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Placemaking 101: Everything in Moderation....Wait, what?? Lessons from the Amazon Bid

That's right, it sounds counter intuitive. As economic and tourism developers or promoters, we are always trying to outdo our competitors with more, bigger, better (more restaurants, more tourist attractions, the largest population of college educated workers). Or perhaps, some places go the opposite direction with less, lower, simpler (low taxes, few regulations, simpler lifestyle). While it is always great to have goals and understand how people, companies, and tourists make decisions about where to move, travel or set up shop, a fascinating reality is emerging about those cities that are growing and attracting on a consistent basis. They are focused on a balance of quality of place that is found in pragmatic and moderate efforts related to investing in quality of life assets, taxes, regulations, traffic, zoning, tourism assets, and many others.

Put another way, the attributes that are attractive to companies did not used to be considered the attributes that are attractive to tourists. The marketing messages around each were completely different. Tourism campaigns show quality of life, attractions, restaurants, entertainment, parks, zoos, and walkability. Economic development campaigns show access to talent, airport connectivity, available development sites and tax/regulation data. Until the Amazon sweepstake, these two approaches were separate. As many cities quickly found out, Amazon (and truly, everyone else) wants the best of both worlds and wants to understand a cohesive reality about the quality of life, work and leisure in your city. Most companies do not need extremes and, in fact, cannot have extremes in terms of any of these items. They want the best of both worlds, in relatively abundant moderation.

For years we have seen a divergence between red and blue areas. Red cities/states boast about low taxes and regulations, but often have less invested in public transit, parks, general infrastructure, education and other quality of life elements. The cost of living is low, but the benefits and surroundings are often less than desired. Blue cities/states boast about high quality of life, more parks and public transit, a more talented workforce and cultural options galore. But this comes at a price, literally. Heavy zoning, taxes and regulation reduces supply relative to demand and drives up the cost of housing and nearly every activity.

While the metros exhibiting extremes on the red side often see slow, yet consistent growth and low cost of living, the metros exhibiting extremes on the blue side often see large boom and bust cycles and a high cost of living that makes having a "normal" job difficult to sustain. The cities we are observing that have the most robust growth in today's society appear to have a good combination of somewhat lower taxes and regulation on the city or state side and somewhat higher quality of life attributes....a healthy mix. Often, these are "blue dots" in red states or provinces, but they can be red dots in blue states or provinces. In most cases, they are neither extreme. They are purple. Civic-involvement is as high as pride in their place. There is a moderate mix of public investment in quality of life, yet a moderate tax and regulatory burden that allow companies and residents to thrive, regardless of their tax bracket.

Some of today's most robust and dynamic cities are these purple city/state combinations like Austin, Nashville, Denver, Phoenix, Miami, Charlotte, and Raleigh. These robust and growing cities are often the heartbeat of a red or purple state, but with a funky, quality-of-life focused resident and corporate base determined to have the best of both worlds. There is a healthy churn of ideas and reality checks that allow for a lifestyle without extreme pain in any direction. Ideological purity generally yields to pragmatism in

practice, which ends up benefiting the population as a whole.



At the [2018 City Nation Place conference at NYU](#) in June, I will be hosting a panel of economic developers who will be discussing their strategies to not only brand their city as a great place to move or grow a business, but also as places with quality of life mixed with a generally low cost of doing business. From a tourism perspective, there has been a recognition that today's tourists are not typically looking for a branded attraction as much as they are often looking to experience the authenticity of place. They want to hang out at the same coffee shops that the locals do. Today's travelers want to experience your place as a local, walking the funky, eclectic neighborhood, eating at a locally-owned restaurant, enjoying locally-brewed craft beers or distilled spirits, and staying in a boutique hotel or AirBnb or VRBO that provides that true sense of place and experience.

The cities pursuing Amazon have had to realize, and quickly, this very lesson. Amazon is not looking for an extreme location, one with everything or nothing. The cities that have made their Top 20 almost all exhibit the "everything in moderation" approach. Amazon, and most companies looking to grow and attract talent, wants to have a place with an excellent quality of life, access to talent, a balance between economic growth and regulation/taxes, affordable real estate, public transit options, rights for all, accessibility, and a generally good climate for growth. Beyond the largest cities like New York, Chicago, Toronto and Los Angeles, most of the cities on that list exhibit the mix of qualities that show most attributes in moderation. Even the Washington, DC bidders are more moderate suburban areas outside the District itself. Those with extreme issues to mitigate (such as anti-gay rights issues or major fiscal problems) have had to specifically address these in response to Amazon's questions. Millions of people and thousands of small companies assess your "place" the same way each day. Only because of Amazon's size and potential impact are elected and other officials truly paying attention now. But make no mistake, these conversations and decisions are being made by the masses daily. Why are Nashville and Austin attracting 100 new residents per day? Why are other cities or states losing population? These same metrics.

Cities that bid for Amazon were forced to realize that they need to get all of their development and tourism groups to sing the same song and recognize that what truly matters to people and companies (which, after all, are a collection of people), is a combination of factors. Merging their messages into one cohesive message about what makes their “place” a great place to live, work, play and visit and providing the resources and data that people and companies need, all in one place, is a great result of this Amazon process. The cities that recognize this reality and merge their messages and strategies/tactics to this reality will likely be more successful over time in attracting companies, residents and visitors.

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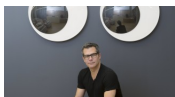
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