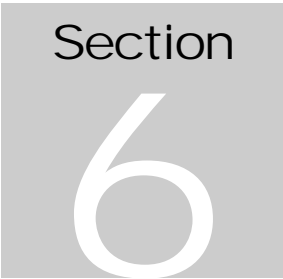


Analysis of the Young Professional Market Segment



Young professionals have been one of the primary market segments driving the residential revitalizations of large downtowns. As young professionals choose downtowns as a place of residence, central business districts have also been impacted by their contributions to the labor force, their levels of entrepreneurial activity, and their purchasing preferences. Not surprisingly, a number of Downtown Milwaukee businesses have identified young professionals as one of their key consumer segments. However, young professionals are also the most mobile segment of the labor force and are often willing to relocate for both economic and quality of life reasons. Consequently, young professionals are receiving attention from a number of businesses, downtown organizations, economic development professionals, and labor market economists.

Note that this section is not intended to be an attraction and retention analysis of younger, college-educated individuals in the Milwaukee 7 Region. Instead, Section 6 describes characteristics and preferences of the young professional market segment related to the Downtown Milwaukee Study Area as a place to live, work and recreate.

National Trends

While the definition of a “young professional” varies, these individuals are most often characterized as people between the ages of 25 and 34 with a college degree. Nationally, these individuals are receiving attention from both downtowns and regional economic development efforts for a wide variety of reasons:

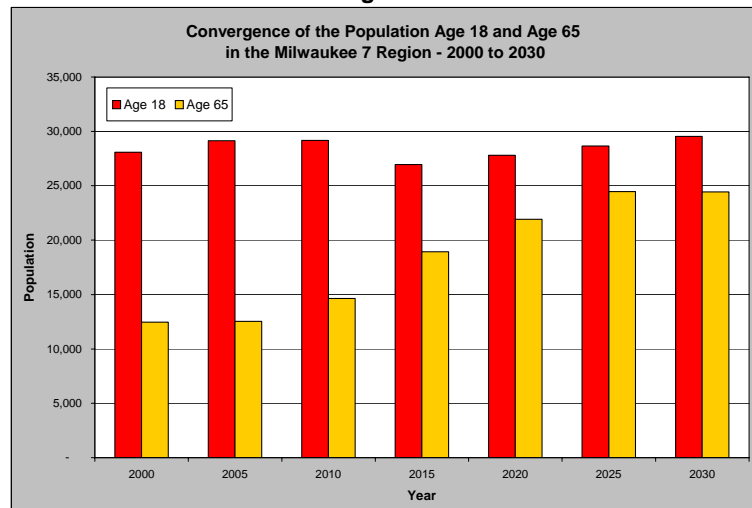
- *Young professionals are increasingly residing in downtown neighborhoods.* Research from the Brookings Institution reports that in the year 2000, people between the ages of 25 and 34 represented nearly 25 percent of the downtown population in a sample of large metro areas, up from 13 percent in 1970. Furthermore, forty-four percent of downtown residents in the sample had a bachelor’s degree or higher (Section 4 suggests that Downtown Milwaukee residents have age and educational distributions similar to these national trends). The Brookings Institution research also suggests that “those downtowns having attributes conducive to urban life—including a critical mass of jobs, amenities, and interesting physical features or architecture—have attracted increasing numbers of households, especially singles and childless families. A development strategy that includes adding or supplementing these qualities will enhance the attractiveness of downtowns to selected population groups.”¹
- *Educational attainment is one of the primary drivers of a region’s income and economic growth.* Recent research shows that regions with a well-educated population experience greater growth in per capita income². A region’s pool of human capital, as measured by both educational attainment and occupations, is also particularly important in the business development process for a range of industries. People age 25 to 34 tend to have the highest levels of educational attainment among any age group.

¹ Birch, Eugenie L. “Who Lives Downtown.” *Living Cities Census Series*. The Brookings Institution. November, 2005.

² For one overview of this research, see: Gottlieb, Paul D. and Michael Fogarty. “Educational Attainment and Metropolitan Growth.” *Economic Development Quarterly*. Vol 17.4, November 2003, pp 325-336.

- Younger workers are one potential source of labor for filling anticipated worker shortages created by retiring Baby Boomers.* The nation's 77 million Baby Boomers (i.e. individuals born between 1946 and 1964) started turning 60 in 2006. While delayed retirement, increased productivity, and shifting demand for certain goods and services may reduce projected labor shortages, a number of new workers will be needed to fill replacement jobs left by retirees, while also filling the need for newly created jobs. Illustrating the changing labor force in the Milwaukee 7 Region, Chart 6.1 compares the number of people turning age 65 (i.e. approaching retirement) between the years 2000 and 2030 to the number of people turning age 18 (i.e. potentially entering the labor force full-time). The number of people turning age 65 begins to increase dramatically after 2010, while the number of individuals turning age 18 remains somewhat unchanged or declines.

