

Place Management for the 21st Century

Christopher B. Leinberger

From a North American perspective, the biggest strategic challenge of the next 5-10 years is broadening the scope of services and activities for those engaged in “walkable urban place management”. This function is usually performed by a non-profit organization, primarily funded through the private-sector, which is responsible for a specific geography, which tends to be 20 to 120 hectares (50 to 300 acres) in size. The place tends to be “regionally significant”, that is there are regionally important concentrations of employment, culture, entertainment, sports facilities, higher education, medical services and research, etc. There generally is residential and local-serving retail and services as well. There are five types of regionally significant walkable urban places:

- the original downtown (center city),
- downtown adjacent places,
- suburban town centers,
- redeveloped strip commercial and
- green field developments.

This last category, also called “lifestyle centers”, tend to be developed and managed by private development companies.

Since North America has only been developing “drivable sub-urban” places for much of the past 50 years, the pent up demand for walkable urban places is comparatively new and is quite substantial. Walkable urban places are far more complex to develop and manage than what North American development is best known for; drivable sub-urban places, which tend to be modular in nature, segregated by income and product type and use only the car and truck for transportation. Developing and managing drivable sub-urban places is akin to driving a sports car at 150 kilometers per hour operating in two dimensions. Developing and managing walkable urban places is more akin to flying a jet plane at 900 kilometers per hours operating in three dimensions. It requires fundamentally different skill-sets.

Up until this decade, most walkable urban managers focused on providing “clean and safe” places and organizing and managing festivals. These are “cost center” and at best “profit center” activities; getting paid to perform services or running small businesses. These activities are crucial and need to be maintained, if not expanded. But so much more has to happen in the future.

The future requires increased profit center activities while adding “investment center” place management activities. This involves taking even more responsibility for the geography under management. This might involve some or all of the following:

- Right of way management
- Park management
- Catalytic developer (assembling land, rezoning, etc.)
- Circulator system provider
- Fiscal impact and market analysis of the district
- Management of other places

Probably the biggest challenge of these expanded activities is coordinating and maintaining positive relationships with public entities. The potential exists for jealousy by the public sector

regarding control and credit for the improvement in place management. There is also a major democratic issues regarding citizen input and political legitimacy.

It is an entirely new world for walkable urban place management with more challenges than we even know at this point. The Journal of Town and City Management will certainly play a major role in defining those challenges and providing solutions.

Christopher B. Leinberger is a real estate developer, author and teacher. He is Visiting Fellow at The Brookings Institution in Washington, DC, and Director of the Graduate Real Estate Program at the University of Michigan.