

# Rebuilding Prosperous Places in Michigan: Preliminary Results from Placemaking Surveys & Valuation Study

Building Michigan Communities Conference

*May 1, 2013*

# MSU Land Policy Institute

- Has a strong focus on research and outreach based on **analysis of land policy options** in many contemporary issue areas.
- The ways in which we use our land and build upon it **impact our quality of life**, today and tomorrow.
- Focus Areas: **Placemaking & Regional Prosperity**, Land & Planning, Land-Based Resources, and Energy.
- Affiliated with the School of Planning, Design and Construction, with Dr. Scott Witter, Interim Director.
- Please see our website for more information:  
[www.landpolicy.msu.edu](http://www.landpolicy.msu.edu).

# Presentation Outline

- National Placemaking Survey
- Midwest Home & Neighborhood Survey
- Midwest Property Price Assessment
- Conclusions

Presenter:

**Mary Beth Graebert**, MSU Land Policy Institute

# National Placemaking Survey

MSU Land Policy Institute

# Definition of “placemaking”

The targeted improvement of a place, within a neighborhood or community, that uniquely creates a functional space with a variety of uses, that is appealing to a wide range of people and that has an identifiable character, or “sense of place.”

# Views on Placemaking

Question	Strongly Agree	Somewhat Agree	Neither Agree Nor Disagree	Somewhat Disagree	Strongly Disagree	Unsure
Increase economic activity.	<b>32%</b>	<b>39%</b>	18%	5%	3%	4%
Improve opportunities for jobs.	<b>33%</b>	<b>36%</b>	19%	6%	3%	3%
Improve the quality of life.	<b>41%</b>	<b>35%</b>	16%	4%	2%	3%
Positively affect home prices.	<b>33%</b>	<b>36%</b>	21%	4%	2%	3%
Enhance the sense of community belonging.	<b>37%</b>	<b>37%</b>	18%	4%	2%	3%
Attract new people to our community.	<b>35%</b>	<b>37%</b>	19%	4%	2%	3%

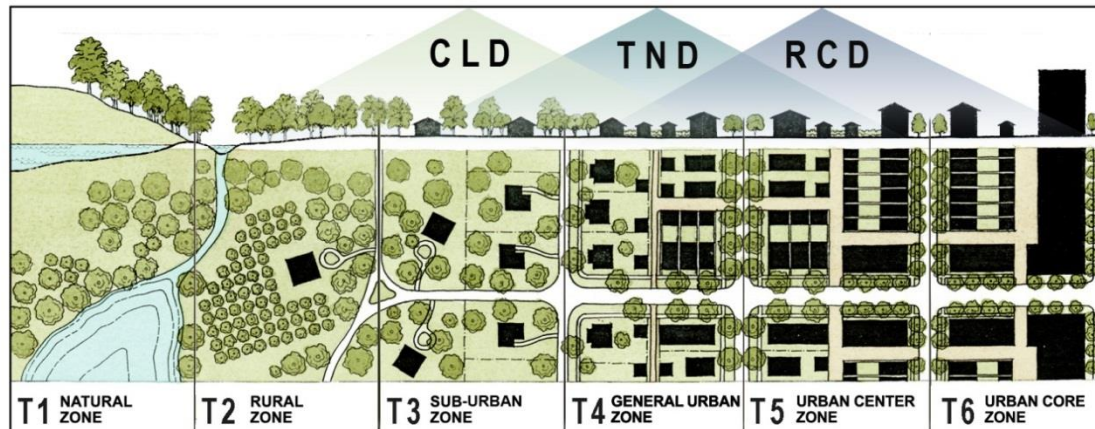
Between 69%–76% of respondents agree that placemaking has positive economic impacts; around 20% responded neutrally on this point, while only a small percentage (around 3%) appeared to be unsure.

# Respondents by Transect: Where Do You Currently Live?

Transect	Number	Percent
T2: Rural	648	18.4%
T3: Suburban	1,277	36.4%
T4: General Urban	1,063	30.3%
T5: Urban Center/Small Town	348	9.9%
T6: Urban Core	176	5%

55% Sub/Rural (T2, T3)  
45% Urban (T4, T5, T6)

THE TRANSECT AND  
COMMUNITY UNITS



What are some of the places that people want in their neighborhoods (within walking distance)?