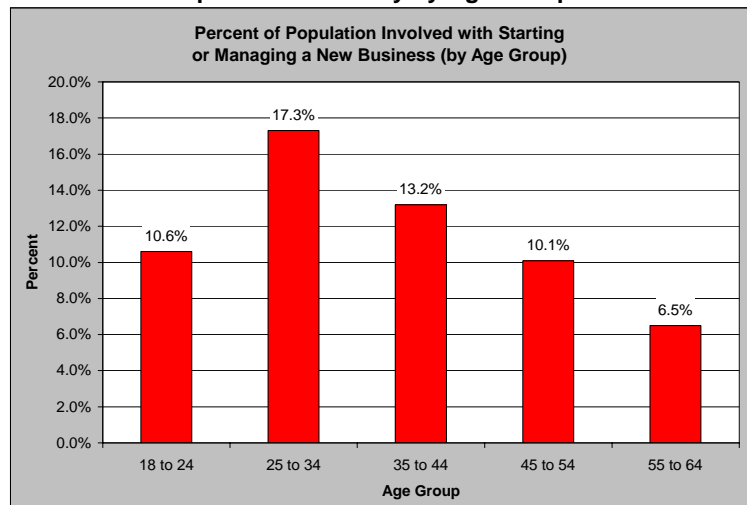
Chart 6.1 – Convergence of the Population Age 18 and Age 65 in the Milwaukee 7 Region



Source: Wisconsin Department of Administration, Demographic Services and UW-Extension Center for Community and Economic Development

- People between the ages of 25 to 34 are the most likely to start a business or be involved in other entrepreneurial activities.* Estimates from the Global Entrepreneurship Monitor (GEM) show that 17.3% of individuals between the age of 25 and 34 are involved with either starting a business or managing a new business (Chart 6.2)³. Research also suggests that businesses started by young, college-educated individuals are also the most likely to have high growth potential and are among the most technologically innovative⁴.
- Young adults with college degrees are the most mobile people in the American population.* Over the five-year period from 1995 to 2000, some 6.6 million 25 to 34 year-olds moved from one metropolitan area to another.⁵ While economic factors such as wage rates, cost of living, and job

Chart 6.2 – Entrepreneurial Activity by Age Group



Source: Global Entrepreneurship Monitor

³ Global Entrepreneurship Monitor. National Entrepreneurship Assessment United States of America: 2003 Executive Report.

⁴ Global Entrepreneurship Monitor. National and Regional Summaries, 2004.

⁵ U.S. Census Bureau Migration DVD. File B2_Table3_380

availability remain important, researchers such as Edward Glaeser, and others suggest that the level of amenities offered by cities play a role in attracting and retaining young workers⁶.

When considering the potential economic roles and lifestyle preferences of young professionals in a regional economy, it is not surprising that downtowns have become a place of residence for many of these individuals:

- *Vibrant downtowns are typically amenity-rich* - Downtowns are often the cultural, social, and educational centers of regions. In large metro areas, downtowns include museums, diverse shopping opportunities, theaters, live music venues, and professional sports. *Downtowns also have the benefit of being authentic, contributing to a region's or metro area's unique sense of place.*
- *Downtowns can facilitate social interaction and knowledge-spillovers* – Downtowns typically have concentrations of both public spaces and so-called “third spaces” such as coffee shops, taverns, and restaurants that provide opportunities for networking and the sharing of ideas. Downtown agglomerations of people engaged in similar industries or occupations also provide a critical mass for knowledge-spillovers.
- *Downtowns provide locations for start-ups and entrepreneurial activity* – Downtowns are de facto business incubators as they often offer a range of office spaces, and have concentrations of potential clients, transportation options, and business services.

Characteristics of Young Professionals in the Milwaukee Region

To help localize some of the aforementioned national trends and examine characteristics of the young professional market segment, several statistics and trends are examined in the following section:

- Population trends for the population age 25 to 34
- Educational attainment for the population age 25 to 34
- Occupations of the population age 25 to 34

While several of these trends are specific to the Downtown Milwaukee Study Area, most of the information on the population age 25 to 34 is reported at the regional (Milwaukee 7) level. The region is used for the basis for analysis as it represents the broader pool of individuals age 25 to 34 who may be potential employees or consumers for Downtown Milwaukee businesses (on both a regular and occasional basis). Using the Milwaukee 7 Region also allows for better comparisons with the other comparable metro areas used throughout this study.

Population Age 25 to 34

Tables 6.1 and 6.2 examine selected population trends for the population age 25 to 34. Nationally, the percent of individuals between the ages of 25 to 34 declined from 17.4 percent of the population in 1990 to 13.5 percent of the population in 2005. As previously suggested, the declining population share of the 25 to 34 age group reflects the Baby Boomers aging out of this age cohort into older age groups. Given these national trends, it is not surprising that the 25 to 34 age group has also declined in the State of Wisconsin and the Milwaukee 7 Region. Somewhat similar trends are shown among the comparable metro areas in Table 6.2. However,

⁶ For one summary of this research, see: Glaeser et al. *Consumer City*. Working Paper 7790. National Bureau of Economic Research. July 2000.

the Milwaukee 7 Region's share of the population age 25 to 34 declined at a rate faster than the national average. In 1990, the Milwaukee 7 Region had a similar share of the population age 25 to 34 as the national average and a larger share than the state. By 2000, the Milwaukee 7 Region's share of the population age 25 to 34 dropped below the national average and continued to decline through 2005.

