

economic analysis



Why Does D.C. Measure Up as America's Coolest City in 2014? September 2014

Being cool is hard to measure. The Forbes 2014 List of America's Coolest Cities defines D.C. as a special place because of many cool elements. By looking behind the data (and considering some examples in D.C. and in the DowntownDC BID area), we can understand how Washington, D.C. ousted Houston, Texas from the top seed in the 2012 America's Coolest Cities ranking. The data shows us that D.C. is "coolest" for its high-quality art, culture, recreation and food to accommodate a young, diverse and growing population.

Their Coolest City data ranked 20 cities based on six criteria weighted equally: 1) Arts & Culture, 2) Recreation Index, 3) Diversity, 4) Local Eats, 5) Population Age 20-34 and 6) 2010 - 2013 Net Migration. The previous 2012 rankings included a seventh ranking; unemployment, which was not included in the 2014 rankings.

Here's how Forbes and Sperling's Best Places (the research firm that provided data for the rankings) measured "Cool" data:

Arts and Culture Index

The Arts and Culture Index considers the cultural mix of restaurants, shops and events. The Washington, D.C. metropolitan area earned a score of 99 out of 100 for art and culture, making D.C. the second coolest city for arts and culture after New York. Austin, Texas scored the lowest, earning 75. The DowntownDC BID area contributes to D.C.'s cultural index with events, such as the National Cherry Blossom Festival, museums including the National Portrait Gallery, an increasing mix of destination and discount shopping and a growing number of destination restaurants.

Recreation Index

The Recreation Index includes green space, the quality of outdoor activities available and the number of professional and college sports teams. The Washington, D.C. area scored 93 out of 100 for recreation, between Los Angeles, which was the top scorer with 100, and the lowest scorer, Raleigh, North Carolina, which received a score of 76. In Washington, D.C., the National Park Service (NPS), the Department of



Downtown Washington, D.C. will be home to 155 destination restaurants by the end of 2014. The D.C. region was ranked third in Forbes' Local Eats Index in the 2014 America's Coolest City rankings.

Parks and Recreation (DPR), the Office of Planning (OP) and the District Department of Transportation (DDOT), all play a role in supporting recreational green space in the metropolitan region. The Verizon Center in Downtown continues to play a valuable role as the home venue for D.C.'s professional hockey team, men's and women's professional basketball teams, and multiple college teams.

Diversity Index

The Diversity Index measures cultural composition, specifically, the likelihood of meeting someone of a different race or ethnicity. D.C. scored 70.3%, between the highest index in Los Angeles (82.4%) and the lowest (53.8%) in Boston.

Local Eats Index

The Local Eats Index measures the number of restaurants and bars per capita as well as the "city's 'foodie' culture." San Francisco scored 92.2 for local eats—the highest score. New York scored 89.9 and D.C. scored 68.9. The lowest local eats measure was found in San Antonio, Texas (61.5). Property and business owners in DowntownDC deserve credit for attracting and retaining new restaurants.

Sources: Forbes Magazine, American Cool exhibit at the National Portrait Gallery and DowntownDC BID

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About the BID: The DowntownDC Business Improvement District is a private non-profit organization that provides capital improvements, resources and research to help diversify the economy and enhance the Downtown experience for all. This special district, where property owners have agreed to tax themselves to fund services, encompasses a 138-block area of approximately 520 properties from Massachusetts Avenue on the north to Constitution Avenue on the south, and from Louisiana Avenue on the east to 16th Street on the west.

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Population Age 20-34 Index

The Population Age 20-34 Index measures the young adult professional population. D.C.'s population of 20-34 year olds earned a score of 29.8%, between the highest score in San Diego, California (32.9%) and the lowest (24.6%) in Bethesda, Maryland.

Net Migration Index

The Net Migration Index "...uses information from the Bureau of Labor Statistics and Moody's Analytics to rank the cities based on population growth since 2010, as well as on how much of their recent growth was due to net migration, since cities with greater influxes of new people tend to be more desirable," according to Forbes. D.C. had a net migration between 2010 and 2013 of 3.9%. Austin, Texas had the highest net migration (7.5%) and Los Angeles had the only negative migration (-0.6%). D.C. population is growing due to both migrants and births. In 2013, 3,800 people moved into D.C. per month while 3,100 moved out and with 800 births and 400 deaths per month in D.C., the city had a net population increase of 1,100 per month.