# Grocery Shopping



Big Box Store



Neighborhood Grocery



Convenience Store

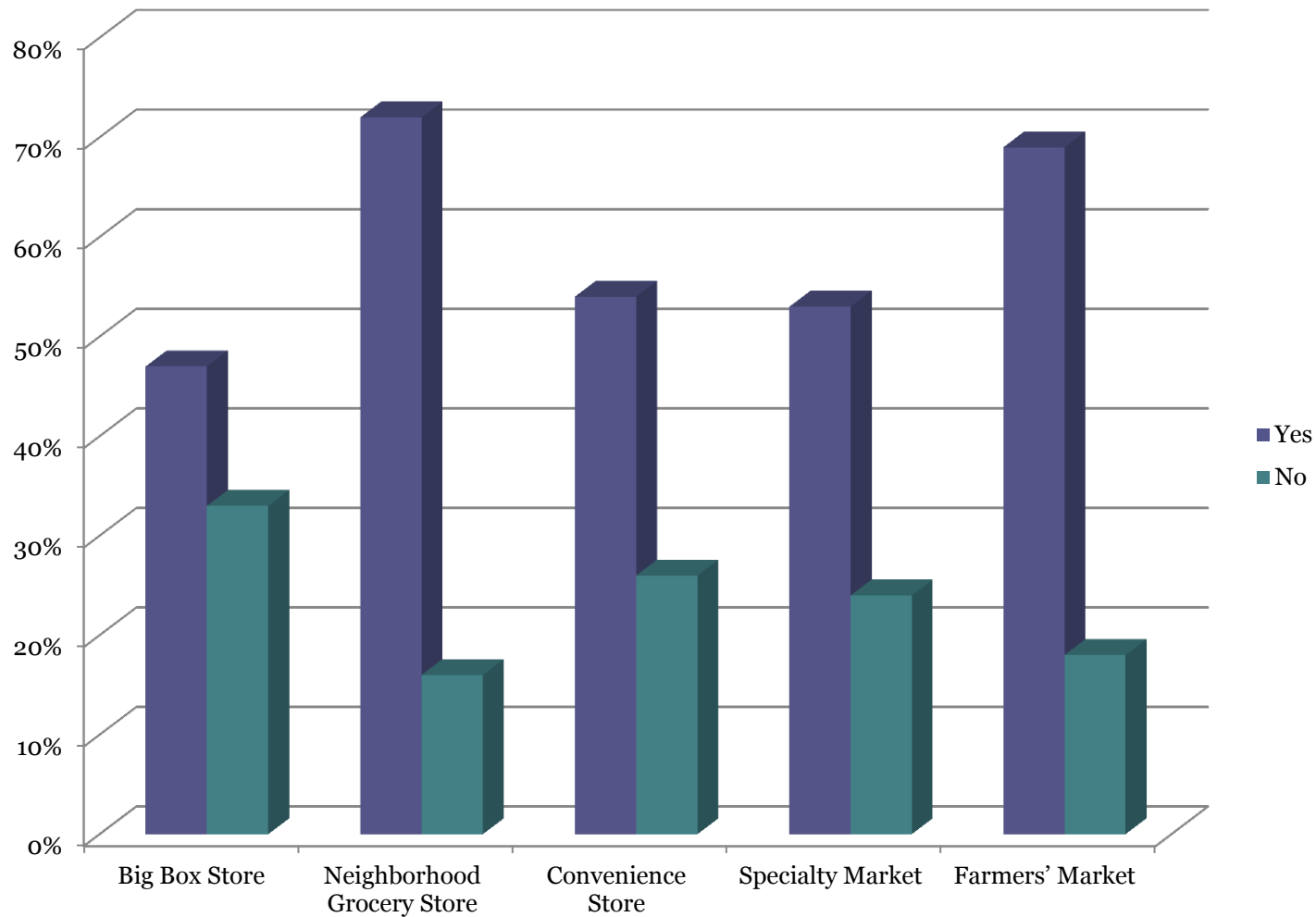


Specialty Market



Farmers' Market

# What Type of Grocery Shopping?



# Retail Shopping



Interior Mall



Strip Mall



Outlet Mall

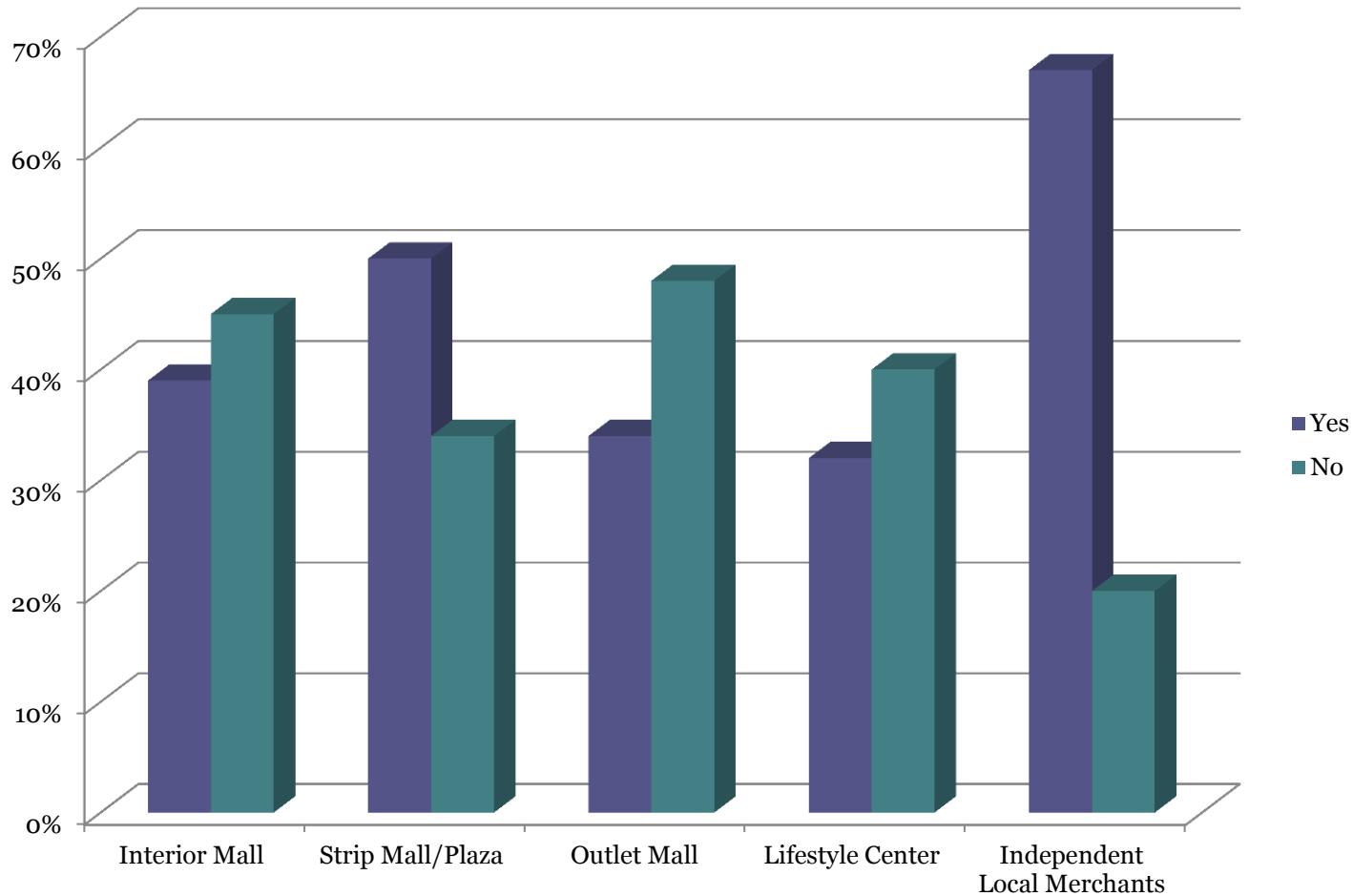


