

Changing Forces, Changing City



Kim Walesh, City of San Jose

The world is becoming more urban

10%

1900

50%

Today

75%

2050

**We face critical decisions today that
affect our cities into the future**



We know the next 30 years will be fundamentally different than the last



Consider how to anticipate and harness forces of change



Demographic



Economic

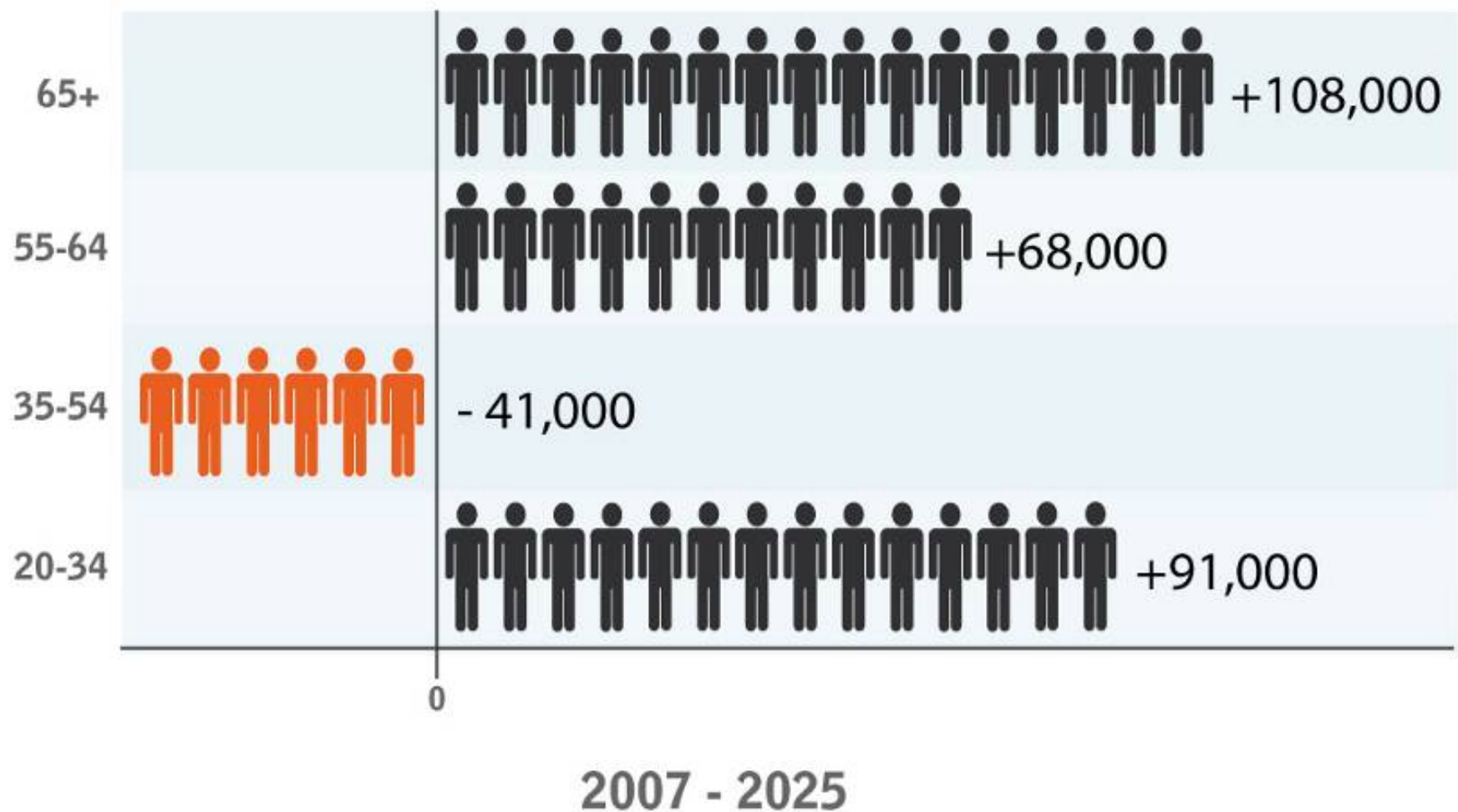


Environmental

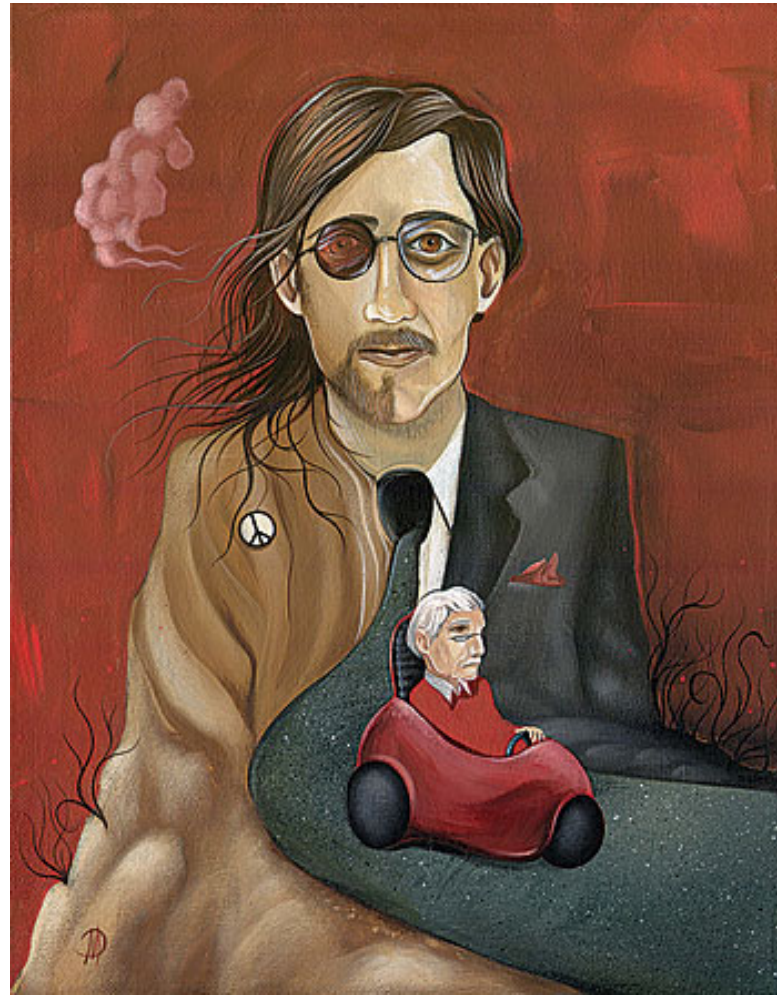
Demographics: Dramatic Shifts



Growth shifts to seniors, young adults

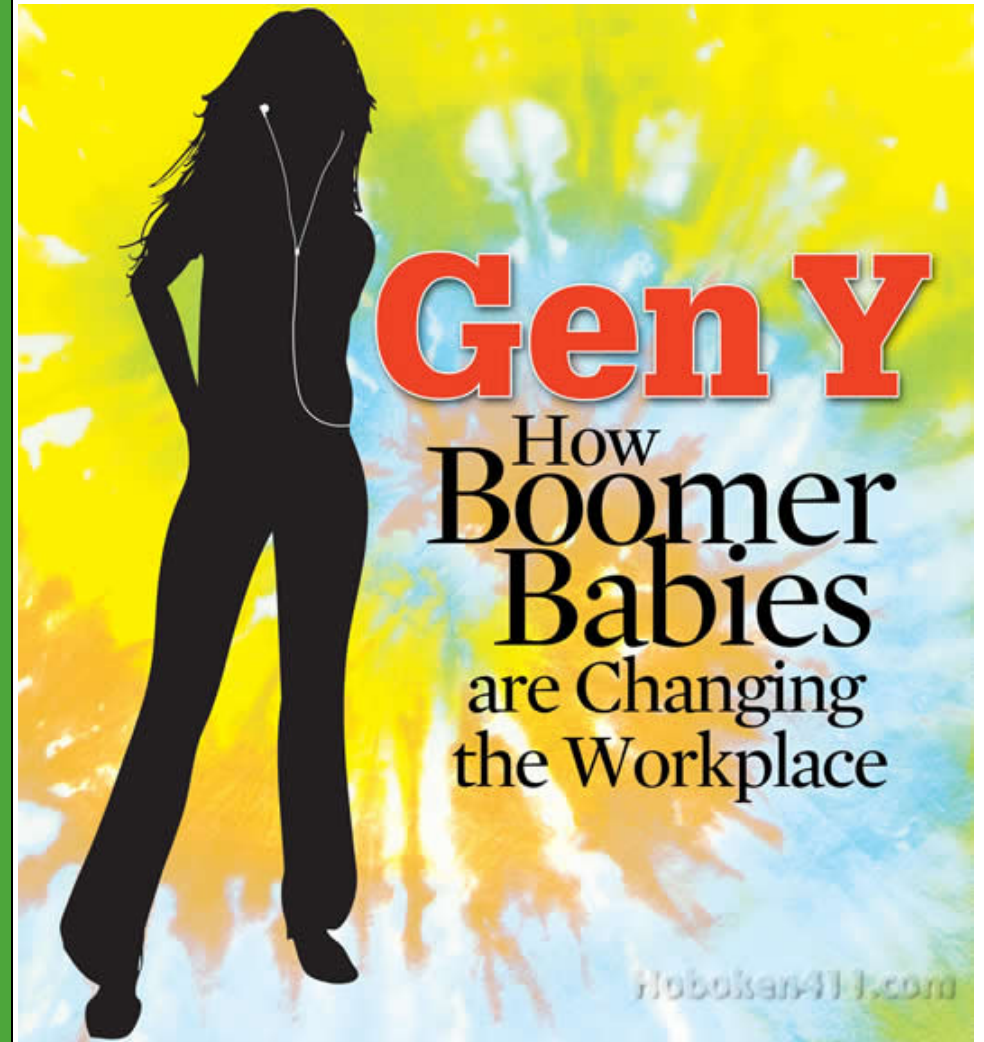


What will aging boomers want?



Dan May

Young
professionals are
key to prosperity



“Live First/Work Second” community qualities matter more

THE WALL STREET JOURNAL SUNDAY.

A BALANCED LIFE

By TARA PARKER-POPE AND KYLE POPE

Pick a Place to Live—Then Find a Job

If you could live anywhere on the planet, where would it be? Like most people, where we live has been dictated by our jobs. We started our careers in Austin, Texas, a town we loved and really didn't want to leave. But the next