

Creative Places

Certain urban areas are particularly attractive to knowledge-based workers.

IN *The Rise of the Creative Class*, Richard Florida argues for the power of place. People have always preferred nice places to live, of course, but the subject of Florida's research is a particular category of worker that he calls the "creative class." According to his extremely broad definition, this includes a range of knowledge-based workers, as diverse as scientists and engineers, people who work in media, education, and healthcare, as well as entrepreneurs, financial professionals, and upper management. This creative class comprises about 30 percent of the U.S. work force, but the distribution is far from even. In the Raleigh-Durham area, for example, with its concentration of research centers,

high-tech firms, and universities, the creative class comprises almost 40 percent of the work force; in Las Vegas, on the other hand, with its preponderance of leisure industries employing service workers, the creative class is less than 18 percent.

"People balance a host of considerations in making decisions on where to work and live," Florida writes. "What they want today is different from what our par-

ents wanted, and even from what many of us once thought we wanted." Since workers no longer expect to spend their whole career in the same job, they favor "thick" labor markets, that is, places with clusters of employment opportunities, whether they are high-tech firms, investment banks, media outlets, or research universities. Equally important to the creative class are places that offer attractive lifestyle

Table I: Top 50 urban regions ranked according to Florida's creativity index

Regions with populations 1 million +	Regions with populations 1/2 - 1 million	Regions with populations 1/4 - 1/2 million	Regions with populations < 1/4 million
1. Austin	11. Albuquerque, N.M.	8. Madison, Wisc.	4. Burlington, Vt.
2. San Francisco	26. Colorado Springs, Colo.	9. Boise, Idaho	15. Corvallis, Ore.
3. Seattle	32. Tucson, Ariz.	17. Fort Collins, Colo.	21. Iowa City, Iowa
5. Boston		18. Des Moines, Iowa	36. Champaign, Ill.
6. Raleigh-Durham		23. Santa Barbara, Calif.	39. San Luis Obispo, Calif.
7. Portland, Ore.		24. Lansing, Mich.	44. Portland, Maine
10. Minneapolis		25. Tallahassee, Fla.	45. Charlottesville, Va.
11. Washington-Baltimore		30. Provo, Utah	47. Cedar Rapids, Iowa
13. Sacramento		32. Lincoln, Neb.	49. College Station, Texas
14. Denver		41. Melbourne, Fla.	
15. Atlanta		50. Lexington, Ky.	
19. San Diego			
20. New York			
21. Dallas-Fort Worth			
27. Salt Lake City			
28. Phoenix			
31. Los Angeles			
32. Kansas City			
35. Philadelphia			
37. Houston			
38. Columbus, Ohio			
39. Chicago			
42. Nashville			
43. West Palm Beach, Fla.			
46. San Antonio			
48. Providence, R.I.			

Source: *The Rise of the Creative Class*, 2004 edition.

choices, opportunities for social interaction, identity (in the sense that creative people increasingly define themselves more by where they live than by where they work), authenticity (which often means history), and cultural diversity (that is, tolerance of a variety of lifestyle choices). “An attractive place doesn’t have to be a big city,” Florida writes, “but it has to be cosmopolitan.”

Florida ranks urban regions according to what he calls a “creativity index.” The index is a measure of four equally weighted factors: the proportion of creative workers in the work force; the degree of innovation, measured by patents per capita; the presence of high-tech industry; and social diversity, proxied by a “gay index.” Table I shows the top 50 urban regions ranked according to Florida’s index. The presence of a large number of college towns on the list, such as Champaign, Ill., Charlottesville, Va., Gainesville Fla., College Station, Texas, and Santa Barbara, Calif. skews his list to the lower end of population size. Nevertheless, more than half of the list consists of large urban regions with populations in excess of one million. When it comes to creativity, bigger may be better.

To assess the degree to which knowledge-based industries are attracted to regions with a high creativity score, I examined the location choices of one specific category of creative employers: large

consulting firms that offer design services in the construction field. This category includes firms that provide some combination of engineering, architectural, and contracting services.

The locations of the 50 largest American design firms, ranked according to revenues, are presented in Table II. Sixty-eight percent are located in clusters of two or more firms. The New York City area has by far the largest cluster (9), followed by Los Angeles (5) and San Francisco (4).

Table II: Locations of 50 largest U.S. design firms

New York, N.Y.	9 firms
Los Angeles, Calif.	5 firms
San Francisco, Calif.	4 firms
Houston, Texas	3 firms
Denver, Colo.	3 firms
Kansas City, Kan.	3 firms
Philadelphia, Pa.	3 firms
Chicago, Ill.	2 firms
Harrisburg Pa.	2 firms
Boston, Mass.	1 firm
Omaha, Neb.	1 firm
Baton Rouge, La.	1 firm
Phoenix, Ariz.	1 firm
Miami, Fla.	1 firm
Atlanta, Ga.	1 firm
Boise, Idaho	1 firm
St. Louis, Mo.	1 firm
Dallas-Ft. Worth, Texas	1 firm
Hartford, Conn.	1 firm
Birmingham, Ala.	1 firm
Pittsburgh, Pa.	1 firm
Anchorage, Alaska	1 firm
Greenville-Spartanburg, S.C.	1 firm
Raleigh-Durham, N.C.	1 firm
Washington-Baltimore	1 firm

Source: *Engineering News-Record*, 2004.