D.C.'s Cool

Despite repeated attempts to contact both Forbes and Sperling's for complete data points, the DowntownDC BID was not successful. Thus, we cannot discuss the methodology used to create the data presented in the Forbes rankings, nor can we independently verify the data.

Forbes' says they are ranking cities, but most often they are ranking a city and part of the surrounding region. In the 2014 rankings, the city of Washington, D.C. consists of D.C. as well as Arlington and Alexandria, Virginia. The city ranking of Bethesda, Maryland (located just outside of D.C.) includes the nearby cities of Frederick and Rockville, all of which are in Montgomery County. Locally, Bethesda became a little "less cool," in 2014 moving from the 17th coolest city in 2012 to 19th in 2014. Baltimore was ranked 14th on the 2012 Coolest Cities rankings, but it did not show at all in the 2014 rankings.



Downtown Washington, D.C. is home to seven theater venues and 14 museums. The BID is also adjacent to the National Mall, home to seven museums and eight memorials/monuments. These amenities undoubtedly contributed to the D.C. region's #2 ranking in the Arts & Culture Index.

Even more challenging than measuring cool is predicting cool or its staying power. Many believe as soon as a place is considered cool, for someone else it is not cool for another person. The recent American Cool exhibit at the National Portrait Gallery in DowntownDC defined cool with elements that cannot be qualified: "a supreme compliment that evokes people who exude rebellious self-expression, charisma, edge, and mystery." No matter how one defines cool, no city and no one can be cool all the time for everyone. However, D.C. remains home to unique art, culture, recreation and diversity, all of which are here to stay.

To remain "cool" in 2015 and 2016, the city and region must keep investing in its cool existing and future assets, in stadiums, in parks, in restaurants, in schools, in libraries, in theatres, in housing and in a modern network of transportation options all to retain our current residents and businesses and to attract new residents and businesses.

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Forbes 2014 List of America's Coolest Cities Tables

9/26/2014

Rank #	City	Metro:	Indexes				% of Total Population Between Ages 20- 34 (5)	% of Pop'n Growth Between 2010 - 2013 due to Net Migration (6)
			Arts & Culture Index (1)	Recreation Index (2)	Diversity Index (3)	Local Eats Index (4)		
1	Washington, DC	Washington-Arlington-Alexandria	99	93	70.3	68.9	29.8	3.9
2	Seattle, WA	Seattle-Bellevue-Everett	96	99	53.8	81.6	29.1	4.0
3	Austin, TX	Austin-Round Rock	75	48	66.5	73.9	32.5	7.5
4	Houston, TX	Houston-Sugar Land-Baytown	91	94	74.4	75.8	29.0	4.2
5	San Francisco, CA	San Francisco-San Mateo-Redwood City	98	99	71.5	92.2	28.5	2.6
6	San Diego, CA	San Diego-Carlsbad-San Marcos	92	96	69.9	78.7	32.9	1.7
7	Denver, CO	Denver-Aurora-Broomfield	96	91	56.4	70.0	28.2	4.2
8	Riverside, CA	Riverside-San Bernardino-Ontario	88	93	77.3	72.2	29.7	1.8
9	Boston, MA	Boston-Quincy	100	99	53.8	86.7	31.4	2.1
10	Dallas, TX	Dallas-Fort Worth-Arlington	95	86	71.9	72.7	28.4	3.9
11	New York, NY	New York-White Plains-Wayne	100	100	79.7	89.9	30.7	0.4
12	Oakland, CA	Oakland-Fremont-Hayward (A)	92	96	77.4	82.0	27.5	3.0
13	Miami, FL	Miami-Miami Beach-Kendall	94	89	67.6	83.4	28.2	4.0
14	Sacramento, CA	Sacramento-Arden-Arcade-Roseville	83	86	67.8	74.1	28.9	1.5
15	San Antonio, TX	San Antonio	75	70	68.8	61.5	29.5	4.8
16	Los Angeles, CA	Los Angeles-Long Beach-Glendale	99	100	82.4	78.6	31.1	(0.6)
17	San Jose, CA	San Jose-Sunnyvale-Santa Clara	92	91	77.6	79.7	27.8	2.2
18	Raleigh, NC	Raleigh-Cary	76	46	56.4	71.4	27.0	5.8
19	Bethesda, MD	Bethesda-Frederick-Rockville	95	89	67.9	74.0	24.6	2.8
20	Santa Ana, CA	Santa Ana-Anaheim-Irvine	87	98	75.5	74.0	28.8	1.5