Table 6.1 – Trends in the Population Age 25 to 34 between 1990 and 2005/2006

Geographic Area	1990 Census		2000 Census		2005/2006 Estimates	
	Number	Percent of Population	Number	Percent of Population	Number	Percent of Population
Downtown Milwaukee Study Area	2,840	22.4%	3,513	25.4%	4,797*	32.2%
Milwaukee 7 Region	316,182	17.5%	263,805	13.6%	244,756	12.4%
State of Wisconsin	822,215	16.8%	706,168	13.2%	702,156	12.7%
United States	43,175,932	17.4%	39,891,724	14.2%	40,142,912	13.5%

Sources: U.S. Census Bureau 1990 Census, 2000 Census and 2005 Current Population Survey. *2006 figures for the Downtown Study Area are from ESRI Business Information Solutions.

Table 6.2 – Trends in the Population Age 25 to 34 for the Comparable Metro Areas

Geographic Area	1990 Census		2000 Census		2005 Estimates	
	Number	Percent of Population	Number	Percent of Population	Number	Percent of Population
Milwaukee 7 Region	316,182	17.5%	263,805	13.6%	244,756	12.4%
Charlotte-Gastonia-Concord, NC-SC	189,514	18.5%	225,665	17.0%	236,204	15.5%
Cincinnati-Middletown, OH-KY-IN	321,105	17.4%	282,547	14.1%	270,490	13.1%
Cleveland-Elyria-Mentor, OH	350,030	16.7%	282,674	13.2%	247,580	11.6%
Columbus, OH	266,216	18.9%	257,237	16.0%	262,091	15.3%
Indianapolis, IN	242,056	18.7%	233,734	15.3%	236,012	14.4%
Memphis, TN-MS-AR	188,080	17.6%	178,034	14.8%	175,248	13.9%
Nashville-Davidson-Murfreesboro, TN	194,458	18.6%	205,798	15.7%	211,517	14.9%
Pittsburgh, PA	387,899	15.7%	295,060	12.1%	260,627	10.9%
Kansas City, MO-KS	296,221	18.1%	265,765	14.5%	273,312	14.0%
State of Wisconsin	822,215	16.8%	706,168	13.2%	702,156	12.7%
United States	43,175,932	17.4%	39,891,724	14.2%	40,142,912	13.5%

Sources: U.S. Census Bureau 1990 Census, 2000 Census and 2005 Current Population Survey.

In contrast to national and regional trends, the Downtown Milwaukee Study Area has experienced a steady increase in its population age 25 to 34. Between 1990 and 2006, the Study Area population age 25 to 34 grew by almost 2,000 residents and increased its share of the overall population from 22.4 percent to 32.2 percent. *Furthermore, Downtown Milwaukee Study Area has the largest number of residents between the ages of 25 and 34 and the largest percentage of its population in this age range relative to its comparable metro areas (Table 6.3).* These figures confirm the anecdotal evidence that the population age 25 to 34 is one of the Downtown Study Area's largest resident and consumer segments.

Table 6.3 – 2006 Downtown Population Comparison for the 25 to 34 Age Group

Geographic Area	Downtown Population Age 25 to 34	
	Number	Percent of Total
Downtown Milwaukee, WI*	4,797	32.2%
Downtown Charlotte, NC	2,229	24.2%
Downtown Cincinnati, OH	3,662	19.8%
Downtown Cleveland, OH	1,970	26.9%
Downtown Columbus, OH	1,736	26.4%
Downtown Indianapolis, IN	3,493	30.6%
Downtown Memphis, TN	1,744	19.2%
Downtown Nashville, TN	1,332	14.6%
Downtown Pittsburgh, PA	2,138	14.6%
Downtown Kansas City, MO	2,532	29.0%

Source: ESRI Business Information Solutions

*Downtown Milwaukee Study Area

Educational Attainment of the Population Age 25 to 34

Table 6.4 compares the Milwaukee 7 Region's educational attainment for the population age 25 to 34 and the entire population age 25 and over. Confirming the national trend, the Milwaukee 7 Region's population age 25 to 34 has a higher level of educational attainment than the overall population age 25 and over. While individuals age 25 to 34 have a lower share of advanced degrees (master's/professional/doctorate), many individuals in this age group may still be pursuing these higher levels of educational attainment.

Table 6.4 – Educational Attainment Comparison for the Milwaukee 7 Region - 2005

Highest Level of Educational Attainment	Age 25 to 34	Age 25 and Over
Total Population (Estimate)	237,886	1,258,822
Less than 9th Grade	2.5%	3.7%
9th to 12th Grade, no diploma	7.5%	8.0%
High school graduate	25.4%	31.1%
Some college, no degree	22.4%	21.4%
Associate's degree	8.4%	7.7%
Bachelor's degree	25.7%	19.1%
Master's/Professional/Doctorate degree	8.1%	9.0%
High School Graduate or Higher	90.0%	88.3%
College Graduate	33.8%	28.1%

Source: 2005 American Community Survey – Figures are based on a 90 percent confidence interval

Table 6.5 examines the number of individuals age 25 to 34 with a college degree in the comparable metro areas. Again, the figures in Table 6.5 are not intended to describe the Milwaukee 7 Region's ability to attract and retain younger, college-educated individuals. Instead, these figures are simply provided to provide a snapshot for the number of young professionals in the comparable metro areas. With a few exceptions, residents age 25 to 34 in the Milwaukee 7 Region appear to have similar levels of college educational attainment. Somewhat surprisingly, Pittsburgh has the highest share of individuals age 25 to 34 with a college degree despite having the smallest share of its total metro population within this age group (as shown in Table 6.2).