job opportunity took us to Houston, and then to Dallas. We never put any thought into whether we wanted to live in those cities. We just went, because that was where the work was.

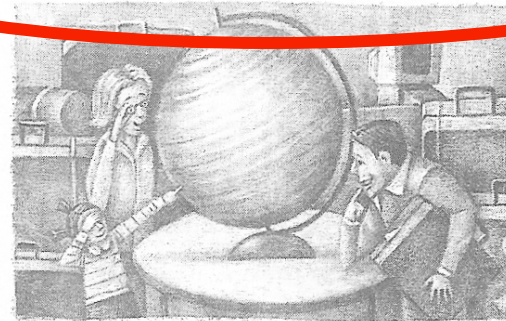
Later, jobs in London and New York were more appealing because of where they were. But it was still the job that determined the city, rather than vice versa.

After a recent vacation in France, we spent hours talking about how much we both would like to live there. But work opportunities broad are more limited, so it seems unlikely to happen except, perhaps, when we retire in 30 years.

Even so, the experiences of several of our friends make us realize that it really is possible to live in the place of your dreams long before our retirement years.

A few years ago, a friend of Tara's who lived in Connecticut and commuted to work in New York decided she wanted to live somewhere else. Her husband had always dreamed of living on a lake. The problem was that both their jobs were far from the place in southern New Hampshire where they wanted to live.