Lifestyle Center



Local Merchants

# What Type of Retail Shopping?





# Restaurants



Fast Food Drive Thru



Suburban Sit-Down



Mall Restaurant



Coffee Shop

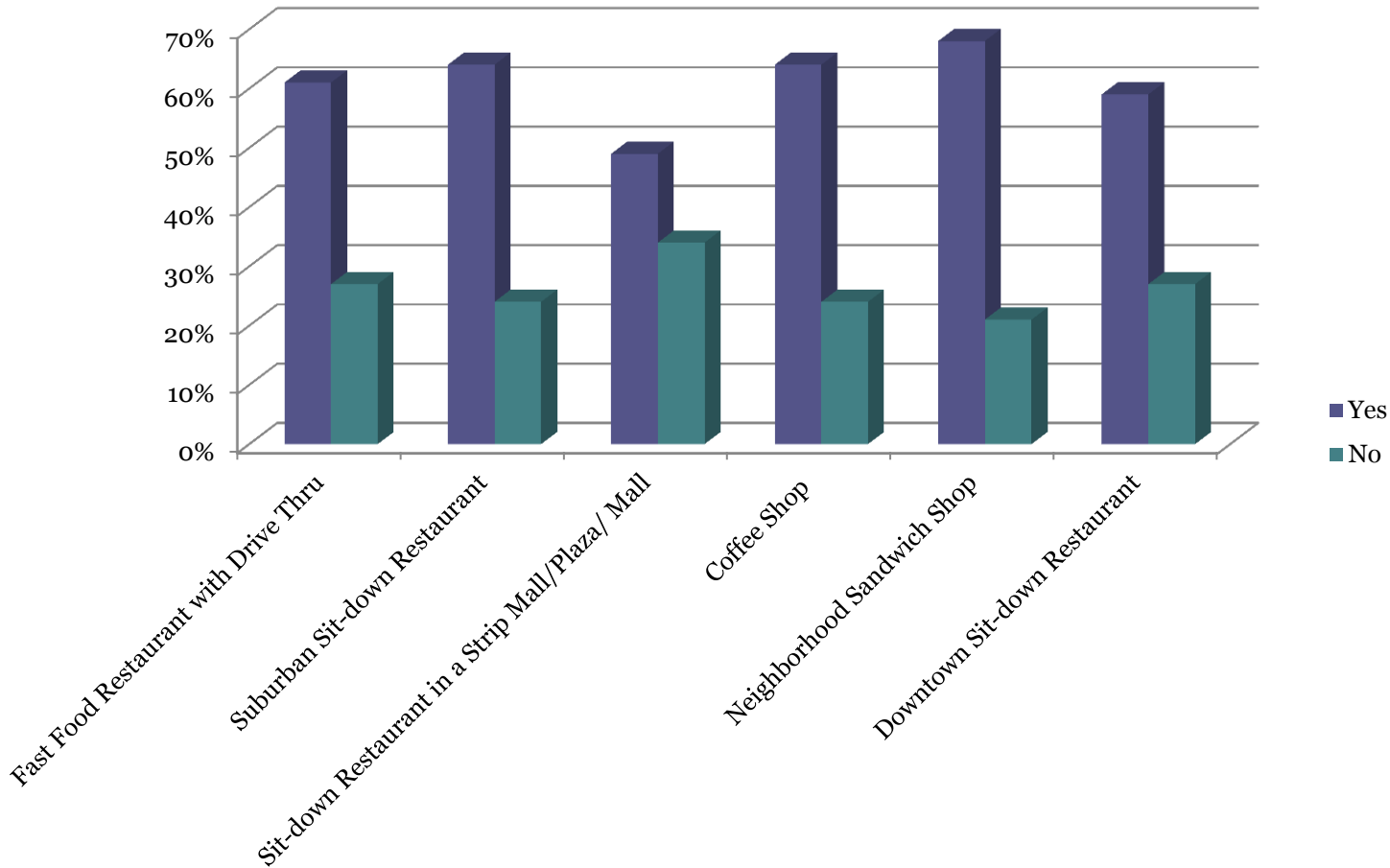


Sandwich Shop



Downtown Sit-Down

# What Type of Restaurants?



# Arts & Culture



Library