Table II suggests that a high degree of clustering is taking place, since roughly half of the firms are located in five urban regions. Moreover, all five of these regions appear in Table I. In fact, the top eight regions in Table II, which account for 32 of the top 50 firms, are all places with good scores on the creativity index. In all, 39 of the top 50 firms are located in places that rank among the top 50 on the creativity index. Conversely, many of the urban regions with the highest creativity index scores, such as San Francisco, Denver, and New York, also attract clusters of the largest design firms.

While the information in Table II appears to support the creative clustering hypothesis, there are several important caveats. First is the overwhelming attraction of the New York City area, even though it ranks 20th in the creativity index ranking. Evidently, the size of the urban population matters, which is why the five largest urban areas in the country (New York, Los Angeles, Chicago, Houston, and Philadelphia) all attract clusters of the largest design firms. Second, Table II shows that the locations of the 50 largest design firms include metropolitan areas around “old” cities such as New York, San Francisco, Boston, and Chicago, as well as around “new” cities such as Los Angeles, Houston, Kansas City, and Denver. Dense, historical central cities do not appear to be significantly more attractive

than the new, low-density, automobile-oriented suburban cities such as Raleigh-Durham and Dallas-Ft. Worth. Third, the location of firms in a metropolitan area should not be interpreted as signaling the attraction of the central city itself. The creativity index ranks urban regions, which include downtowns, suburbs, edge cities, and exurbs. The ability to offer a wide variety of locational options—suburban office parks as well as downtown lofts—may explain the attraction of large metropolitan areas such as New York and Los Angeles. In fact, only four of the nine “New York” firms are located in the city; the rest are located in suburban cities and towns in New Jersey, Long Island, and the outer suburbs. Firms in Los Angeles are scattered over the entire metropolitan region, including Pasadena, Ontario, and Orange County. The same pattern is evident in the other metropolitan locations. Of the three Philadelphia firms, one is located in the city and two are in outlying suburban towns. The Boston firm is actually in Cambridge. Lastly, some of the design firms are in urban regions such as Harrisburg, Pa., Miami, and St. Louis, which do not score high on the creativity index.

Design firms have business reasons, unrelated to place-characteristics, for operating out of a particular location, chief among them being access to potential clients, although design firms with an

international clientele may have a greater degree of flexibility in this regard. The *Engineering News-Record* annually compiles a list of the 100 largest international design firms in the world, ranked by annual revenues from off-shore work. In 2004, 39 of these firms were American. Table III shows their locations.

Table III: Locations of 39 largest international U.S. design firms

San Francisco	6 firms
New York	6 firms
Los Angeles	4 firms
Houston	4 firms
Denver	2 firms
Philadelphia	2 firms
Washington-Baltimore	2 firms
Buffalo, N.Y.	2 firm
Phoenix	1 firm
Kansas City	1 firm
Baton Rouge, La.	1 firm
St. Louis	1 firm
Boston	1 firm
Anchorage, Alaska	1 firm
Greenville, S.C.	1 firm
Birmingham, Ala.	1 firm
Akron, Ohio	1 firm
Chicago	1 firm
Boise, Idaho	1 firm

Source: *Engineering News-Record*, 2004.

Note that there is a higher degree of clustering among the international firms—more than 70 percent are located in only eight urban areas, and almost half of these are concentrated in only two areas, San Francisco and New York. Both are metropolitan areas whose central cities have high-density urban centers. Both are considered vital, successful cities. Not

coincidentally, both are coastal cities. Since New York is the world's financial center, and a so-called-global city, its attraction to internationally oriented design firms is understandable. But the presence of so many large design firms in the San Francisco area, which also ranks at the top of the creativity index, seems to strongly support the notion that knowledge-worker industries are drawn to dynamic, cosmopolitan urban surroundings.

Yet Table III also raises some interesting questions. Many of the cities that top the creativity index, such as Austin, Seattle, Raleigh-Durham, and Portland, Ore., are absent from the list of international design firms. It may be that the presence of high-tech industries or creativity measured by patents are poor indicators of what makes a place attractive to engineers and architects. That may be why the list of international design firm locations includes a large number of small, regional cities that do not rank highly in the creativity index: Buffalo, N.Y. (ranked 150th), Baton Rouge, La. (195th), or Greenville, S.C. (212th). These places do not fit the conventional profile of cosmopolitan urban “hot spots.”