Map 6.1 depicts the percentage of individuals between the ages of 25 and 34 with a college degree in a portion of the Milwaukee region. The map shows that the Downtown Study Area has a large share of young professionals. Other areas with a large number of young college-educated individuals include the North Shore of Lake Michigan, and several

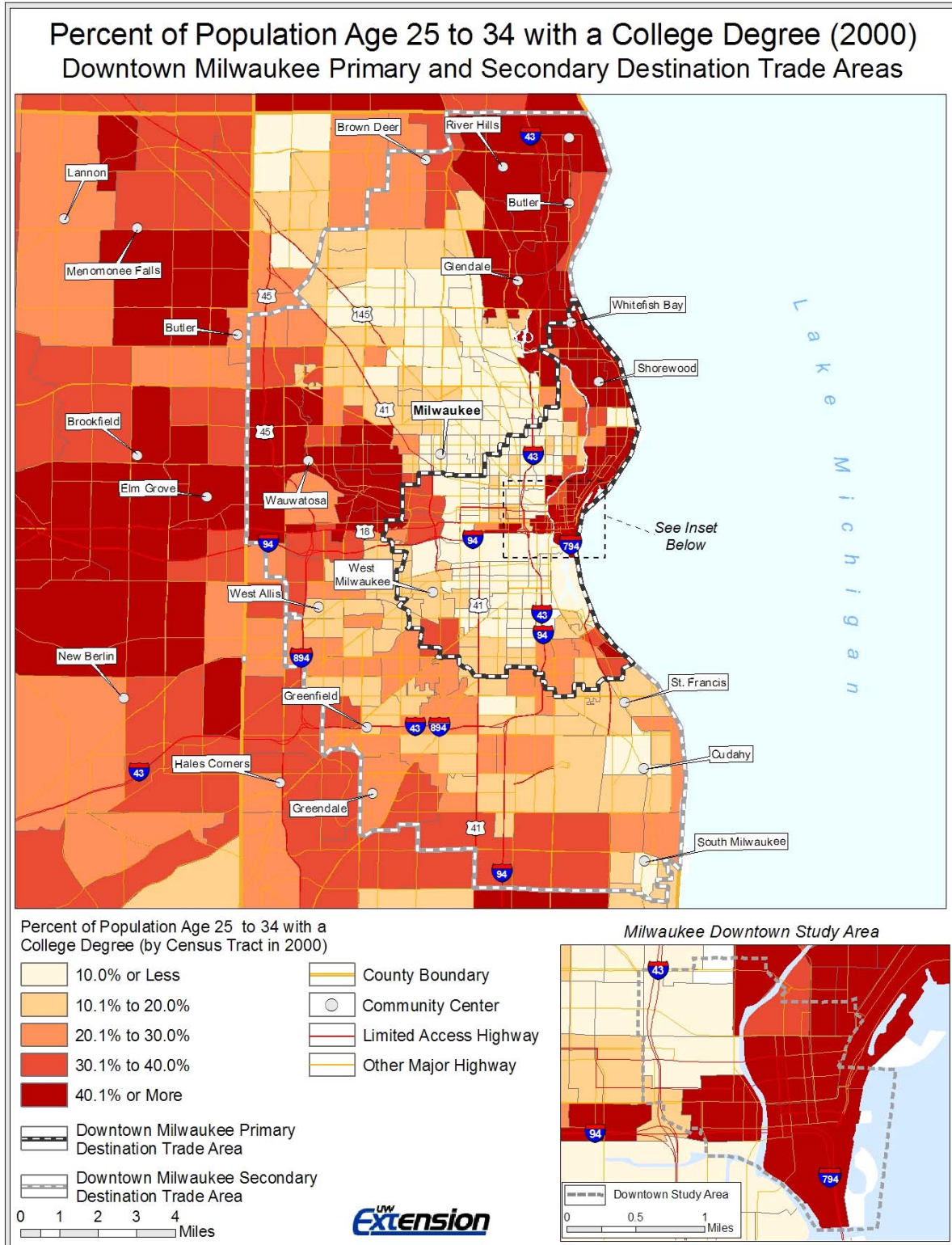
Table 6.5 – Comparison of College Graduates Age 25 to 34 in the Comparable Metro Areas

Geographic Area	Population Age 25 to 34 with a College Degree	
	Number	% of Pop. Age 25 to 34
Milwaukee 7 Region	80,485	33.8%
Charlotte-Gastonia-Concord, NC-SC	75,867	32.7%
Cincinnati-Middletown, OH-KY-IN	82,236	31.2%
Cleveland-Elyria-Mentor, OH	83,628	34.3%
Columbus, OH	91,991	36.2%
Indianapolis, IN	77,532	33.3%
Kansas City, MO-KS	94,542	35.7%
Memphis, TN-MS-AR	43,835	25.8%
Nashville-Davidson-Murfreesboro, TN	65,352	32.2%
Pittsburgh, PA	97,304	37.8%
State of Wisconsin	205,135	30.2%
United States	11,578,094	29.9%

Source: 2005 American Community Survey – Figures are based on a 90 percent confidence interval

areas in Waukesha County. Despite residing at a distance, many of these suburban young professionals may still work in Downtown Milwaukee and are part of the regional labor force and the potential downtown customer base.

