TOP 10 GLOBAL TRENDS

Affecting Downtowns & How to Respond at Home

City of Lincoln Downtown Master Plan

April 10, 2018

PUMA's Global Trends Report

- Initially created in 2007 to inform the Downtown Denver Area Plan
- Now developed in partnership with the University of Colorado Denver
- IDA President's Award for value to downtown development field

Master of Urban and Regional Planning
COLLEGE OF ARCHITECTURE AND PLANNING
UNIVERSITY OF COLORADO **DENVER**

[GLOBAL TRENDS]

2007

Demographics
Changing American Demographics
Immigration Trends
Changes with the "Creative Class"

Lifestyles
Traffic Congestion & Value of Time
Trends in Health Care/Wellness/Recreation
Growth of Tourism
America's Growing Debt Burden

Competition
The Emergence of a Planetary Middle Class
Continued Advances in Technology
Environmentalism, Sustainability, Climate Change

2011

Demographics
Changing American Demographics
Education, Talent & Jobs
Emergence of Young Professional Women

Lifestyles
Changing Consumer Behaviors
Shifts in Transportation & Mobility
Health, Wellness & Urban Form
The Age of Austerity

Competition
The Emergence of a Planetary Middle Class
Continued Advances in Technology
Sustainability Mainstreamed

2014

Demographics
Changing American Demographics
Education, Talent & Jobs
Influence of Women

Lifestyles
Changing Consumer Behaviors
Shifts in Transportation & Mobility
Health & Wellness
Rise of Regionalism

Competition
Shift in Global Wealth
Continued Advances in Technology
Social Equity – The Neglected Pillar of Sustainability

2017

Demographics
Changing American Demographics
Education, Talent & Jobs
Rise of the Mid-Tier City

Lifestyles
Changing Consumer Behaviors
Shifts in Transportation & Mobility
Housing & Livability
Regionalism

Competition
Shift in Global Wealth
Continued Advances in Technology
Social Equity

DEMOGRAPHICS

① Changing American Demographics

Baby Boomers - 75 million born 1945 to 1962

- Sheer numbers supported labor markets, entitlements & consumption
- College education rates increase 5x
- Living longer & healthier, but creating increasing demands on health care system
- Recession caused more to “age in place”
- Empty nest looking to downsize, urbanize

① Changing American Demographics

Gen X – 66 million born 1963 to 1978

- Savvy, self-reliant & skeptical
- Ability to multi-task & transfer skills
- Have the most disposable income, largest group of homebuyers, most have kids
- Moving into leadership positions

① Changing American Demographics

Millennials – 75 million born 1979 to 1996

- Growing up with technology
- More optimistic, tolerant, open-minded
- Diverse – majority minority rises from 43 to 60 of 100 largest cities since 2000
- Redefining adult milestones – deferring home buying, marriage, living with parents

① Changing American Demographics

Gen Z – 70+ million born after 1996

- Gen Z are more realistic & cautious, yet inspired to change the world
- Less oriented to college, but more entrepreneurial
- Savers, may be more materialistic
- By 2018, children under 18 will be majority-minority, by 2042 there will be no racial majority in the U.S.

② Education, Talent & Jobs

The Premium of a Highly Skilled Workforce

- Game changer in economic development
- Since 2000, young college educated population grew twice as fast within 3 miles of major city centers
- Millennials today comprise 40% of workforce, 50% by 2020, 75% by 2025
- Educational institutions are economic anchors, stabilizers
- Women account for 60% of degrees

③ Rise of the Mid-Tier City

Advantages of Opportunity Cities

- Increasing costs, particularly housing, pushing Millennials out
- Talent attracted by lower costs, quality of life and opportunity to be engaged in “city building”
- Ties to education a big plus
- Strategies to become “18 hour” cities by adding new vitality

LIFESTYLES

4 Changing Consumer Behaviors

New Patterns in Consumption

- Impulse replaced by deliberate spending
- Ecommerce now 8.0% of retail sales & influences majority of purchases
- Gen X and Millennials driving sales
- Preferences for local, authentic & emotional connections to products
- Sharing economy flourishing