Movie Theatre



Performing Arts



Museum

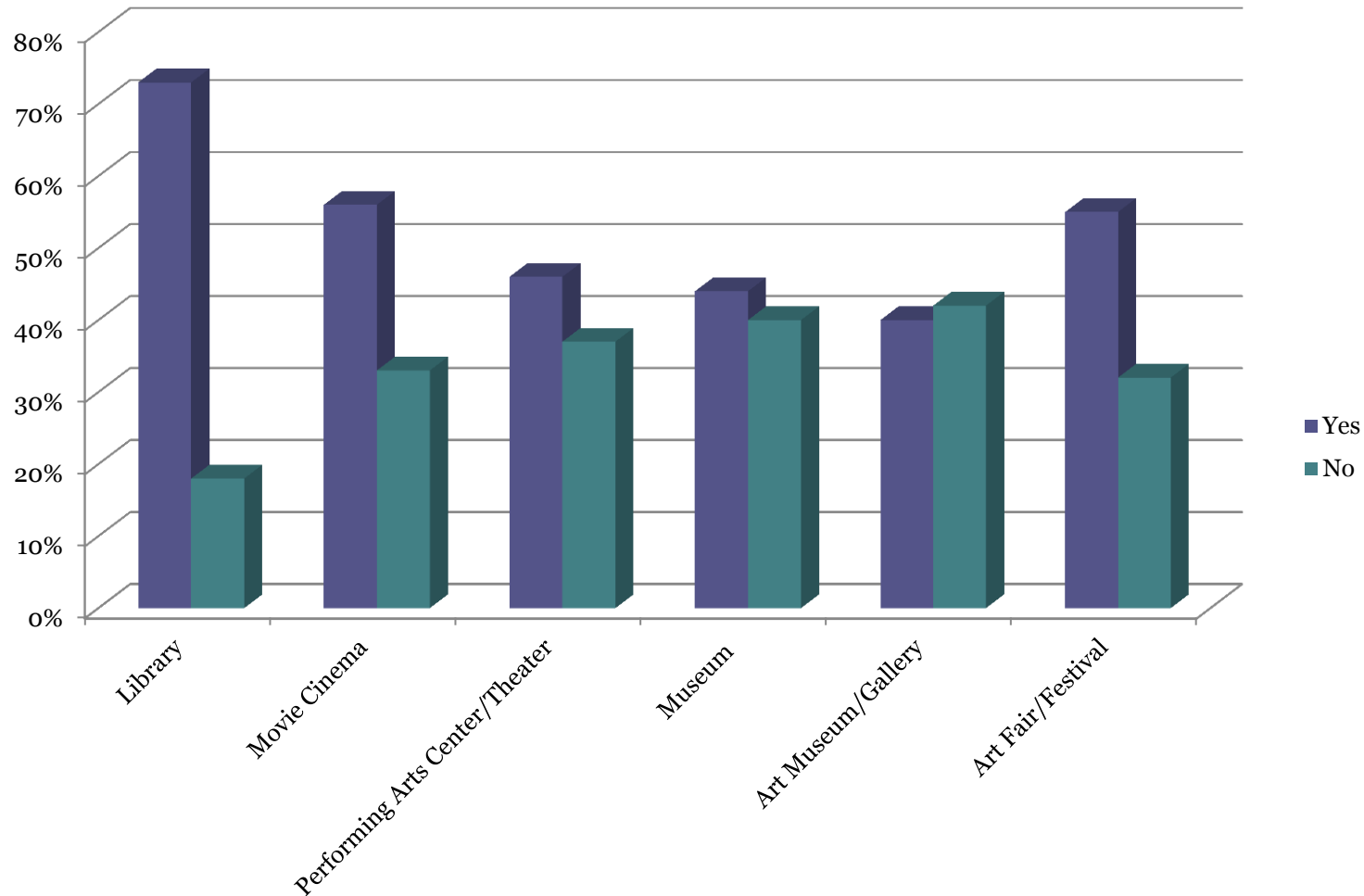


Art Gallery



Art Fair

# Do You Want Arts & Culture?





# Midwest Home & Neighborhood Survey

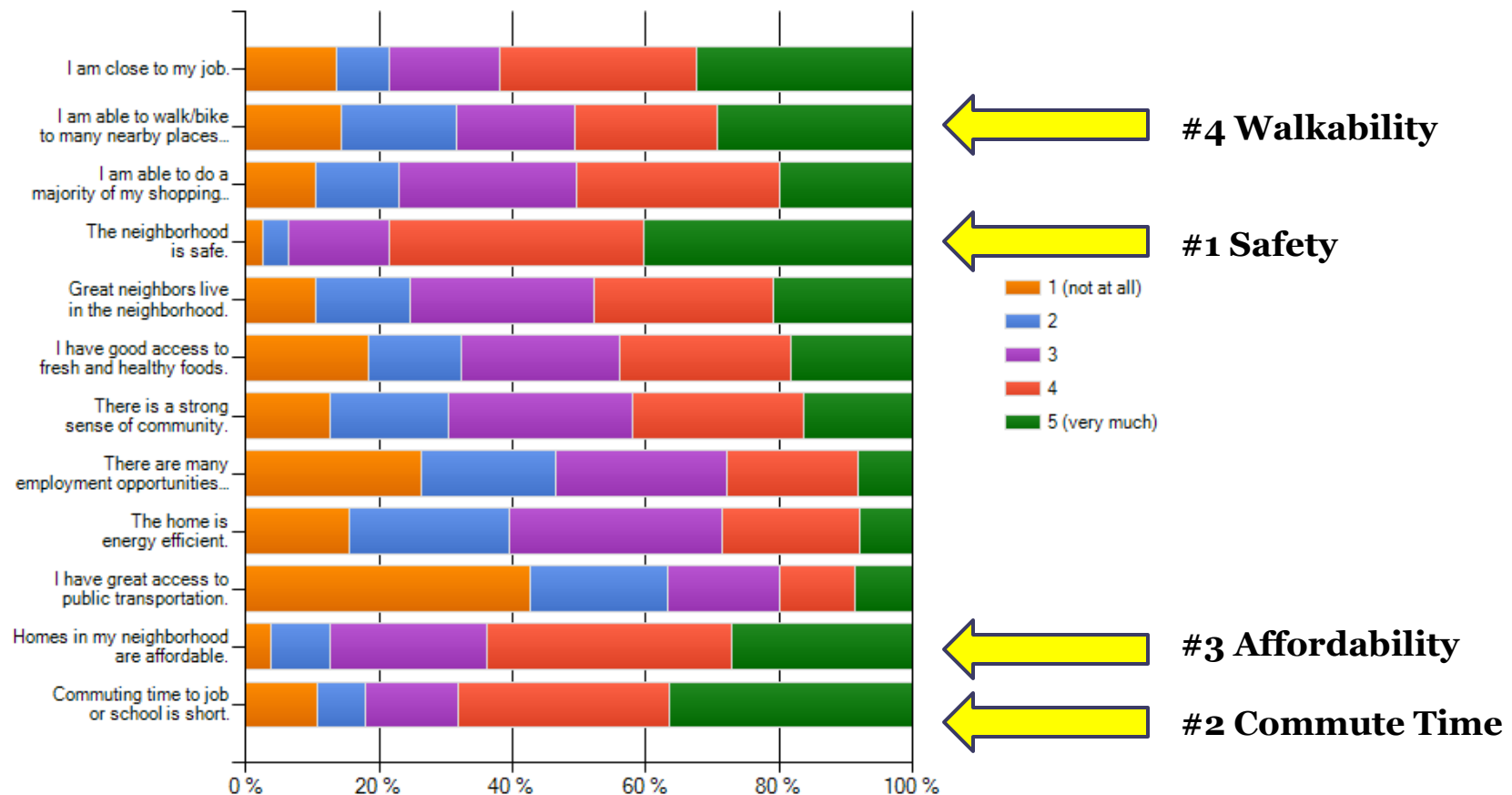
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# Study Cities