ARCHITECTURAL FIRMS

Architectural firms are a subset of design firms. They are generally smaller than the

engineering firms (only 14 architectural firms appear in the list of the largest 100 design firms). Large architectural firms work both nationally and internationally. There is likewise a high degree of clustering: 100 of the 133 largest firms are located in clusters of two or more (Table IV), and more than half of the largest 100 firms are located in only six urban regions. The distribution of firms is not related to the size of the urban region. Small Boston has the same number as large New York; Atlanta and San Francisco have more than Houston or Philadelphia. Some urban regions, such as Raleigh-Durham, Austin, Denver, and Sacramento, rank high in the creativity index but have not attracted clusters of large architectural firms. Nevertheless, 84 percent of the firms in Table IV are located in regions that rank high on the creativity index—a strong correlation.

The clusters of the largest architectural firms occur exclusively in large cities. That may be because architectural firms appear to have a greater propensity than design firms to locate in the central city: 11 of the 12 New York firms are in Manhattan; one-third of the 12 Boston firms are downtown, one-third are in Cambridge; three-quarters of the Chicago firms are in the city; four of the five Philadelphia firms are in the city (on the other hand, of the 270 Philadelphia firms listed in the AIA directory, half are located in the city, while half are suburban).

Table IV: Locations of 100 largest American architectural firms

New York	12 firms
Boston	12 firms
Los Angeles	9 firms
Chicago	8 firms
Atlanta	6 firms
San Francisco	6 firms
Detroit	5 firms
Philadelphia	5 firms
Seattle	5 firms
Houston	5 firms
Minneapolis	4 firms
Washington-Baltimore	4 firms
St. Louis	3 firms
Dallas-Fort Worth	3 firms
Charlotte, N.C.	3 firms
Miami	3 firms
Columbus, Ohio	3 firms
Princeton, N.J.	2 firms
Portland, Ore.	2 firms

Source: *Engineering News-Record*, 2003.

There are a number of possible reasons for the decidedly urban clustering of architectural firms. Construction is cyclical, and thick labor markets are particularly important to architectural workers who move frequently between positions. Architects may be interested in a stimulating urban environment for professional reasons. A vibrant architectural culture feeds off urban universities, museums, art societies, and downtown professional groups, all of which are well represented in large cities.

Another measure of a lively architectural “scene” is the presence of firms with international reputations. One recognition of a firm's international

design reputation is the extent to which it is invited to participate in closed international architectural competitions. (Participants in “closed” competitions are selected by the organizers, in contrast to competitions that are “open” to any qualified architect.) Two architectural journals, one American (*Architectural Record*) and one Spanish (*Arquitectura Viva*), were reviewed for the period 1994–2003. During these ten years, there were 71 international competitions documented, to which typically four to six prominent architectural firms were invited (40 percent of the invitations were issued to the same 11 architectural firms). Sixty-four firms were invited to compete in more than one competition. Of these, 47 were located in clusters of two or more. The geographic location of these clusters was highly concentrated in only 12 cities around the world. Table V ranks the cities according to the percentage of the invitations issued to firms in that city. Twenty-two of the 48 firms were located in American cities: New York (15), Boston (3), Los Angeles (2), and Chicago (2). The dominance of New York on the world architectural scene is obvious. There is also an unexpected concordance between the top-ranked cities in Table V—New York, London, Paris, and Tokyo—and the international financial centers that are usually referred to as “global cities.”

Table V: Location of architectural firms with percent of invitations to international competitions, 1994–2003

New York (15 firms)	33 percent
London (5 firms)	13 percent
Paris (5 firms)	12 percent
Tokyo (5 firms)	10 percent
Amsterdam (2 firms)	9 percent
Los Angeles (2 firms)	7 percent
Boston (3 firms)	4 percent
Zurich (2 firms)	4 percent
Madrid (2 firms)	3 percent
Mexico City (2 firms)	3 percent
Chicago (2 firms)	2 percent
Toronto (2 firms)	2 percent

Source: *Architectural Record*, *Arquitectura Viva*.

Although there is almost no overlap between the list of largest architectural firms and the list of international competition invitees, the ranking of the American cities in Table V corresponds closely to the ranking in Table IV. This confirms that New York, Boston, Los Angeles, and Chicago are flourishing centers of architectural culture, in terms of both employment and skills.

CONCLUSION

It appears that certain places really are attractive to design firms. These places can be characterized as large urban areas. Generally speaking, New York remains dominant. Otherwise, it is hard to generalize, since the places with clusters of design firms include a wide variety of urban regions: Houston as well as San

Francisco, Atlanta as well as Boston. The relationship between these creative clusters and urban regions with high creativity index rankings is far from conclusive. The largest clusters of the largest design firms are New York (ranked 20th in creativity), Los Angeles (ranked 31st), Houston (ranked 37th), Kansas City (ranked 32nd), and Washington-Baltimore (ranked 11th). Similarly, the urban areas that are centers of architectural culture—New York, Boston, Los Angeles, and Chicago—with the exception of Boston, do not rank at the top of the creativity index. It is possible that the factors that attract different categories of knowledge workers to different places are themselves different. For example, the presence of cultural institutions may be a bigger draw to architects than to high-tech industries. The architectural heritage of older cities will likewise play a different role for different groups. Nevertheless, the present study upholds the hypothesis that the power of place plays a role in attracting creative workers and knowledge-based industries.

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