5 Shifts in Transportation & Mobility

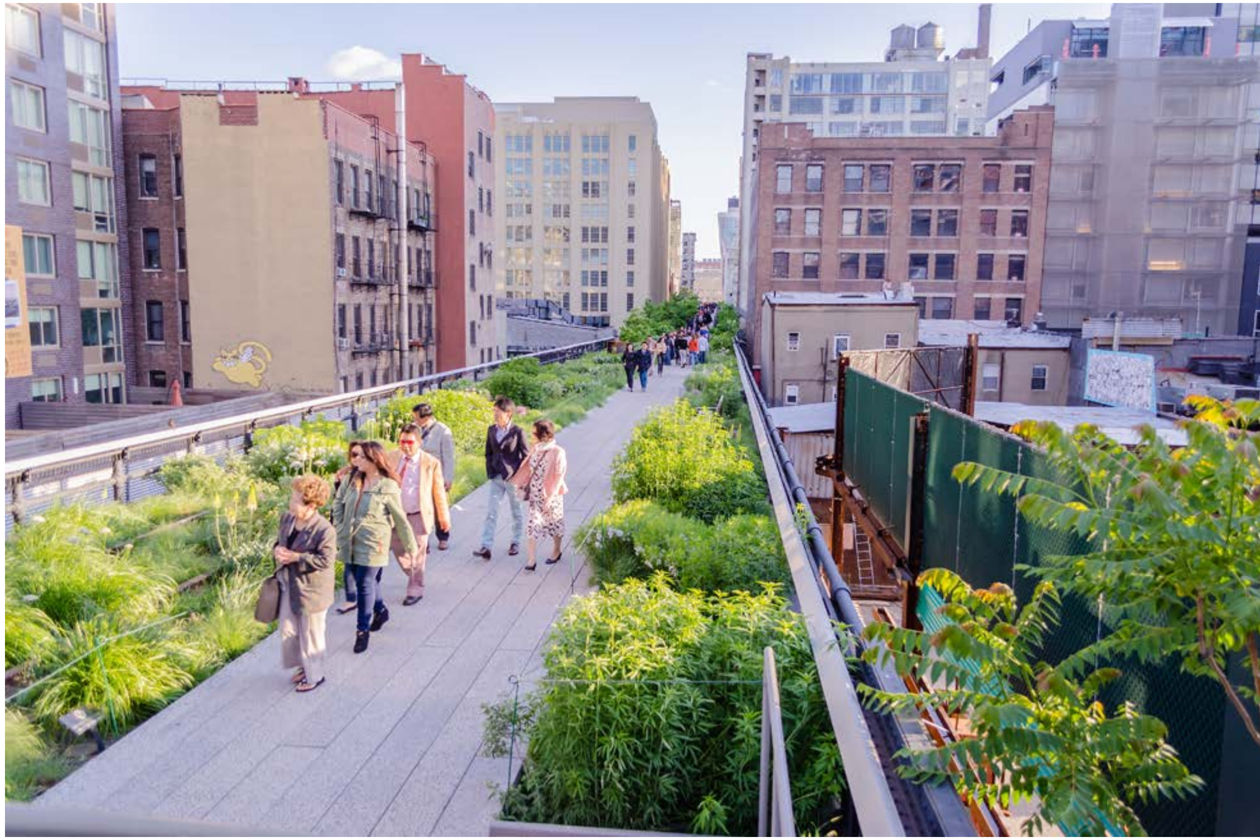
Behaviors Shifting Away From Cars

- Driving miles decreased since 2006
- 60% of 18-year olds have licenses, Millennials buy 30% less cars
- Bike share programs growing faster than any mode of transport in history of planet
- Quality public transportation is critical
- Walkable real estate = value premium