# What Factors Influence Home Purchase Decisions?

Please indicate how much the following statements influenced your decision to purchase your home:

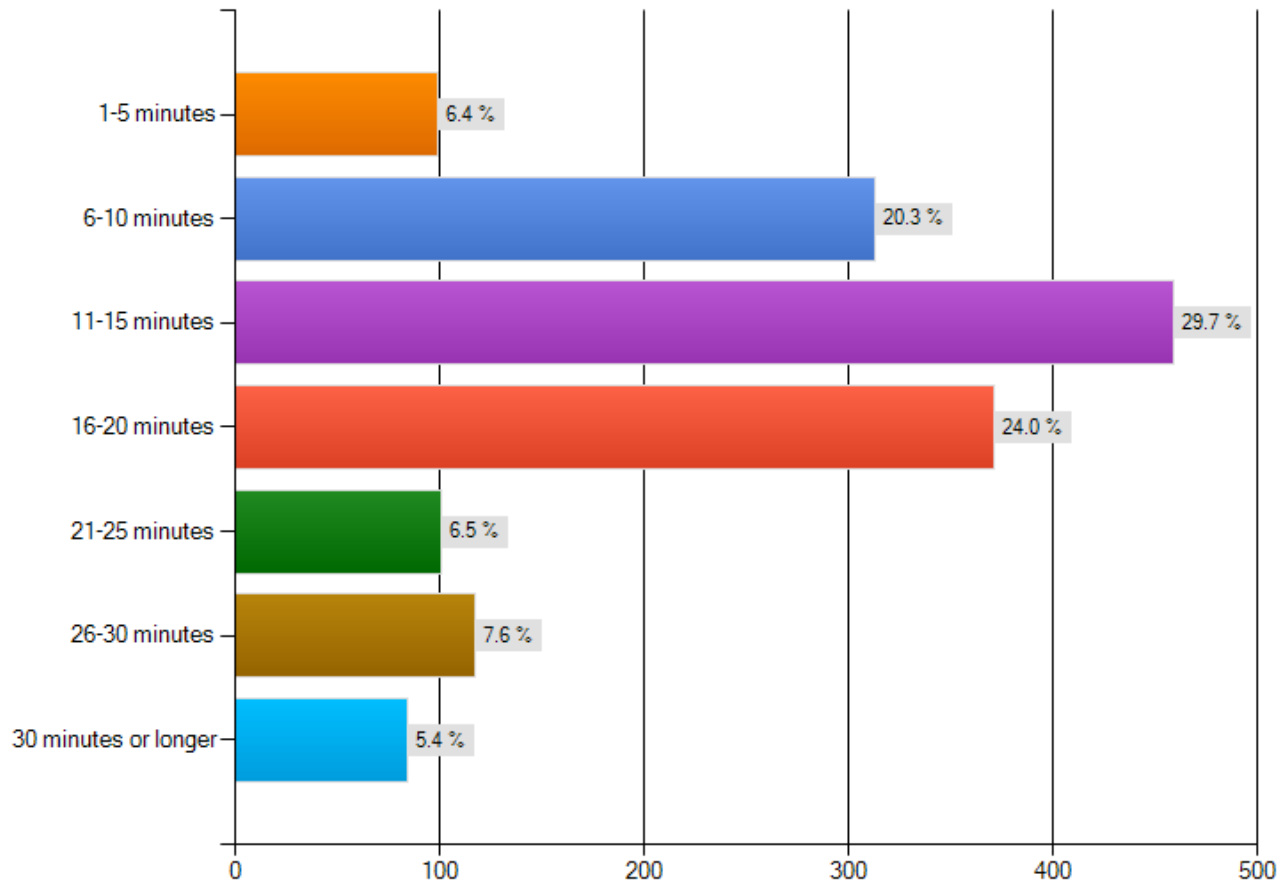


*n=1460*

Homeowners

# How Far Are People Willing to Walk?

Generally speaking, how many minutes are you willing to walk to reach a destination? (such as a restaurant, store, park, or other places you might frequently visit)



All respondents

# Aesthetically-Pleasing & Safe Neighborhood?

**How would you rate the overall look and feel of a walk in your neighborhood?**

1: Very low	2	3	4	5: Very high	Not practical/ Don't walk
2%	4%	16%	38%	40%	0%

**How safe do you feel in this neighborhood?**

Extremely safe	Very safe	Moderately safe	Slightly safe	Not at all safe
23%	52%	21%	3%	1%