Even so, they decided where they lived was the thing that mattered most, and both felt confident they could find interesting work anywhere. So they decided to move. He quit a management job and started consulting. She also was prepared to leave a job she loved as a vice



next day," he says.

He laughs at the notion that the move makes him a risk taker or some sort of pioneer. He notes that his great-grandfather, who emigrated from Latvia and lost his wife on the voyage to America, was a risk taker.

"They didn't have phones and faxes and automatic forwarded e-mails," he says. "They didn't have the hometown newspaper on the Internet. These people left everything behind to start a new life. In some ways it's a bit similar—they wanted to live somewhere else."

Our friend notes that while many people think it's great he now lives in such an idyllic location, most don't think they could make such a major lifestyle change themselves, either because their job wouldn't allow it or they couldn't swing it financially.

"People will always invent reasons why they can't do things," he says. "You look at the freedom that is out there that one could give one self, and it's a bit scary, a bit overwhelming. I think people would rather limit themselves.... They build in a huge amount of expense in their lives, and that does limit you."

He admits such a change would have been more difficult if the kids had already been immersed in school. That's one reason he and his wife decided to move while at the early stages of starting their family, which includes a young son and twins on the way.

"Once we got our kids into school system and a rhythm of life of their own, we knew we weren't going to be able to leave," he says. "Why wait for retirement? Besides, it might not ever come, or we won't

able work situation that she wouldn't have had otherwise.

"I love being here in the peaceful setting on the lake, but still love traveling to New York," she says.

"It's a way I've been able to incorporate both sides of my life. In a small way I'm avoiding some of the guilt that often comes with working mothers because I have the best of both worlds."

She knows she and her husband were lucky to find fulfilling work and be allowed to live where they wanted, but she thinks it's a plunge everyone can take. "You just need to have confidence that no matter what you decide to do, you're going to be OK," she says. "Look at it as an adventure instead of a scary experience."

It was on a long vacation in France that two other friends of ours decided to change their city. Our friend came equipped on the vacation with cellphones and computers so he could keep track of his business. He was surprised by how

and near the ocean—all the fun things we do on vacation."

And so they began researching places to live. He had started a thriving business in London, but gambled that he could continue working while based in France. He wanted to live relatively close to a business area so he eventually had the chance to develop contacts closer to home.

The decision also was heavily influenced by where they wanted to send their son to school. Financially, they had always lived below their means and had managed to put together some savings that could buffer them if times got tough.

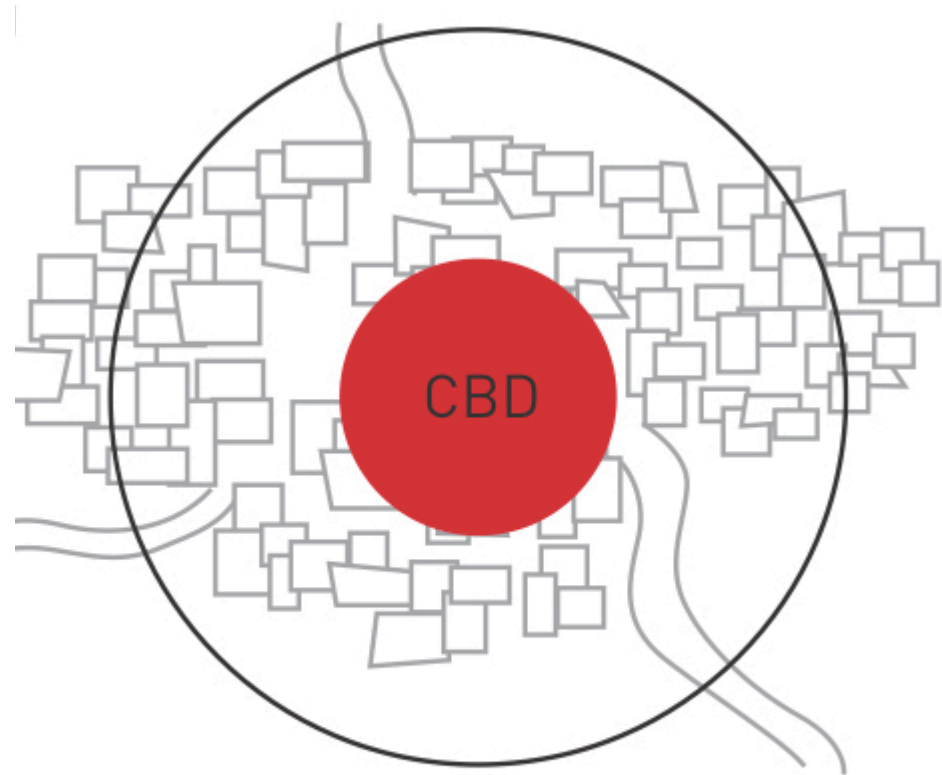
They settled on Toulouse, France. And they moved.

After six months, they are thrilled with their decision. They are more relaxed, and sometimes feel as though they have simply forgotten to go home from vacation.

"I don't want to make it sound like it's without obligations or frustrations," he says. "We still have

