Do Sports and Entertainment Districts Attract Young Professionals to Live and Work Downtown?  
A Case of Major League Arenas

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Facilities/Events - Other (Professional Sport)  
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(This paper was accepted for NASSM 2018, but was not presented due to a death in the family. We hope the review committee will consider its resubmission, along with its companion submittal measuring changes in physical development over time around major league arenas.)

In cities across the United States, public investments in the arenas used by professional sports teams are increasingly tied to economic development strategies for vacant and underutilized urban areas. Generally, these strategies seek to leverage the large audiences attracted by sport events to support a broader slate of entertainment, housing, and employment land uses (Long and Gerretsen, forthcoming; Rosentraub 2014, 2007; Zimbalist 2007). Since sports and entertainment activities are particularly appealing to young, affluent, and well-educated people, proponents of arena districts have found willing allies among economic development advocates hoping to woo this coveted demographic to live, work, and play in their cities.

In this paper, we use the case of arena districts to test the success of sports facilities in attracting young professionals to live nearby. To be classified as “successful” on these criteria, the arena district in question must show that it has a higher proportion of young, affluent, and well-educated persons between the ages of 24 and 34 living within its boundaries, as compared to the city as a whole. We also test for other socio-economic characteristics include marital status, race, ethnicity, gender, and so forth. Many arena district plans also point to “empty-nesters”—older adults whose children are grown and living independently, or who chose not to have children—as another targeted demographic with high discretionary incomes, so we also test for discernable changes in the 55 to 74 years of age cohort.

Our methodology uses spatial analysis techniques via ArcGIS, in combination with census data via the decennial census, to analyze these patterns. Our sample includes 36 arena districts in the US where a new major league arena opened between 1990 and 2010. The “extent of influence” of each arena district on its surrounding area is estimated using a 0.25-mile radius with the arena at or near the center. This 0.25-mile radius reflects metrics commonly used in transportation planning to test relationships between land use and transportation infrastructures, where “extent of influence” is based on a walking distance of approximately ten minutes.

Our findings point to a higher concentration of young professionals living in the immediate vicinity of major league arenas compared to the parent city. More specifically, where arena projects are developed as part of a formal sports and entertainment district plan, our findings point to even higher concentrations of young professionals living in the area. These findings suggest that arenas, and arena-based district plans, may deliver on their promises of attracting young, well-educated, and affluent persons to live and work in their vicinity. While there remains future work to be done with respect to methodology (e.g. causation) and development theory (e.g. gentrification), this study establishes an important baseline in our understanding of the impacts of sport development.