recent Data Vintage in the Study
ESRI	Demographic, Housing, Detailed Establishments and Consumer Spending	Proprietary	None; allows for drawing of custom geographies; selection of sub-geographies down to census block group level	2017 to 2019 by data set (Annual Updates)
Social Explorer	Demographic, Housing, Crime, Employment	Proprietary	Allows for selection of sub-geographies down to the census block group level	2017 (Annual Updates)
American FactFinder	Demographic, Housing, Crime, Employment	Public	Allows for selection of sub-geographies down to the census block group level	2017 (Annual Updates)
LEHD On The Map	Labor: workers and firms	Public	None; allows for drawing of custom geographies; selection of sub-geographies down to census block group level	2017 (Annual Updates)
Center for Neighborhood Technology	Housing affordability, Sustainability, Income	Public	Allows for selection and exporting of sub-geographies down to census block group level	2017 (Updates Unscheduled)
Zillow	Housing and rental costs	Public	The smallest geographies are arbitrarily designated "neighborhoods," some of which line up with the study areas, others of which don't or don't exist. In these cases, we got as close as we could with a ZIP Code	April to June 2019 (Monthly Updates)
National Register of Historic Places	Historic structures and districts	Public	None	2019 (Annual Updates)
Geolounge	Map of Fortune 1000 companies	Public	ZIP Code	2018 (Annual Updates)
Centers for Disease Control and Prevention	Life expectancy, physical inactivity and other health data	Public	ZIP Code	2017 (Annual Updates)
FBI Uniform Crime Reporting	Crime Rates	Public	City and Metro	2017 and 2018 (Annual Updates)

# Appendix IV: Selected Study Definitions

## Assessed value

Assessed value is the dollar value assigned to a property to measure applicable taxes. This figure is an aggregate for all property within the study area, or for the closest match to the study area for which data is available.

## Acreage of open space

This figure is the total acreage of designated public spaces like parks or plazas; it does not include vacant lots.

## Census block group

A block group is a statistical division of a census tract, generally defined to contain between 600 and 3,000 people, that is used to present data and control block numbering in the decennial census.

## Census tract

A census tract is a small, relatively permanent statistical subdivision of a county or equivalent entity, updated by local participants prior to each decennial census.

## Creative jobs

The study uses the NAICS industry sector of Arts, Entertainment, and Recreation to count creative jobs.

## Development pipeline

Development pipelines include projects very recently completed, currently under construction, and planned for completion within the next three years.

## Diversity Index

The Diversity Index is a measurement of the likelihood that any two randomly selected individuals will be of a different race or ethnicity. The closer the number comes to 100, the more likely the two will be different, indicating diversity.

## Employment

The study uses the LEHD on the Map tool to count "primary jobs." Distinct from total jobs, primary jobs count only the highest-wage job when an individual holds multiple jobs at a time. This figure may not accurately reflect less traditional types of employment like gig work or small startups.

## Event venue

Event venues include spaces typically used for public events such as conferences, conventions, concerts. This metric is somewhat subjective in that data is collected locally, and the downtown determines what qualifies for inclusion. For example, a downtown might include a venue that is largely private but represents a part of the fabric of the event community.

## Farmers markets

The number of farmers markets is a count of both permanent and seasonal farmers markets.

## Greenhouse gas emissions

The Center for Neighborhood Technology's Housing and Transportation Index includes an estimate of CO2 emissions per household within a given area.

## Housing and Transportation Index

The Housing and Transportation Index, produced by the Center for Neighborhood Technology, measures how much an average household spends on housing and transportation relative to income. This figure demonstrates how urban places often have higher base rents, but much lower transportation costs.

## Knowledge jobs

Knowledge jobs consist of jobs in the NAICS industry sectors of Information; Finance and Insurance; Real Estate and Rental and Leasing; Professional, Scientific, and Technical Services; Management of Companies and Enterprises; and Health Care and Social Assistance.

## Media mentions

This study sometimes uses independent sources to add nuance to the data. Forbes's list of top 100 metro areas to start a new business represents this type of source. Another example might be a travel blog praising restaurants or entertainment options within the downtown. While not always quantitative sources, media mentions add color and perspective to the report.

### Middle-class

This study defines middle-class as between 67% and 200% of area median income. This range was calculated for each downtown based on the median income of the region.

### Millennial

This study defines residents between the ages of 18 and 34 as millennials.

### No leisure-time physical activity

Presented as a percentage, no leisure-time physical activity is the share of residents within the geography who have not engaged in physical activity in their spare time within the past month from the time surveyed.

### Private investment

Private investment is defined as money from private sources being invested in development. This figure is sometimes replaced by a sum of the largest development projects within the study area.

### Public art installations

This figure counts art installations that may be owned by either public or private entities and may be temporary or permanent. They must, however, be easily accessible by the general public.

### Public investment

Individual UPMOs may define public capital investment differently, but the figure generally includes municipal, state, and federal investment in capital projects downtown (such as open space or infrastructure). If only a specific bucket of public investment is available for measurement (for example, municipal public investment), this can be measured and footnoted in the profiles in lieu of capturing investments by other levels of government.

### Rent-burdened

Households paying more than 30% of their income to rent are considered rent-burdened.

