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Stores, transit, walkability: To attract millennials, appeal to their desires

By Bruce Mason

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First it was the baby boomers. Then Generation X. Now it's time for the millennials to take center stage.

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For a struggling Michigan economy, finding out what this group needs is a top priority and should greatly affect housing planning, according to experts.

A millennial is any person born from 1977 to 1996. As a group, they're mobile and entrepreneurial. And, most important, they seek urban areas.

Laurie Volk, a research analyst and principal at **Zimmerman/Volk Associates Inc.**, based in Clinton, N.J., left her mark on a panel of experts in May when she spoke to several groups on what millennials mean to the future of Michigan.

One such expert is **Michigan Future** co-founder and President Lou Glazer.

"There's this wonderful quote that we use in the report from the publisher of *Forbes*," said Glazer, "which is, 'Smart people tend to be mobile. Watch where they go. Because where they go, robust economic activity will follow.'"

"And the most mobile smart people are young."

Shared responsibility

Architects, urban planners, local chambers and banks, to name a few, must make millennials a priority, Glazer said.

First, policymakers have to focus on developing central cities — particularly high-density, mixed-use, walkable neighborhoods. And for that to happen, state and local levels have to put together a set of laws that push such development, Glazer said.

But there is a problem: zoning.

"In many cases you can't do mixed-use development," Glazer said, "because there's idiotic zoning laws. So all of that regulatory stuff has got to be changed."

Arnold Weinfeld, director of public policy and federal affairs for the **Michigan Municipal League**, agreed Michigan policies and economic development tools during the past decade have not pinpointed urban areas enough.

"Michigan needs to be investing in cities," Weinfeld said.

Zoning models need to be revised to allow mixed-use neighborhoods. In most communities, they are illegal, said James Tischler, who is the Adrian city planner but also works as a public-private development consultant. Areas such as Midtown and downtown Detroit are reviving through the efforts of the local governments, which have encouraged

changes in zoning codes to allow mixed-use neighborhoods, Tischler said.

"(It's) the allowance of those to happen not on a special basis, but on a permitted-by-right basis," Tischler said. "The demand is there."

Economic tools

David Egner, Michigan Future board chairman and president of the **Hudson-Webber Foundation**, said millennials "want to rent and they don't want big places."

"So the notion that these folks are going to buy 2,000 square feet is not in alignment with the value system of the millennial," he said.

But there are programs in place to assist young professionals in buying modest homes, such as programs of the **Michigan State Housing Development Authority**. (See sidebar, Page 18). Other tools such as Neighborhood Enterprise Zone tax cuts — recently approved by the **Detroit City Council** for 26 additional communities to take place in 2008 — can lure young buyers.

"It's a good selling point," said Matt Allen, a press secretary to Detroit Mayor Kwame Kilpatrick .

Twelve-25 Woodward, a residential-loft property scheduled to open in the summer or fall of 2008, lies within one of the zones.

It's something Detroit-based **Fowler L.L.C.** managing partners Derron Sanders, 33, and Sterling Howard, 28, sought.

"It allows (buyers) a 12-year, 50 percent tax abatement," Sanders said. He added that some young professionals haven't yet found an urban development they can comfortably afford; the NEZ helps resolve that.

Besides a place to live in an urban center, millennials want retail conveniences like neighborhood grocery stores.

"The only thing that people ask is for drugstores and mini-markets," said Dino Diamantopoulos, leasing manager for **Harmonie Park Lofts**, whose 12 residential units house people in their mid-20s.

Technology and transit

Michigan needs to look forward and follow the lead of other cities such as Portland, Seattle and Atlanta, which endured weak economies but began to concentrate on young talent and eventually pulled out of the muck, said Glazer.

Researcher Volk said infrastructure issues such as wireless network access are critical to reach this group.

"Over and over again, we hear that any place that's got free Wi-Fi is incredibly attractive to young people," Volk said, "because that's how they communicate.

"No. 1, it's clearly a lot easier for this generation to start their new business anywhere, just because of the whole Internet, wireless revolution," she said.

Mass transit is key as well, "in order to get the really high densities that you need to create the mini-Manhattans and Chicagos and San Franciscos," Volk said.

Imagine if a trolley bus transportation system, for example, were to stretch all the way down Woodward Avenue. Then, even more businesses would be attracted into the region, said Bob Slattery, president of **Midtown Detroit Construction**.

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