# Midwest Hedonic Property Price Analysis

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# Hedonic Analysis

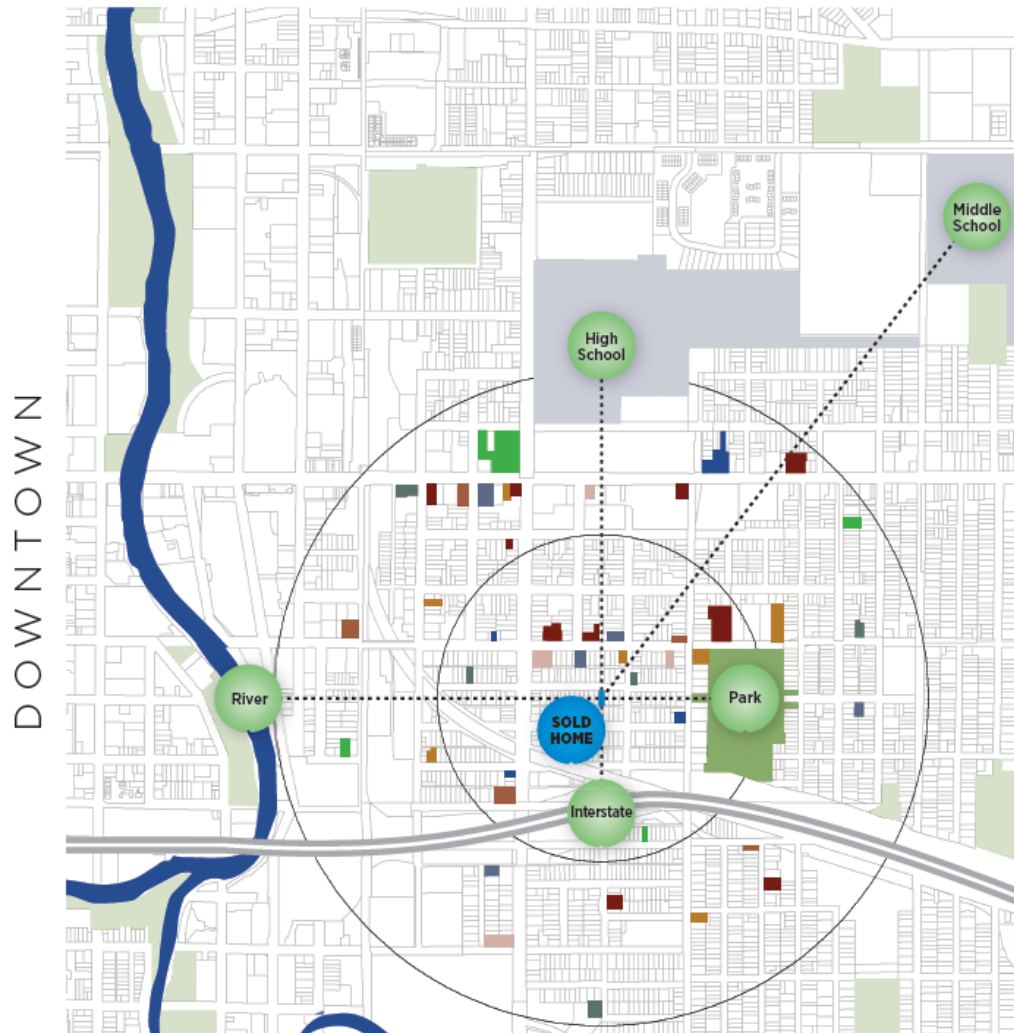
- Hedonic analysis can show us how much more people are willing to pay for a house that has certain features, all else remaining equal.
- For example, if you have two identical homes, but one was located in a mixed-use urban environment and one was in a low density suburb, hedonics could theoretically explain the difference in value.
- When people vote with their wallets, it tends to reflect their true desires.
- By understanding this, we can help build housing that has greater value and brings higher local impact along with it.

# Data Utilized in the Analysis

- Assessor's data (e.g., sale price, building and lot characteristics)
- Municipal and other Spatial data (e.g., parcel layers, land use, parks, natural features, roads)
- Establishment data (e.g., employment, businesses, entertainment, retail)
- Census Socioeconomic and demographic data (e.g., income, race, age, educational attainment)
- Survey of homes in 11 Midwest cities



# Proximity to Placemaking Features



# Model 1 Description

- Survey of homes in 11 Midwest Cities sold between 2000–2012. Received 2,008 responses.
- $N = 1,639$ ,  $R\text{-squared} = 0.536$ .
- Survey data completed some structural, property and neighborhood data not always available from the Assessor.
- Asked questions about what influenced a purchaser's decision to buy a home, which were tested to see if these factors are associated with home price.
- Some bias associated with who responded to the survey (which is why we ran additional models).

# Model 1 Preliminary Results

- Found results for structural and property attributes typical with hedonic analysis:
  - More bathrooms & square footage associated with higher property prices.
  - Presence of garage, fireplace and finished basement associated with higher prices.
  - Higher educational attainment associated with higher property prices.
  - Higher poverty rates associated with lower property prices.

# Model 1 Preliminary Results

- Influence factors (perception based) that had a positive relationship to sale price:
  - Public school quality
  - Nearby parks & recreation
  - Ease of walking & biking to nearby places
  - Safety
- Influence factors that had a negative relationship to sale price:
  - Investment potential
  - Affordability
  - Short commute time to work or school

# Additional Analysis

- Also assessed larger dataset (not limited by survey responses) with 51,000 observations and broke down analysis by city to identify differences.
- We are continuing to do analysis to find out whether there are additional benefits associated with being close to multiple types of placemaking attributes than those attributes alone (e.g., parks and restaurants and shopping).
- This is a somewhat difficult undertaking because different cities have different push and pull factors, and the study is limited to the Midwest.

# Additional Preliminary Results

- With larger dataset, we measured proximity of each property to a variety of place features, including parks, lakes, arts & cultural venues, schools, restaurants and shopping.
- Pull Factors (i.e., places to which proximity has a positive relationship to home price):
  - Lake (within 200 feet)
  - Theatre, performing arts center, art dealers
  - Park
  - Schools
  - Pharmacies
  - Clothing stores

# Additional Preliminary Results

- There appear to be value-added benefits to having multiple placemaking factors in one neighborhood:
  - School within half a mile = 6.8% ↑
  - Museum within half mile = 37.3% ↓
  - Both within half mile = 35.7% ↑
  - Grocery within half mile = 10.7% ↓
  - Restaurant within half mile = 13.3% ↑
  - Both within half mile = 10.1% ↑

# Conclusions

- **Certain population segments**, like non-whites and low-income families and young “creative class” individuals, are **more likely to live in urban environments**, where there is, ideally, greater connectivity, mixed use and accessibility.
- To attract and retain these segments of the population, we need to **improve their quality of life in urban environments**, especially.
- There are **certain places that people want in their neighborhoods** (walking distance) and others they prefer to have in their community (driving distance).



# Conclusions

- **Placemaking can** enhance walkability, transit access, connectivity, arts & culture, recreation, entertainment, services, etc.
- **Education about the ins and outs** of placemaking is still needed in Michigan communities for all stakeholders: government, business, organizations and residents.
- Placemaking is **not “one size fits all.”** There is a need for community and regional visioning to discover how people want their neighborhoods to be.

