



2013 Remaking Cities Congress

Re-Positioning the Post-Industrial City in the Global Economy

Thought Leader Summary

Innovation Districts in the Next Economy

Jennifer S. Vey

The Brookings Institution

October 3, 2013

As the next decade unfolds, profound economic, demographic and cultural shifts will continue to alter the place preferences of firms and people. These shifts are beginning to re-conceive the link between economy shaping and place making, and present new growth opportunities for post-industrial cities.

A confluence of trends is already leading companies and consumers to revalue the physical assets and attributes of urban areas. Our open, innovative economy increasingly craves proximity and extols integration so that knowledge can be transferred easily and seamlessly between, within, and across firms, workers and supporting institutions, thereby enabling the creation of new ideas that fuel economic activity and growth. Our collaboration-oriented economy is altering and accelerating how firms and people interact, how ideas flow and how places—offices, research labs, business incubators, innovation institutes—are actually designed. And our diversified economy and diverse population demand greater choices in where firms locate and where people live—across jurisdictions, neighborhoods and building types.

The vanguard of these mega-trends is largely occurring not at the city or metropolitan scale writ large but in smaller enclaves—what are increasingly being referred to as “Innovation Districts.”

Innovation Districts cluster and connect anchor institutions and cutting edge innovative firms with supporting and spin off companies, business incubators, mixed-use housing, office and retail, and 21st century amenities and transport. Innovation Districts are a radical departure from traditional economic development practices focused largely on consumption and business attraction—what Brookings has dubbed the “Starbucks, stadia, and stealing business” approach. Innovation Districts are also distinctive from economic development efforts that focus on innovation—through the development of science parks, or suburban research and technology corridors—but that often ignore the elements needed to create a dynamic physical realm. Finally, Districts delve deeper than urban revitalization efforts that have tended to focus almost solely on the material and commercial aspects of development—housing, green space, waterfront development—and that haven’t necessarily been oriented toward growing the networks and sectors that drive real economic growth.

Though the term may be new to the U.S. economic development lexicon, the development of Innovation Districts has been gaining momentum across the country. Some can be found in the downtowns and midtowns of cities like Cambridge and Detroit, where the existing base of advanced research universities, medical complexes, and clusters of tech and creative firms is sparking business

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expansion as well as residential and commercial growth. Others can be found in Boston and Seattle where underutilized areas (particularly older industrial areas) are being re-imagined and remade, leveraging their enviable location near waterfronts and downtowns and along transit lines. Still others can be found in traditional exurban science parks like Research Triangle Park in Raleigh-Durham that are scrambling to keep pace with the preference of their workers for walkable, urban communities and the preference of their firms to be near other businesses and collaborative opportunities.

This presentation will describe and deconstruct the concept of Innovation Districts, and describe their potential to help reinvigorate the economies of post-industrial cities. It will then focus briefly on Detroit, where city stakeholders are working with the State of Michigan, the Brookings Institution, and other partners to establish an Innovation District in the midtown/downtown area of the city. The overarching vision for the Detroit Innovation District is for it to be a *globally-recognized live-work-play hub of innovation that is an engine of economic opportunity for the city and region*. Flowing from this vision is a set of concrete goals and priorities, the achievement of which will define the long-term success of the District, and—given the outsized role of the District in the Detroit economy—will be critical to the economic and fiscal health of the city as whole.

Post-industrial cities have an opportunity to learn from Detroit and other cities where Innovation Districts are emerging to see if and how this concept is relevant to their own economic growth dynamic.