6 Housing & Livability

Downtowns Become Neighborhoods

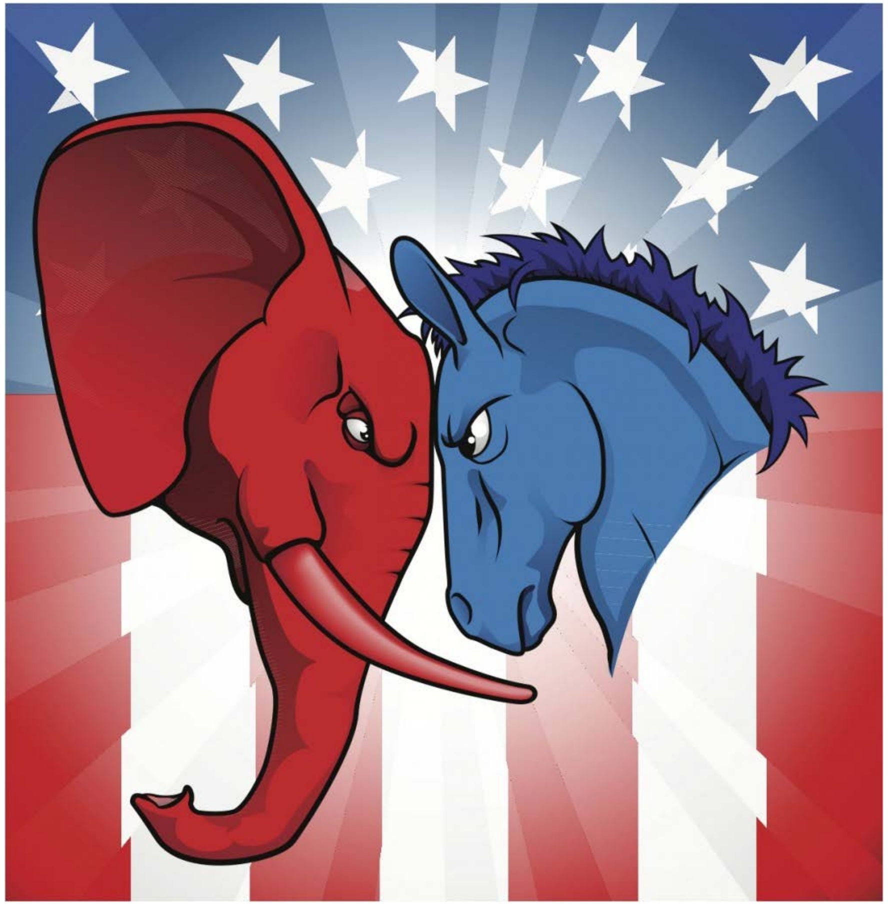
- Both Millennials and Boomers drawn to downtown living -- Gen Z should keep pipeline robust
- 66% rent premium in walkable places
- Amenities are critical to attract/keep residents – parks, schools, retail
- New housing types for diverse cultures and aging populations



7 Regionalism

Cities Propel Growth & Innovation

- Per capita US debt: 2007: $29,000
  2018: $63,000+
- Feds broke and dysfunctional
- Today average Rep 93% more conservative than average Dem, average Dem 94% more liberal
- Investment in infrastructure, education & innovation to come from regions



COMPETITION

8 Shift in Global Wealth

The World's Largest Economies: 1850 to 2050

1850	1950	2018	2050
China	United States	United States	China
India	United Kingdom	China	United States
United Kingdom	Germany	Japan	India

8 Shift in Global Wealth

America's Grip On Its Destiny Diminishes

- Global middle class: 1.8B in 2009 to 4.9B by 2030; 66% in Asia
- China's global share of car sales:
  2000 < 1%; 2016 > 30.8%
- India growing faster, will have largest & youngest workforce in 10 years
- Emerging economies feature low debt, strong central governments – will invest in infrastructure and innovation

9 Continued Advances in Technology

Key advances shaping cities

- Mobile connections: 9B by 2020
- Explosion in apps for real-time information
- Influencing office & living design to blend work/social space, less sq.ft. per person
- Autonomous vehicles: Game changers?
- Clusters of innovation key to growth

10 Social Equity

Diversified City = Diversified Economy

- Economic & environmental pillars of sustainability widely understood
- U.S. income inequality most extreme since 1920s – top1% own 35% of wealth, lower 50% own 2.5%.
- Rising tide of civic activism promoting equity in schools, wages, housing
- Can/should downtowns lead?