# Contact Information

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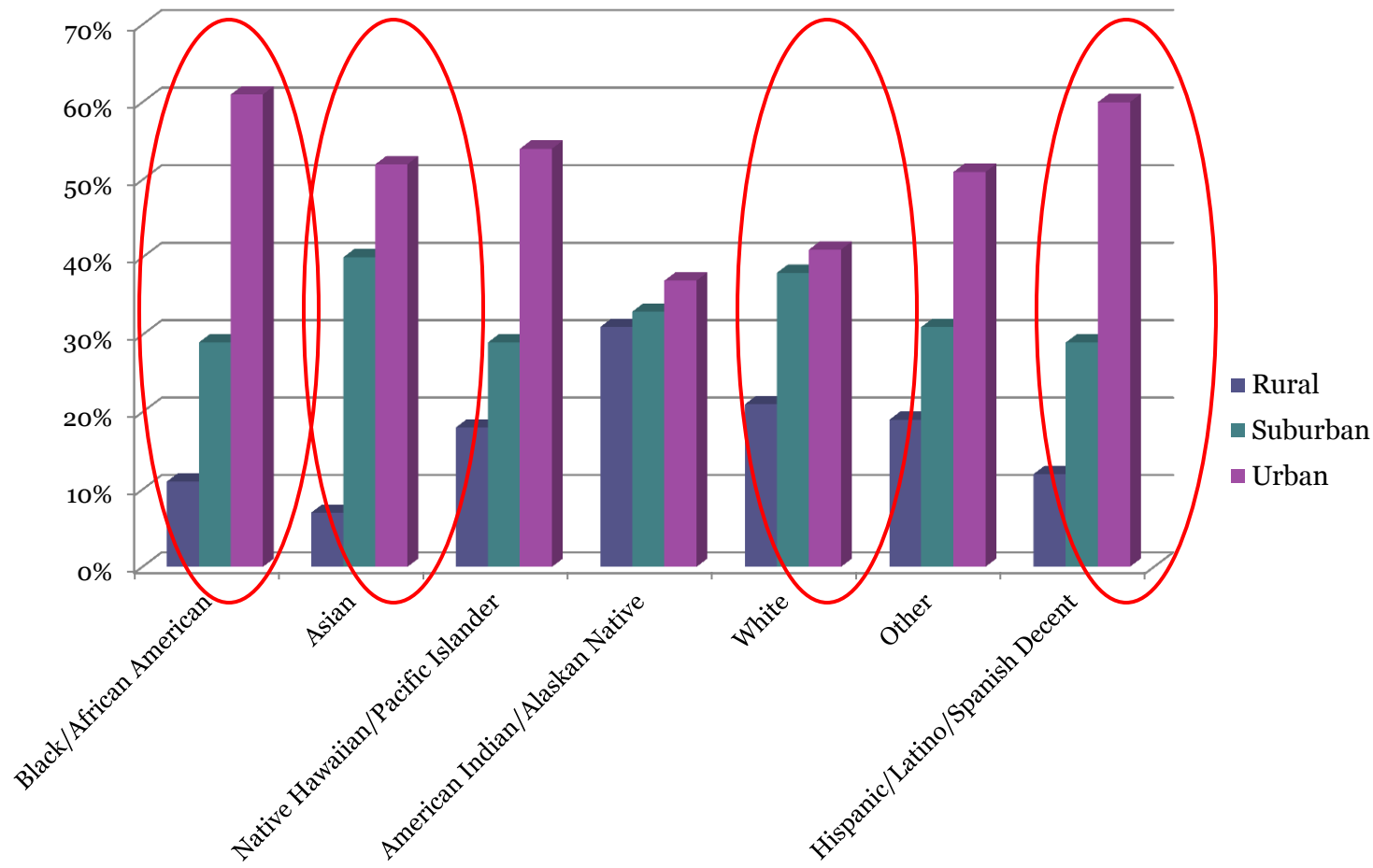
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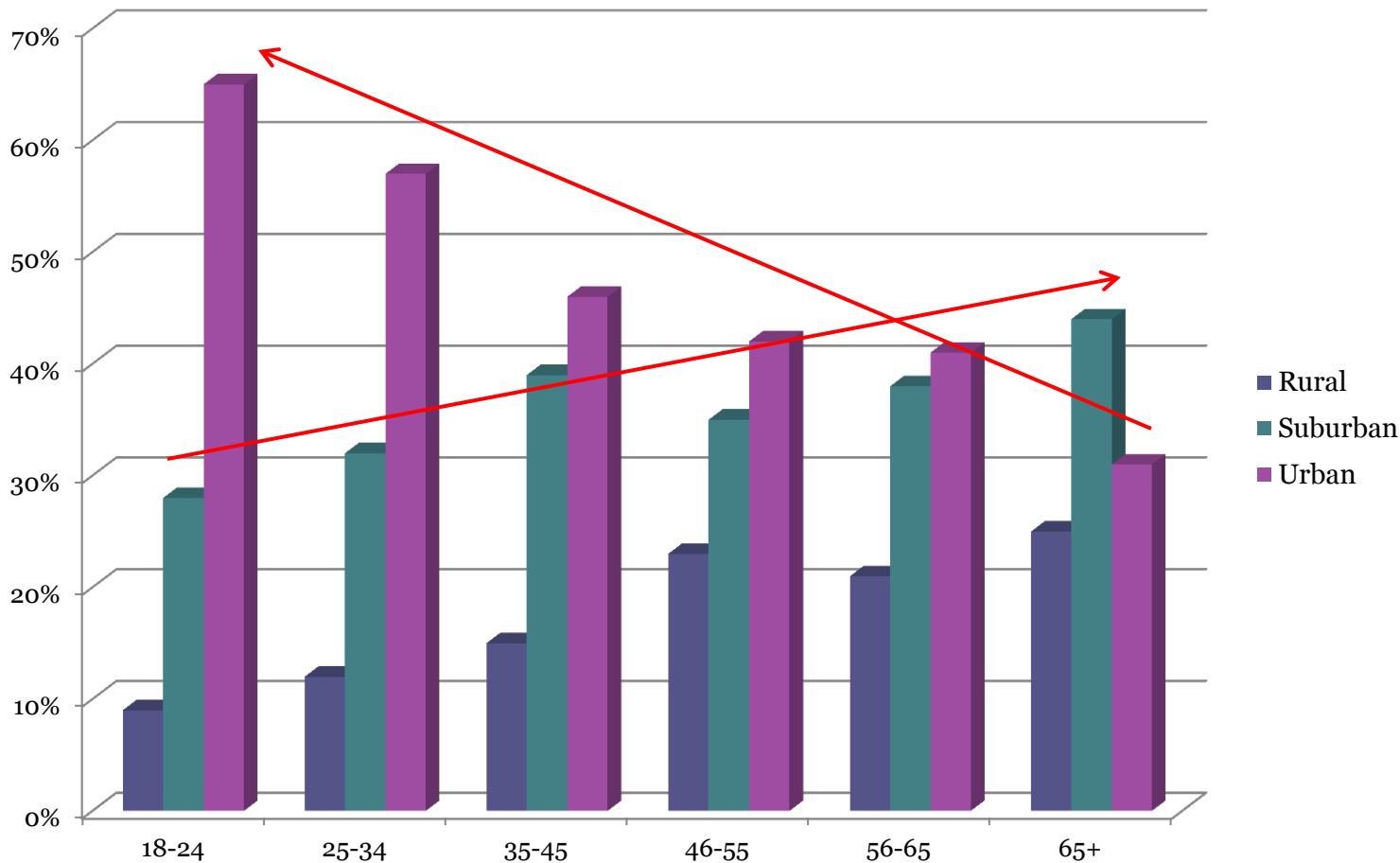
# Extra Slides