Rank #	City	Metro:	Numerical Ranking for each City by Index					
			Arts & Culture Index	Recreation Index	Diversity Index	Local Eats Index	Population age 20- 34	2010 - 2013 Net Migration
1	Washington, DC	Washington-Arlington-Alexandria	3	10	10	19	6	8
2	Seattle, WA	Seattle-Bellevue-Everett	6	3	19	6	9	6
3	Austin, TX	Austin-Round Rock	19	19	16	14	2	1
4	Houston, TX	Houston-Sugar Land-Baytown	14	9	7	10	10	4
5	San Francisco, CA	San Francisco-San Mateo-Redwood City	5	3	9	1	13	12
6	San Diego, CA	San Diego-Carlsbad-San Marcos	11	7	11	8	1	16
7	Denver, CO	Denver-Aurora-Broomfield	6	12	17	18	15	4
8	Riverside, CA	Riverside-San Bernardino-Ontario	15	10	5	16	7	15
9	Boston, MA	Boston-Quincy, MA	1	3	20	3	3	14
10	Dallas, TX	Dallas-Fort Worth-Arlington	8	16	8	15	14	8
11	New York, NY	New York-White Plains-Wayne	1	1	2	2	5	19
12	Oakland, CA	Oakland-Fremont-Hayward (A)	11	7	4	5	18	10
13	Miami, FL	Miami-Miami Beach-Kendall	10	14	15	4	15	6
14	Sacramento, CA	Sacramento-Arden-Arcade-Roseville	17	16	14	11	11	17
15	San Antonio, TX	San Antonio	19	18	12	20	8	3
16	Los Angeles, CA	Los Angeles-Long Beach-Glendale	3	1	1	9	4	20
17	San Jose, CA	San Jose-Sunnyvale-Santa Clara	11	12	3	7	17	13
18	Raleigh, N.C.	Raleigh-Cary	18	20	18	17	19	2
19	Bethesda, MD	Bethesda-Frederick-Rockville	8	14	13	12	20	11
20	Santa Ana, CA	Santa Ana-Anaheim-Irvine	16	6	6	12	12	17

Notes: (1) The Arts & Culture Index considers art and cultural options, measuring the presence of theater and musical performances as well as local museums.

(2) The Recreation Index includes entertainment and recreational amenities and measures entertainment options per capita in each metro, professional and college sports events, zoos and aquariums, golf courses, ski areas, and national parks.

(3) Diversity Index measures the likelihood of meeting someone of a different race or ethnicity.

(4) Local Eats Index based on the number of restaurants and bars per capita. This measurement gives preference to cities with a greater percentage of local spots—chain establishments. The “foodie” measure also factors in the number of farmer’s markets, breweries and Community-Supported Agriculture (CSA) providers per capita.

(5) Population age 20-34 uses the most recent data available from the U.S. Census Bureau, factoring in the age of a city’s population, favoring places with a large share of people aged 20-34.

(6) 2010 - 2013 Net Migration uses overall population growth from the Bureau of Labor Statistics and Moody’s Analytics since 2010, figuring long-term growth indicates people want to live in a place (whether for job opportunities, cost of living, or amenities), and also how much recent growth was due to net migration (people who relocated there from 2010 to 2013), favoring cities with higher influxes of new people, since this suggests their city is a desirable place to live.

Sources: Forbes 'Washington, D.C., Tops Forbes 2014 List of America's Coolest Cities'
Website: <http://www.forbes.com/sites/erincarlyle/2014/08/06/washington-d-c-tops-our-list-of-americas-coolest-cities/>

Sperling's Best Places
Website: <http://www.bestplaces.net/>