Map 6.1 – Distribution of Young Professionals



Occupational Distribution for the Population Age 25 to 34

Occupations for the regional population age 25 to 34 are depicted in Table 6.6. The occupational structure for the population age 25 to 34 is also compared to that of workers of all ages. *Due to data aggregation issues for Walworth County, note that the figures in Table 6.6 include only Kenosha, Milwaukee, Racine, Ozaukee, Washington, and Waukesha counties. Furthermore, the occupational figures in Table 6.6 may also differ from other published sources (such as those shown in Section 3).* Office and administrative support, production, and sales and related occupations are the three largest occupational categories for the population age 25 to 34 (similar to the occupational distribution for all ages). However, individuals ages 25 to 34 appear to have higher concentrations in several occupational categories: business and financial operations; computer and mathematical; architecture and engineering; arts, design, entertainment, sports, & media; and personal care and services. *All of these occupational categories are particularly important to many existing and potential businesses in the Downtown Milwaukee Study Area.* Many of these occupational categories are also a reflection of the overall higher educational attainment levels of individuals in the 25 to 34 age group⁷.

Table 6.6 –Occupations for the Population Age 25 to 34 (Milwaukee 7 Region minus Walworth County)

Occupation Code	Occupation	Age 25 to 34		All Ages	
		Number	Percent of Total	Number	Percent of Total
00-0000	All Occupations	220,347	100.0%	1,135,634	100.0%
11-0000	Management	15,123	6.9%	93,946	8.3%
13-0000	Business and financial operations	12,081	5.5%	52,841	4.7%
15-0000	Computer and mathematical	7,499	3.4%	25,853	2.3%
17-0000	Architecture and engineering	7,896	3.6%	27,750	2.4%
19-0000	Life, physical, and social science	1,496	0.7%	8,614	0.8%
21-0000	Community and social services	3,165	1.4%	17,889	1.6%
23-0000	Legal	2,497	1.1%	11,530	1.0%
25-0000	Education, training, and library	12,847	5.8%	66,182	5.8%
27-0000	Arts, design, entertainment, sports, & media	4,895	2.2%	21,116	1.9%
29-0000	Healthcare practitioners and technical	9,654	4.4%	54,054	4.8%
31-0000	Healthcare support	4,722	2.1%	26,115	2.3%
33-0000	Protective service	3,653	1.7%	17,596	1.5%
35-0000	Food preparation and serving related	10,724	4.9%	61,185	5.4%
37-0000	Building and grounds cleaning & maintenance	3,301	1.5%	38,568	3.4%
39-0000	Personal care and service	8,600	3.9%	32,696	2.9%
41-0000	Sales and related	24,489	11.1%	130,632	11.5%
43-0000	Office and administrative support	32,248	14.6%	169,042	14.9%
45-0000	Farming, fishing, and forestry	410	0.2%	3,339	0.3%
47-0000	Construction and extraction	12,492	5.7%	57,614	5.1%
49-0000	Installation, maintenance, and repair	6,334	2.9%	31,959	2.8%
51-0000	Production	24,496	11.1%	114,675	10.1%
53-0000	Transportation and material moving	11,605	5.3%	71,148	6.3%
55-0000	Military	120	0.1%	1,290	0.1%

Source: 2005 American Community Survey PUMS data for Kenosha, Milwaukee, Racine, Ozaukee, Washington, and Waukesha counties.

⁷ Several of these occupations showing higher concentrations among individuals age 25 to 34 would be included in Richard Florida's "creative class" taxonomy. While the creative class has been proposed as another measure of human capital (or creative capital), the appropriate role of the creative class as an indicator of regional growth or as a centerpiece of community development strategies has yet to be determined. Two bookends of this debate include: 1) Peck, Jamie. "Struggling with the Creative Class." *International Journal of Urban and Regional Research*. Vol 29.4, December 2005, pp 740-770. 2) Florida, et al. "Inside the Black Box of Regional Development: Human Capital, the Creative Class and Tolerance." *Working Paper Series in Economics and Institutions of Innovation*. Royal Institute of Technology, CESIS - Centre of Excellence for Science and Innovation Studies. No. 88, April 2007.

Focus Group Findings on the Young Professionals Market

In order to collect information about how to improve the experience of young professionals living, working and recreating in Downtown Milwaukee, the UW-Extension Center for Community and Economic Development conducted three focus group sessions in March 2006. Young professionals shared their ideas and opinions in round table meetings, each lasting about an hour and a half.

Objectives

Focus groups were conducted to achieve three objectives:

1. Determine factors that make Downtown Milwaukee both a desirable and undesirable place to live, work, or recreate.
2. Understand what Downtown Milwaukee can do to better attract and retain young professionals as consumers, residents and workers.
3. Analyze how young professionals viewed the business climate in Downtown Milwaukee.

Focus Group Questions

The following five questions were used to guide the focus group discussions:

- If you were going to describe Downtown Milwaukee to a new area resident in their 20's or 30's what words or phrases would you use?
- Think back to other downtowns around the nation where you may have lived, worked, visited, or perhaps thought about living. What characteristics of those downtowns might make them more desirable than Downtown Milwaukee as a place to live, work, or recreate? What characteristics might make them less desirable than Downtown Milwaukee?
- From your perspective as a person in your 20's or 30's what do you feel are some potential barriers to retaining or attracting young professionals into Downtown Milwaukee to reside, work, live, or play?
- Given these potential barriers, from your perspective as a person in your 20's or 30's, what steps could Downtown Milwaukee take to attract more young workers seeking residential, social, cultural and employment opportunities?
- Many people in their 20's or 30's have considered starting their own business. If you were going to start your own business, what aspects of Downtown Milwaukee make it a good place to start a business? What aspects make it less desirable?