# Race/Ethnicity by Urban/Rural



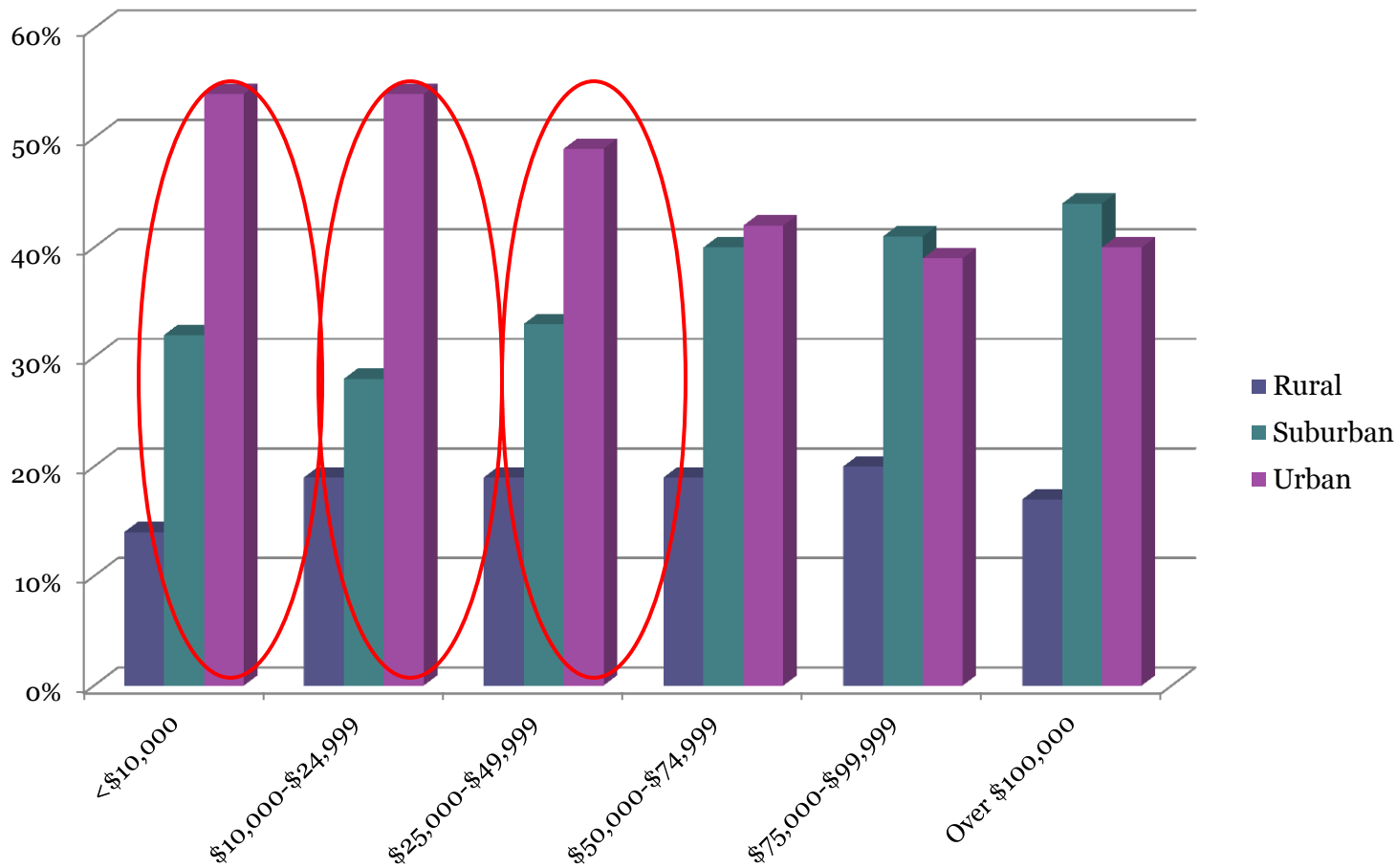
- Non-whites appear more likely than whites to live in urban areas.

# Age by Urban/Rural



- Young people appear more likely to live in urban areas than their elders.

# Income by Urban/Rural



- Lower income families appear more likely to live in urban areas than the middle class and wealthy.