Young professionals prefer more urban locations

33%
more likely



CEOs for Cities

**Immigrants are
essential for
economic growth**



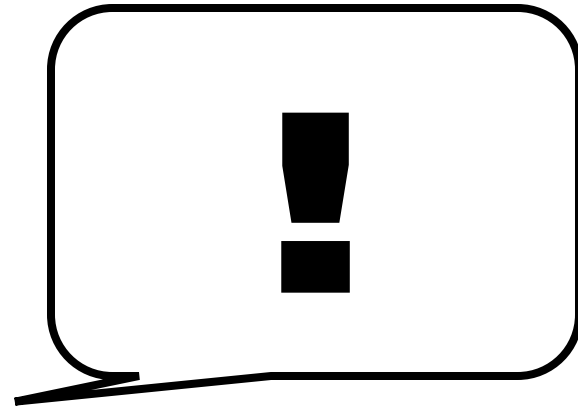
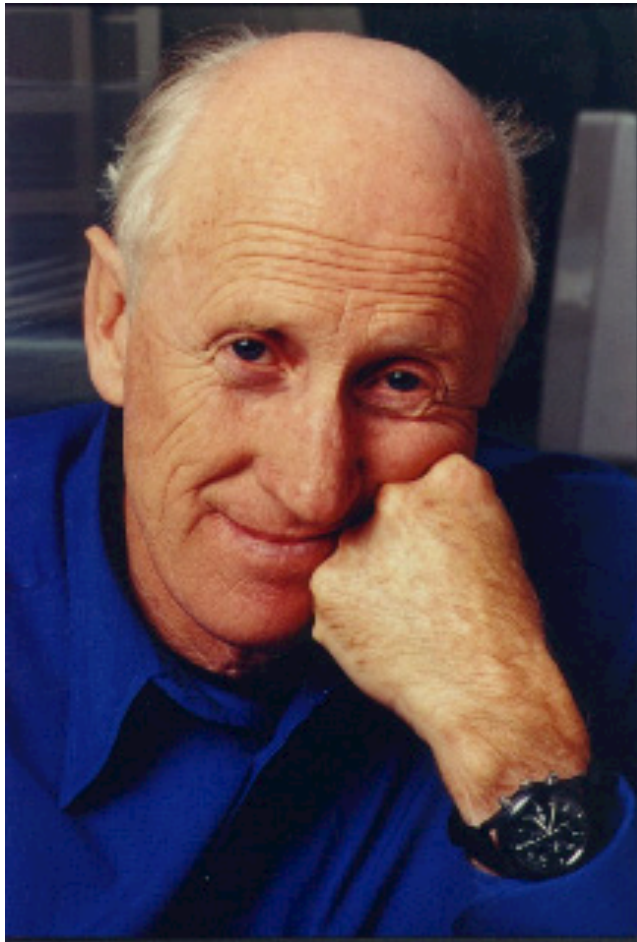
Immigrants and their children will drive workforce growth

A black clipboard with a silver clip at the top, holding a white sheet of paper. The text on the paper is in bold black font.

Next 25 Years...

**✓ 100% of net
increase in CA
workforce**

Cities that can't attract young professionals and immigrants will shrink



**Household
structure will shift**



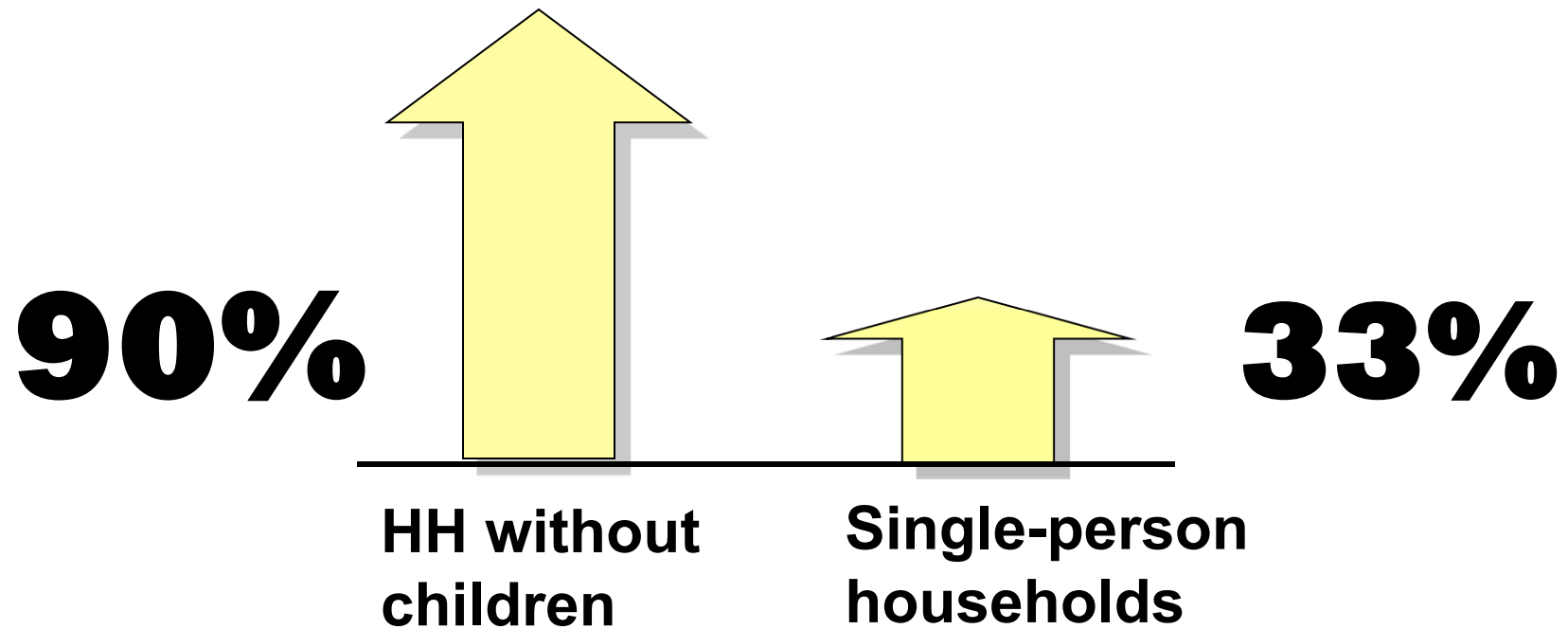
Households without children become the strong majority

	1960	2000	2030
Households with children	48%	33%	27%
Households without children	52%	67%	73%
--single person households	13%	26%	29%