The following comments were made by participants in facilitated focus groups and are not the opinions of Milwaukee Downtown BID #21 or UW-Extension Center for Community and Economic Development.

Descriptions of Downtown Milwaukee

The following are some of the phrases and attributes young professionals used to describe Downtown Milwaukee:

- Milwaukee feels like a small city, but has big city amenities (i.e. night life, restaurants, great theater, and a variety of things to do).
- Downtown Milwaukee is welcoming for both professionals and people from other communities. People are friendly and it is easy to get involved and make connections.
- Milwaukee is a better place to be in the summer. There are more people on the streets, more activities, and fabulous summer events and festivals.
- It is easy to navigate and get around downtown by bus, trolley or just walking.
- Milwaukee is quickly evolving and up and coming, experiencing a renaissance with all the new development and improvements (condos on Water Street and in the Third Ward).
- Downtown is safe and on the upswing with an affordable cost of living and growing diversity, but we still need to take more risk to make downtown better. We need a long-range target and vision.
- Downtown has a booming housing market and has some great condominiums and apartments for residential living.
- Downtown Milwaukee is not the number one place to shop.
- Milwaukee is misinterpreted from the outside looking in as a blue-collar city.
- From an inside perspective we do not sell and market downtown Milwaukee enough.

Characteristics of other downtowns that make them more desirable than Downtown Milwaukee

Young professionals believe that downtown Milwaukee is moving in the right direction. However, they do see opportunities for improvement based upon characteristics of other cities in which they have lived, visited, or worked. Below are the positive characteristics/elements of other cities that have made an impression on them.

More Desirable Characteristics of Other Cities - Transportation

- Other cities like Detroit and Portland have light rail.
- Baltimore's Inner Harbor creates a national feel for their city.
- Other cities have an effective comprehensive public transportation system that includes a bus system, light rail passenger service, rail passenger service, taxis, and subways.
- In Minneapolis the skyway provides pedestrian walkways that connect downtown. This is really important in the colder winter months.

- Des Moines has an excellent pedestrian trail system along the river in their downtown. Milwaukee needs to continue to maximize the resources of their downtown river and the lakefront.
- Milwaukee has too many one-way streets in downtown.

More Desirable Characteristics of Other Cities - Entertainment

- Other cities have well defined entertainment districts.
- Iceland offers activity passes for downtown events.
- Other cities have more fast food opportunities downtown.
- More people are in the downtowns of other cities. More activities and businesses are open past 5 p.m.

More Desirable Characteristics of Other Cities – Other Comments

- Other cities have more diversity (racial, diversity in thinking, religion, different backgrounds). Many residents have lived in Milwaukee forever.
- Old Milwaukee is not letting the new Milwaukee into the picture.
- Other cities have more affordable housing for young professionals.

Characteristics of other downtowns that make them less desirable than Downtown Milwaukee

Young professionals identified several characteristics of Milwaukee and its downtown that they feel make it more desirable than other cities. These characteristics include:

More Desirable Characteristics of Milwaukee - Environment

- Other cities have more problems with air and water quality and less green space.
- Other cities have problems with trash and odor in the streets.
- Other cities are less safe than Milwaukee and have more crime.
- Homelessness is a problem in some cities along with panhandling.
- Milwaukee has less of a chance for a natural disaster or terrorist attack.
- Other cities are larger or smaller than Milwaukee. This makes them less desirable.
- The size of Milwaukee makes it much more manageable than other cities.

More Desirable Characteristics of Milwaukee - Transportation

- Parking is better in downtown Milwaukee
- Other cities have longer commuting times.
- Milwaukee has great accessibility to airports.
- It is hard to navigate around other cities.

More Desirable Characteristics of Milwaukee - Entertainment

- Summer festivals are better in Milwaukee.
- Milwaukee has unique shops and restaurants in downtown. Restaurants are locally owned not chains.
- Milwaukee has public markets.
- Milwaukee has a good selection of arts and culture opportunities.

More Desirable Characteristics of Milwaukee – Other Comments

- Milwaukee has many opportunities for continuing education.
- Other cities lack the amount of economic development that is occurring in Milwaukee.
- Milwaukee has a lower cost of living when compared to other cities.
- Milwaukee has done a better job of preserving historic architecture.
- It is easy to get involved with organizations in downtown Milwaukee. Other cities are more intolerant.

Potential barriers to retaining or attracting young professionals into Downtown Milwaukee.

Young professionals thought that it is important for the City of Milwaukee to attract and retain young professionals to maintain and grow a viable workforce. Young professionals indicated that the following issues are of concern to them:

Barriers - Milwaukee has negative stereotypes

- The city has stereotypes that it has high crime rates, it is dirty, and not safe.
- It is a blue collar city with a lot of manufacturing.
- It is a city of beer and bowling (i.e. Opening Caption of Laverne and Shirley). This is not the case anymore. Milwaukee has moved from manufacturing to service.
- The city is surrounded by farms and cows.