### Retail demand

Retail demand measures the total spending potential of an area's population, as determined by residential population and household income characteristics.<sup>3</sup>

### Retail sales

Retail sales measure total sales by businesses within the observed geography. All estimates of market supply are in nominal terms and are derived from receipts (net of sales taxes, refunds, and returns) of businesses primarily engaged in the sale of merchandise. Excise taxes paid by the retailer or the remuneration of services are also included—for example, installation and delivery charges that are incidental to the transaction.<sup>4</sup>

### Sales to non-residents

Sales to non-residents represents an estimate calculated by using figures for retail demand and sales to determine how much of downtown retail sales are to people who don't live in downtown. Simply put, retail sales – resident retail demand = sales to non-residents.

### Sports teams

The number of professional teams within the geography. This figure excludes college teams.

# Additional IDA Sources

*IDA's Vitality Index, powered by Stantec (2019):* The IDA Vitality Index, powered by Stantec, is an interactive, online tool to benchmark the vitality of downtowns across the U.S. The Vitality Index reflects the pioneering IDA research in *The Value of U.S. Downtowns and City Centers*, and measures vitality through three principles identified in the VODT study: economy, inclusion, and vibrancy. Through these three principles, and five core indicators in each principle, the Vitality Index aims to capture the pulse of the downtown and enable urban place managers to quantify and benchmark their district's performance metrics among peer cities. The index uses a benchmarking system to understand how each of three vitality principles contributes to an overall combined score, calculated by comparing each metric to the national average. Most valuable, the index serves as a baseline and provides insights for the strategic evolution of a community.

*Quantifying the Value of Canadian Downtowns: A Research Toolkit (2016):* This toolkit represents a groundbreaking effort to provide a common set of data and processes to help Canadian place management organizations establish and sustain evaluation and compare progress among downtowns. While geared toward Canadian downtowns, the toolkit has value for urban districts outside Canada looking to move toward data standardization and best practices. In the toolkit, organizations will find directions and insights on collecting, organizing, storing, and presenting downtown-specific data to make the case for continued investment and support. The toolkit includes instructions and rationale for the choice of data metrics, and it recommends core, trend and pulse metrics. The kit organizes the core indicators around the principles of visibility (unique identity, brand, definition); vision (leadership, planning, collaboration); prosperity (economic data); livability (residential and uses); and strategy (types and values of public investment). The core indicators are population density (downtown/city); job density (downtown/city); number of new commercial, residential, and mixed-use buildings; current value assessment of downtown properties (commercial, residential, institutional); capital investment (downtown/city); transportation modal split; number of large-

format grocery stores; amount invested in parks and public realm; and number of annual cultural events and festivals.

*The Value of Investing in Canadian Downtowns (2013):* This study provides an extensive portrait of the contributions made by downtown areas across Canada, highlighting innovative approaches to revitalization and efforts being applied across the nation. It builds on an initial study phase, completed in 2012, that examined ten of those downtowns, and tracks population, population density, job density and average block size of the downtown core and the municipality. The study organized data under visibility, vision, prosperity, livability and strategy.

*Downtown Rebirth: Documenting the Live-Work Dynamic in 21st Century U.S. Cities:* This policy paper represents the culmination of a year-long effort by IDA and partners to develop an effective way of quantifying how many people and work in and around 231 job centers in 150 American cities. Without standard geographic definitions for downtowns and downtown residential neighborhoods, previous research relied on overly simplified boundaries that didn't capture the idiosyncratic shapes of urban employment nodes and thus failed to capitalize fully on existing federal data. For the first time, *Downtown Rebirth* suggests a way both to define and quantify downtown workforce and population numbers and document how these employment hubs and live-work environments are changing.

*The Value of U.S. Downtowns & Center Cities* study expands on the efforts of IDA's "*Downtown Rebirth: Documenting the Live-Work Dynamic in 21st Century Cities*" study, which provided guidelines for selecting downtown boundaries. This study uses these recommendations to define downtown beyond the boundaries of a district management organization using a definition of downtown commonly understood by those in that community.

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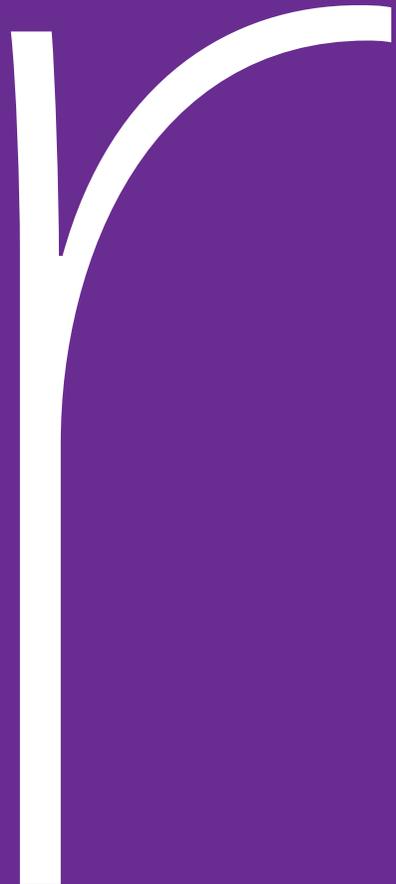
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