Rapid growth in single households, especially women



Significant change in housing demand projected nationally



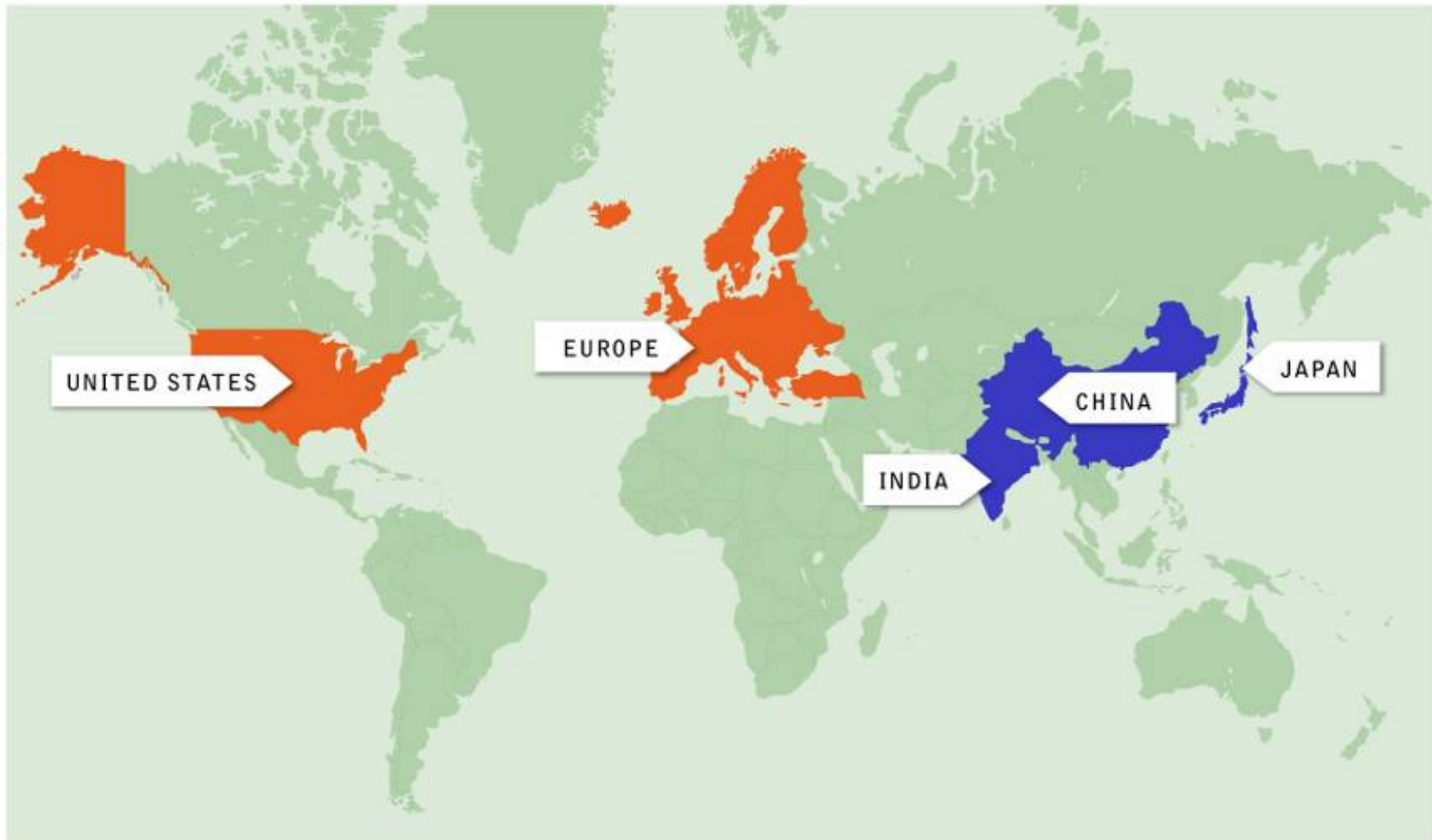
**Economics:
New Factors
for Success**



**The world is
competitive and
connected**



Economic power is shifting to Asia, growth is in emerging economies