Barriers - Living Downtown

- Housing is expensive downtown.
- Property taxes are high.
- Milwaukee has fewer affordable housing opportunities.
- The affordable housing that is available is very old. There is a need to set aside a certain amount of residential development as affordable housing. The young professionals felt that affordable housing is condos under \$200,000 and a one bedroom apartment at \$600.00 a month for rent.
- People do not realize that you can live, work, and play downtown.
- Nothing to do in the winter months downtown. There are only a few choices available such as eating at a restaurant, going to the theater, stopping at a downtown tavern, or attending a Bucks or Admirals game.
- Milwaukee lacks a vibrant singles crowd.
- If you are planning on having a family, it is not convenient to live downtown.
- Perception of poor public schools.
- Concerns about segregation and lack of diversity. Milwaukee needs to take deliberate action to diversify the area for all races, ethnic groups, age groups, and economic groups.
- People's needs must be met to enhance the city.

Barriers - Transportation

- People do not like downtown traffic during rush hour.
- Bicyclists are concerned about safety.
- Milwaukee lacks a light rail system.
- A car is needed to get to things in the city.

Barriers - Economic Development

- Good restaurants and businesses operate in downtown Milwaukee. Attraction of new businesses is more of an issue than retaining existing businesses.
- Need to attract young professionals from Appleton, Oshkosh, Chicago, and New York.
- Milwaukee receives strong business competition from nearby Chicago.
- Lack of potential earning growth in Milwaukee is a concern.
- New ideas sit on the table in Milwaukee for months at a time. Milwaukee is losing investment capital due to lack of risk.

- Milwaukee focuses too much on what is negative; needs to promote the positives.
- Target Corporation is part of daily life. Downtown Milwaukee lacks not only national retailers, but also upscale retailers. For example, Milwaukee does not have a Crate and Barrel downtown.
- Milwaukee needs more hotel rooms downtown that are unique and upscale.
- Milwaukee lacks a downtown movie theater and has no defined arts and theater district. Need to drive to Mayfair Mall in Wauwatosa or New Berlin to see a box-office movie.

Steps needed by Downtown Milwaukee to attract more young professionals seeking residential, social, cultural, and employment opportunities.

An issue of concern is the fact that the workforce in Milwaukee is growing older. The 45 to 64 age cohort and 65 and over age group will continue to grow in number reflecting the aging of “Baby Boomers” (people born from 1946 through 1964). The population aged 25 to 44 will begin to decrease as baby boomers grow older and smaller age cohorts born in the 1970’s move into this age group. This changing age composition will have major implications for the future labor market. Milwaukee will need to recruit a younger workforce to fill positions left vacant by retiring Baby Boomers.

Steps to attracting more Young Professionals - Transportation

- Young professionals feel burdened by the fact that they need to leave downtown to drive out to the suburbs to shop. For example, they expressed frustration with the fact that they need to drive to Wauwatosa or Waukesha to go to a Target store. Others felt that the downtown market could support a Crate and Barrel. They questioned why it located at Mayfair Mall in Wauwatosa. They view this example as a missed opportunity for downtown.
- The consensus was that light rail should be further pursued. It would reduce dependence on the automobile. In addition, young professionals expressed the need to link downtown Milwaukee with Madison and Chicago via high-speed rail. Efforts to extend the Metra line from Kenosha to downtown were viewed as a positive step in the right direction.
- A better bus system and public transportation would help to keep people downtown to live, work, and play.

Steps to attracting more Young Professionals - Economic Development

- Good business attraction starts with attracting Roundy’s and Manpower to downtown Milwaukee. The trend in attracting diverse employers and additional new companies downtown must continue. Columbia St. Mary’s Hospital was instrumental in attracting Whole Foods Market to Milwaukee.
- Milwaukee has major sports, recreational sports, social clubs, a young group of artists, and nearby state parks. These amenities are not promoted as a total package. If they were marketed collectively, people would be surprised by what downtown Milwaukee has to offer.

- City leaders are not accommodating to new businesses. Need to reverse the perception of Milwaukee as a “brats and beer” manufacturing town with not many activities to do. Milwaukee must pursue opportunities to change outsiders’ perceptions. Need to attract big profile events like the X-games and Gravity Games downtown.
- Downtown must be more attractive for businesses. Milwaukee needs to take more risk. The city is building a base and bringing people downtown to live, but downtown needs to be more attractive to businesses. Right now, Milwaukee is a small market for consulting services and lacks attractive businesses.
- Downtown leaders must understand that Milwaukee competes regionally with Madison, Chicago, and Minneapolis for employees. It is important to connect new downtown employees with businesses downtown so they are aware of what products and services they can purchase downtown.
- Madison is developing new employment opportunities with biotech. Green technology is the next trend. Milwaukee should position itself to be a player in these industries. Harley Davidson and Northwestern Mutual are not going to be the city’s economic foundation forever.

Positive and negative aspects of starting a business in Downtown Milwaukee expressed by young professionals

Historically, Milwaukee has had more success with local small businesses that have grown into large companies than with attracting large companies to the city. Young entrepreneurs need an environment to start, develop, and grow small businesses to provide additional employment opportunities in Milwaukee.