CONCLUSIONS

Trends favorable for vibrant downtowns

- America's population growing younger, older & more diverse
- Increasingly connected & competitive world
- Emergence of new "opportunity cities"
- Global growth making investment in cities more attractive
- Innovation & investment more reliant on regional initiative
- Plan for economic & cultural diversity

IMPLICATIONS FOR LINCOLN

Demographics…

- Capture the young skilled workforce
  - ✓ Be welcoming with information on jobs, housing & services
  - ✓ Creative incentives – student debt?
- Create an environment that appeals to diverse populations
  - ✓ Embrace tolerance & be multi-cultural
  - ✓ Establish pathways to leadership

IMPLICATIONS FOR LINCOLN

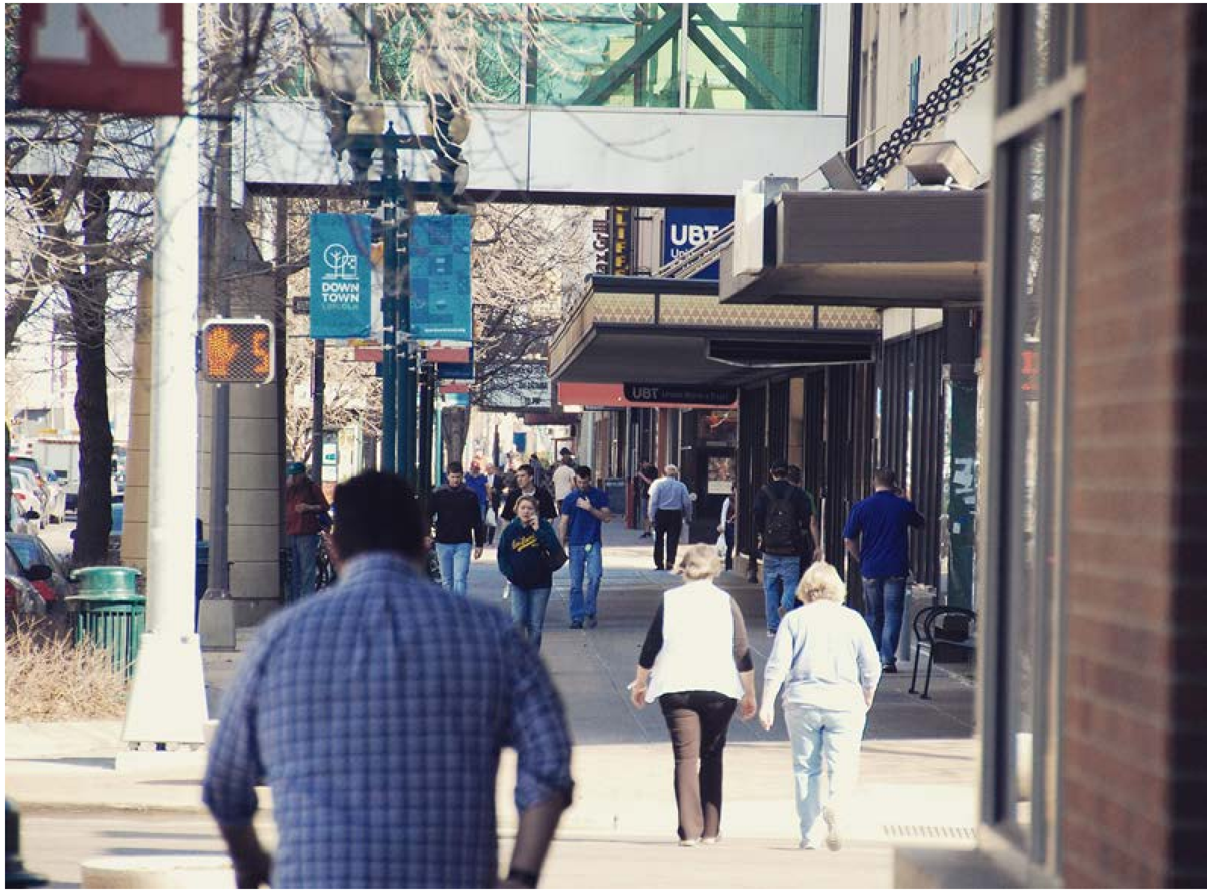
Demographics…

- Develop meaningful opportunities for “city building”
- Foster education
  - ✓ Partner with UNL
  - ✓ K-12 options to keep/attract families
- Multiple generations “aging in place”
  - ✓ Amenities for downtown living