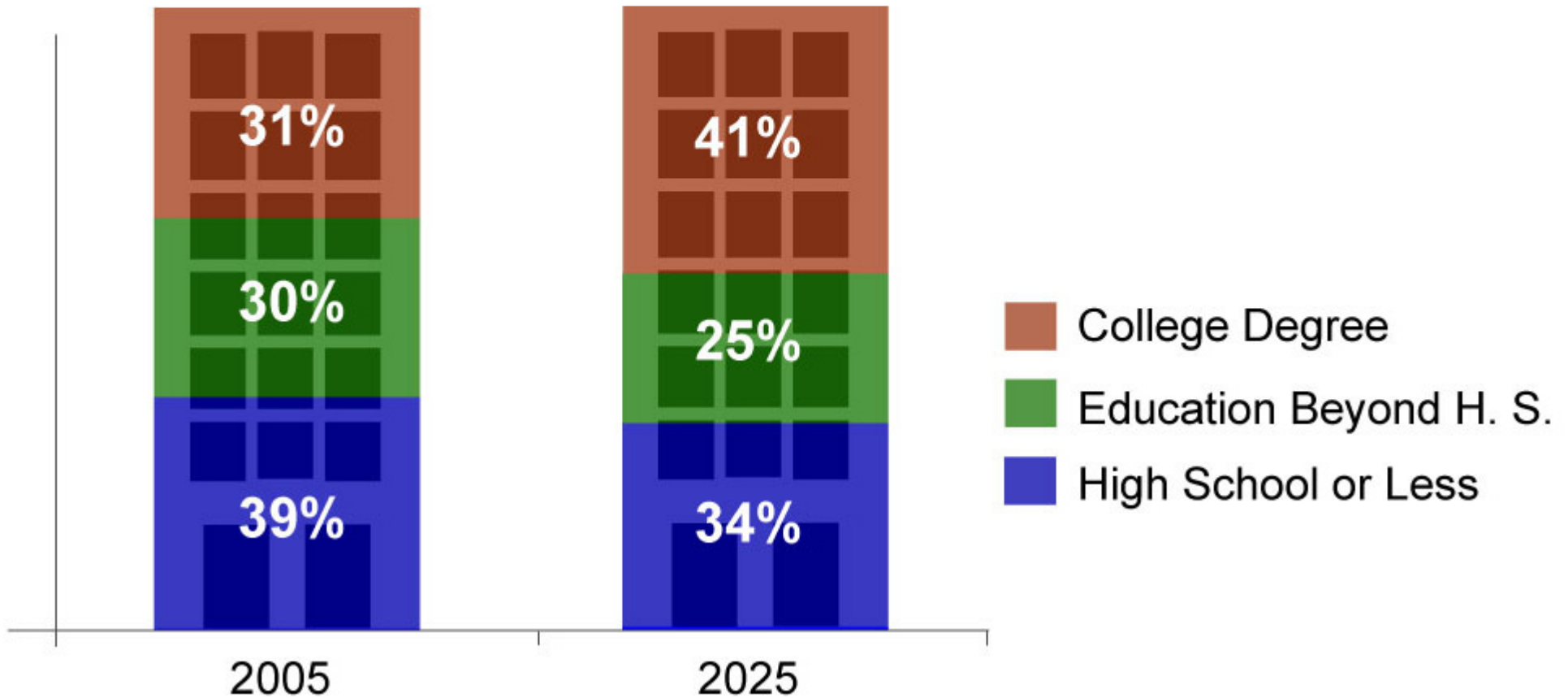
**Creativity fuels
innovation**



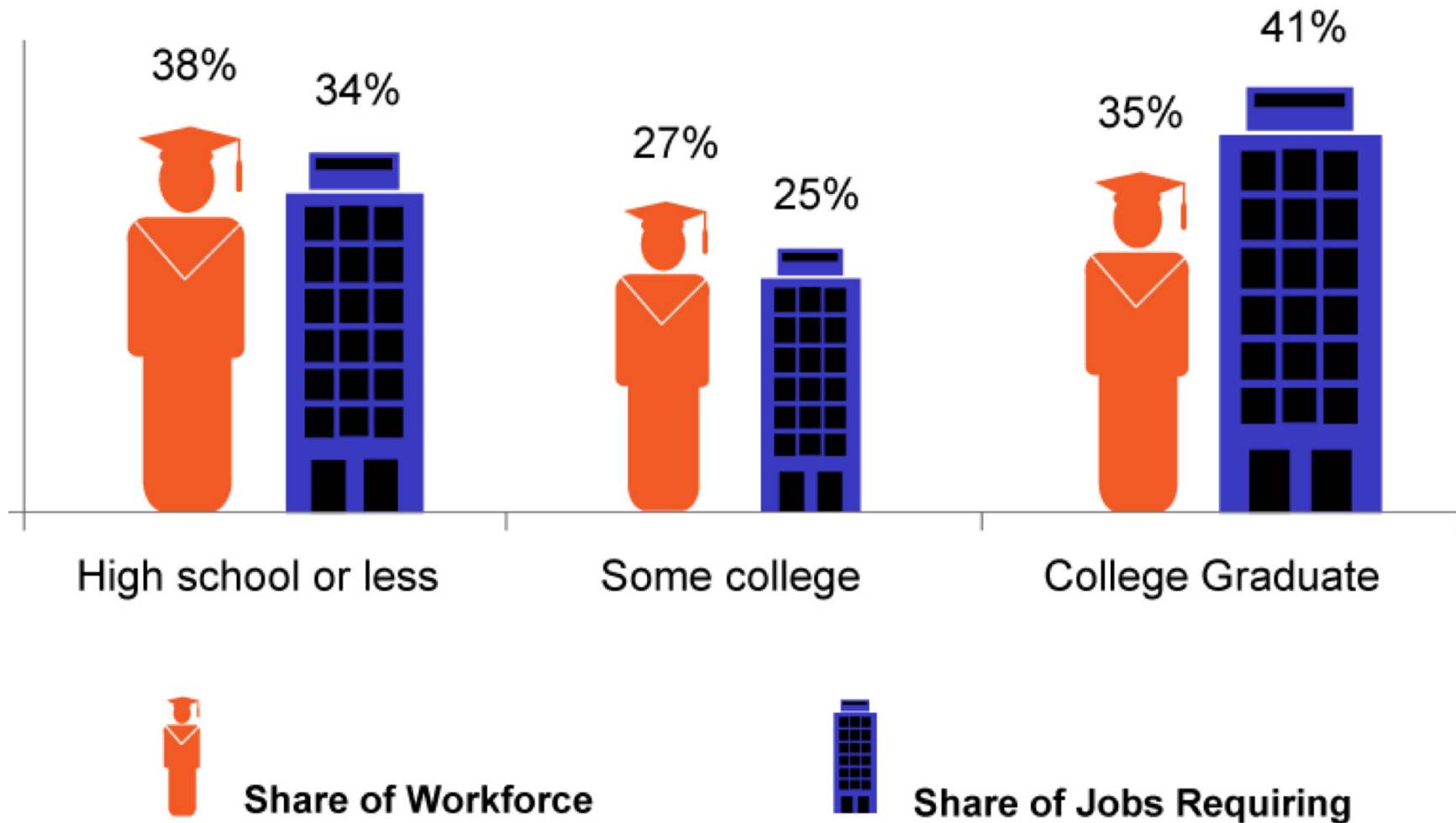
**Demand will rise
for educated
workers**



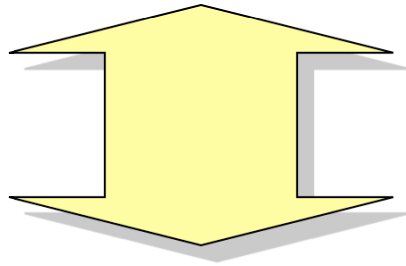
Growing demand for college-educated workers