Business Development: Downtown Milwaukee’s Positive Attributes

- Downtown Milwaukee is a prime place to start a business. Business costs and office space are affordable, there is a high concentration of people in the city, people have a good work ethic, the downtown is receptive to new businesses, downtown public relations is good, there is a college educated workforce, residents are easily impressed by new ideas, and Milwaukee has many untapped niches.
- Business owners are willing to share information with one another. Downtown provides good access to meeting successful business owners. These connections are necessary to be successful.
- Milwaukee has a wealth of continuing education opportunities and angel investors with money are willing to invest in businesses within Milwaukee. The Wisconsin Women’s Business Initiative Corporation is a good resource for funding small businesses.
- People can live, work, and play downtown. People are asking for more businesses and shopping opportunities downtown. Currently, it is easier to start a business downtown due to less competition.

Business Development: Additional Needs to be Addressed in Downtown Milwaukee

- Milwaukee must pursue clustering of businesses that are compatible in downtown and on Brady Street. More shopping is needed.
- Festivals are a key in bringing people downtown. It is difficult to get people downtown between October and May. What is available for exercise downtown in the winter months?
- Milwaukee has a lower median income than surrounding suburbs. People in Milwaukee are frugal spenders.
- Parking is free in the suburbs, but metered downtown. People do not realize that it is free to park on downtown streets on weekends. Two hour metered parking is not long enough for shoppers.
- Milwaukee lacks diversity and is home to many Milwaukee lifers. These lifers are residents who have lived in the city their whole life. These folks for the most part support the status quo and do not embrace new ideas.
- Young professionals also expressed concern about the quality of the public high school system in Milwaukee.
- Milwaukee needs improvements in downtown transportation. Trolleys and high-speed rail are needed.
- High taxes and escalating health care costs are also a concern for businesses.

Conclusions

The preceding figures in Section 6 show that young professionals constitute a large portion of the Downtown Study Area's population and are a highly-educated component of the regional labor force. Furthermore, young professionals are a potential source of entrepreneurs, and could provide one means of addressing potential labor force gaps in the Milwaukee 7 Region. As young professionals will be a part of future economic development, their perceptions of Downtown Milwaukee and the overall region provide additional insight into potential economic and workforce development strategies. *However, note that these strategies are not intended to supplant or take priority over other urban economic and workforce development efforts.* Several researchers have suggested that resources and strategies targeting the attraction and retention of young, educated individuals are elitist and have the potential to promote gentrification, undermine poverty abatement programs, and erode broader workforce development efforts⁸. *Instead, development efforts that incorporate young professionals should be viewed as part of comprehensive downtown and regional development strategy.*

- Young professionals are concerned with Milwaukee's image. Focus group participants felt that the Milwaukee's appearance as a blue-collar town hurt its image with other potential young residents. However, young professionals also like the feel of Milwaukee. They enjoy its small city atmosphere and big city amenities. Young professionals also feel that Downtown Milwaukee is more friendly and welcoming than other cities around the country. Marketing efforts promote the current image and match the media preferences of this demographic may help to connect Downtown Milwaukee businesses and housing developments with this consumer segment. These efforts could include marketing through new media outlets, so-called "Google bombing", podcasts, and MySpace pages about Downtown Milwaukee. The National Main Street Center's March 2007 issue of *Main Street News* provides a primer for marketing downtowns through podcasting.
- Young professionals also have recognized that Downtown Milwaukee is on the rise. Milwaukee is quickly evolving and up and coming, experiencing a renaissance with all the new housing and cultural developments. Consequently, young professionals could be enlisted as potential advocates for Downtown Milwaukee.
- Similar to the focus groups conducted for other consumers segments, young professional focus group participants desired increased retail activity. The Bureau of Labor Statistics Consumer Expenditure Survey (CEX) suggests that households headed by individuals age 25 to 34 tend to spend a higher than average share of their household income on dining out, alcoholic beverages, personal services, apparel, and entertainment.⁹ *Many of these expenditure categories echo the retail preferences of younger residents shown in Section 4 and have been identified by other analyses as potential gaps in the Downtown Milwaukee business mix.*
- Again, young professional focus group participants echoed other focus groups in their desire for a comprehensive public transportation system that includes buses, light-rail passenger service and inter-city rail passenger service. Ideally, focus group participants also felt that these transportation systems would better connect Milwaukee with Chicago and Madison.

⁸ Again, for one summary of these criticisms see Peck, Jamie. "Struggling with the Creative Class." *International Journal of Urban and Regional Research*. Vol 29.4, December 2005, pp 740-770.

⁹ Bureau of Labor Statistics 2005 Consumer Expenditure Survey. Table 47 at www.bls.gov/cex

- A number of young professional focus group participants identified potential problems facing the Downtown Study Area such as rising housing costs and other forms of gentrification. These individuals suggested that Downtown Milwaukee should be positioned as a diverse area for all races, ethnic groups, age groups, and economic groups.
- As suggested in the introduction, young professionals have the potential to be an entrepreneurial group. Many focus group participants felt that Downtown Milwaukee is a prime place to start a business. Business costs and office space are affordable, there is a high concentration of people in the city, people have a good work ethic, the downtown is receptive to new businesses, and public relations are good. However, many young professionals also viewed the current economic climate as adverse to risk, unwilling to embrace new ideas, and somewhat unsupportive of small businesses. A number of entrepreneurial support activities such as mentor programs, pre-venture counseling, and entrepreneur groups could be targeted toward young professionals.