IMPLICATIONS FOR LINCOLN

Lifestyles…

- Mobility options – complete streets
  - ✓ Walkable, bikable, transit-rich
  - ✓ Age-friendly Universal Design standards
- Promote the sharing economy
- Support authentic and unique retail



IMPLICATIONS FOR LINCOLN

Lifestyles…

- Encourage housing with diverse price points and unit types
- Keep it fun, entertaining & interesting
  - ✓ Multiple cultures & languages
- Advocate for regional investment
  - ✓ New education and policy roles
  - ✓ Benefits of downtown to the region

IMPLICATIONS FOR LINCOLN

Competition…

- Foster/promote entrepreneurship
  - ✓ Flex space, creative incentives, innovation zones
  - ✓ Prepare for Gen Z
- Innovative public/private financing tools
- Be technologically relevant
  - ✓ Speed and security
  - ✓ Apps to keep tech-savvy engaged

IMPLICATIONS FOR LINCOLN

Competition…

- Capitalize on adaptive reuse
- Sustainability part of the downtown brand
  - ✓ Relevant to younger generations
- Be a leader in social equity issues
  - ✓ Downtowns can bring private sector perspective, balance

P.U.M.A.

Bottom Line:

Never in our lifetimes have converging trends favored downtowns like they do today.

TOP 10 GLOBAL TRENDS

Affecting Downtowns & How to Respond at Home

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ON-LINE SURVEY HIGHLIGHTS

600 Responses

- 44% come downtown weekly (outside of work)
- 36% are downtown employees
- 31% age 25 – 34
- 22% age 35-44

ON-LINE SURVEY HIGHLIGHTS

What words best capture you vision for downtown in 2030?

- Vibrant
- Accessible
- Innovative
- Walkable
- Entertainment
- Parking

ON-LINE SURVEY HIGHLIGHTS

What brings you downtown?

- Restaurants and Bars (82%)
- Concerts and Movies (58%)
- UNL Sporting Events (32%)

ON-LINE SURVEY HIGHLIGHTS

While downtown, how do you most often get around?

- Walk (67%)
- Drive (28%)
- Bike (4%)

ON-LINE SURVEY HIGHLIGHTS

What “amenities” would make living downtown more attractive?

- Full service grocery store (80%)
- Additional parking (46%)
- Improved safety all times of the day (43%)
- Parks and playgrounds (38%)

ON-LINE SURVEY HIGHLIGHTS

What is the SINGLE MOST important improvement to achieve your vision for downtown?

- Redevelop unused/vacant land: i.e. Pershing Center, Post Office (15%)
- Improve the parking experience (12%)
- More entertainment and events on weekends and evenings (11%)
- More neighborhood retail and services (grocery, daycare, medical, etc. (9%)

BREAK-OUT TABLES

- Economic Development/Innovation
- Urban Design/Streetscape/Open Space/Parks
- Transportation & Mobility
- Downtown Living

Thank You!

Please take our survey:

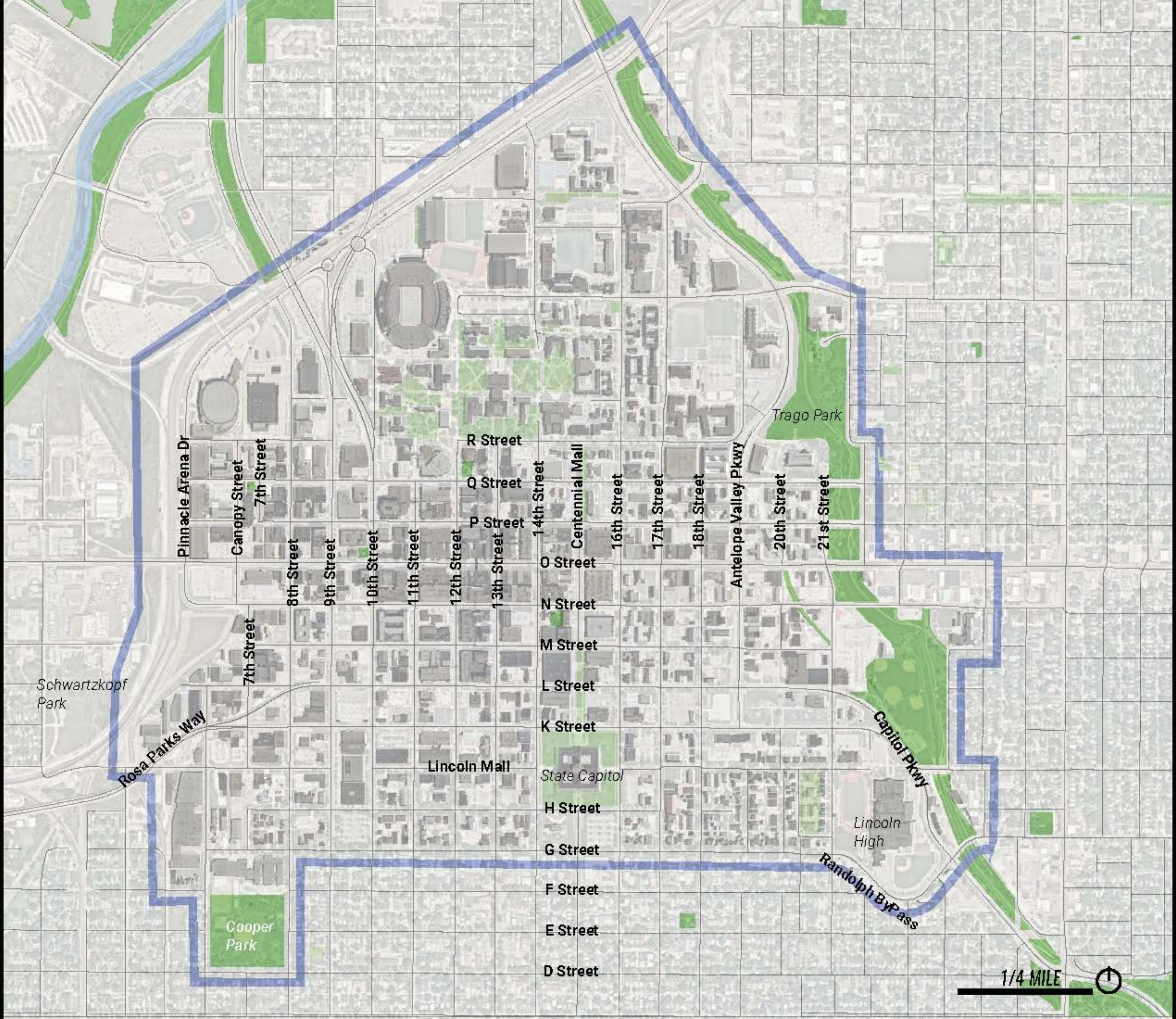
plandowntown.com

CITY OF LINCOLN NEBRASKA

DOWNTOWN LINCOLN

DOWNTOWN LINCOLN Master Plan 2018

CIVITAS P.U.M.A. FELSBURG HOLT & ULLEVIG



Trago Park
R Street
Q Street
P Street
O Street
N Street
M Street
L Street
K Street
H Street
G Street
F Street
E Street
D Street
Pinnacle Arena Dr
Canopy Street
7th Street
8th Street
9th Street
10th Street
11th Street
12th Street
13th Street
14th Street
Centennial Mall
16th Street
17th Street
18th Street
Antelope Valley Pkwy
20th Street
21st Street
7th Street
Schwartzkopf Park
Rosa Parks Way
Lincoln Mall
State Capitol
Capitol Pkwy
Lincoln High
Randolph ByPass
Cooper Park
1/4 MILE