Shortages predicted; California is not prepared

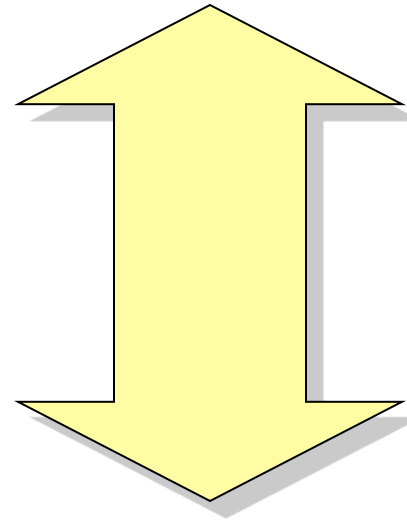


Economic returns to education will increase, widening income gap



Late 1970s

20%



Today

85%

**More
entrepreneurs,
smaller-scale
companies**



**The mobile,
networked
“office” is here**



Office space is dramatically underutilized



Mobility cuts costs, lowers carbon footprint, benefits employees



Innovation requires interaction, face-to-face



Denser, open, interactive workplaces



**Quality places
are even more
important**



More reliance on shared amenities and public spaces



Support Services



Restaurants



Recreation/Fitness



Cafes, Coffee

The shift from industrial parks to innovation districts is widespread

WASH. TIMES | BUSINESS | SEPTEMBER 14, 2010 | 13A

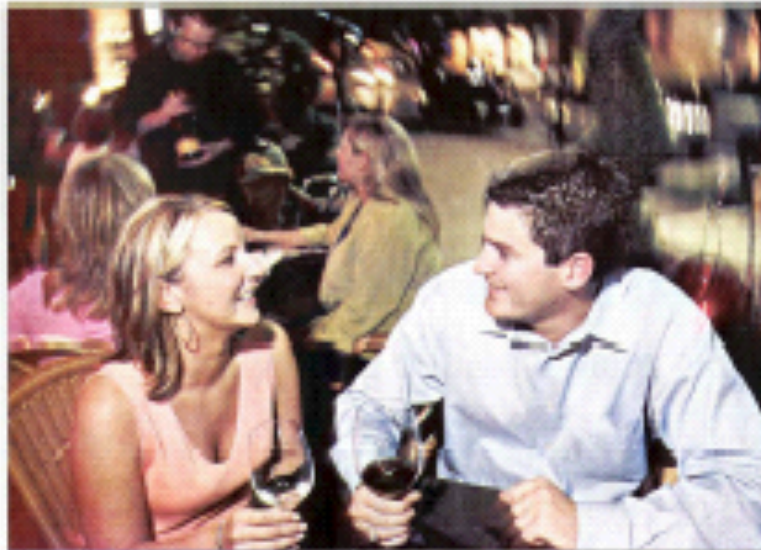
Nation

Suburban office parks get urban injection

Movement in community redevelopment provides commute-weary employees hip new places to live, dine and shop near their work

By Paul Hester
@PAULHESTER

Community redevelopment
The city's new office
park, known as the
Legacy Center, is
located in the city's
downtown area. The
park is a mix of
office space, retail
and entertainment.
It is a prime example
of the shift from
suburban office parks
to urban innovation
districts.



A man walks through a park in Dallas, Texas, with a woman who works at the Legacy Center in Plano, Texas. Will Richardson

BY THE WAY — When suburban office parks get an injection of urban redevelopment, the result is a new kind of office park. It's a place where employees can live, dine and shop near their work. It's a place where employees can live, dine and shop near their work.

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Continued on page 13B

**Environment:
Cities Viewed as
Solution**



**High gas prices
are altering the
real estate
landscape**



Growth of suburban housing and outlying communities was predicated on cheap gas



Nationally, home price decline is correlated with auto dependence

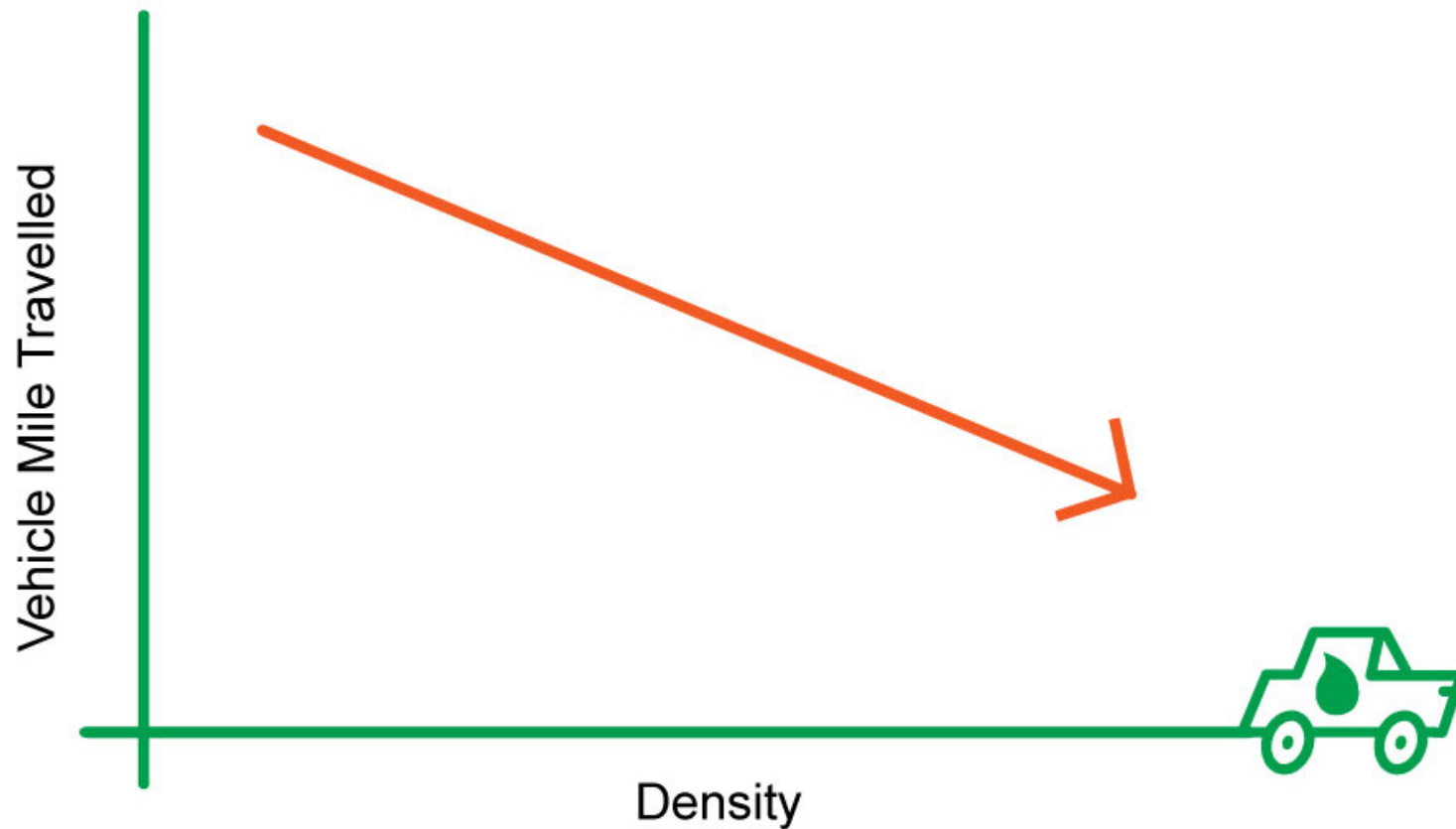
Driven to the **Brink**

How the Gas Price Spike Popped the Housing Bubble and Devalued the Suburbs

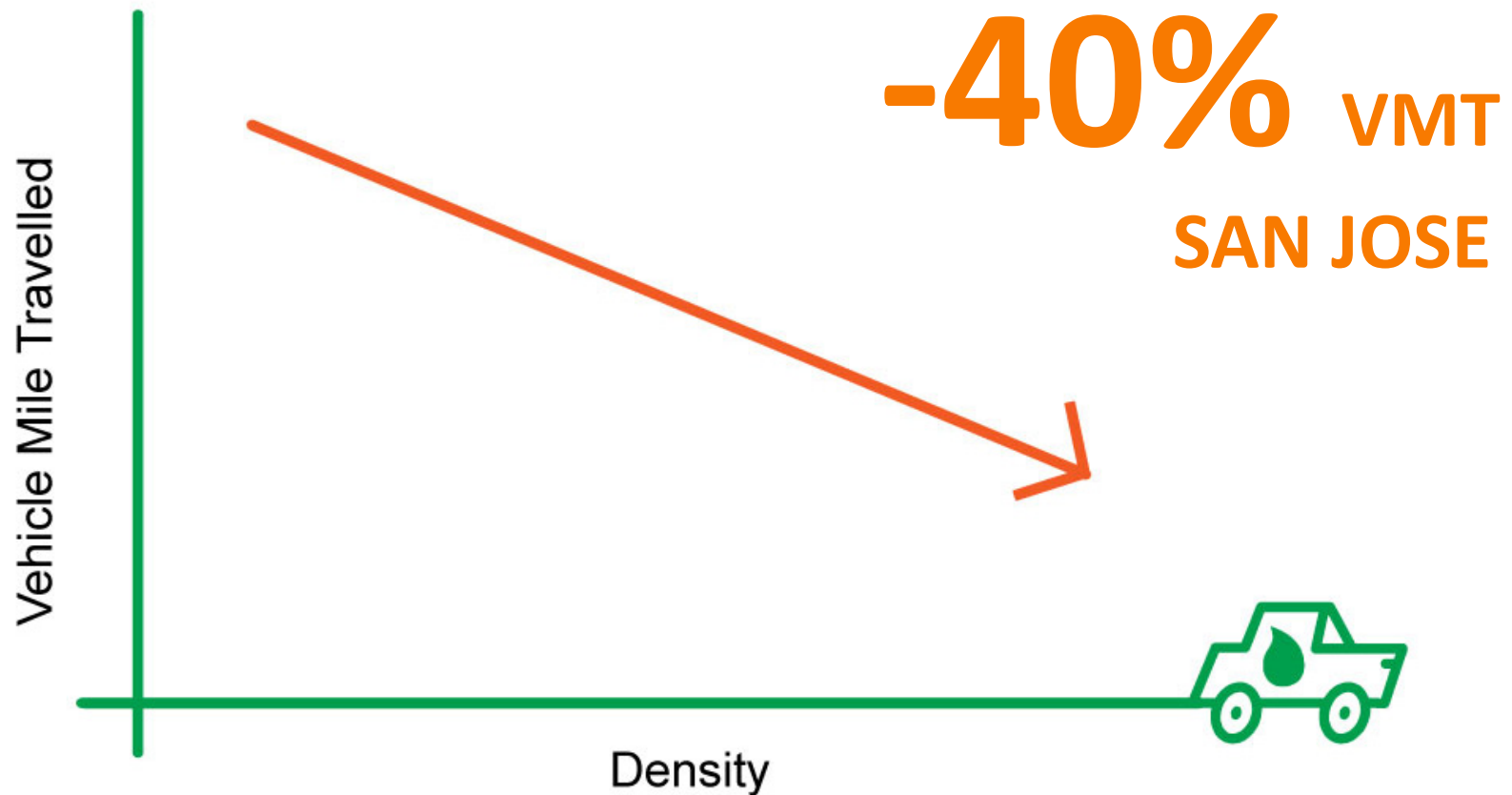
**Cities will be
designed for
less driving**



On per capita basis, denser cities have less environmental impact



On per capita basis, denser cities have less environmental impact



**“Green dividends”
will accrue to
smart cities**



Less driving saves money for households and sparks the economy

Portland


\$2.3 billion

Chicago

\$3.2 billion



The Future

NEXT EXIT 

We can harness forces of change to succeed into the future



Demographic



Economic



Environmental