



Small Towns Are Hot Right Now. Here's How Local Governments Are Leveraging the Opportunity of a Lifetime.

By Quint Studer

Smaller cities are in the spotlight these days. A quick Google search turns up endless articles touting the [appeal](#) and [increasing popularity](#) of small towns and [medium-sized cities](#). There are many reasons for this surge in popularity: Smaller cities have quirky downtowns with fun programming, local businesses that create awesome experiences for customers, a great balance between work and life, an abundance of cool green spaces...and so forth.

The main factor, though, is likely economic. For years, smaller cities have been losing our talent to big cities. Keeping our young people at home has been a tough challenge. That is changing. The unintended consequence of the rapid growth of the Nashvilles, Austins, and other hot spots is that it's just too expensive for many to live there now. Priced out of these overheated markets, more people are moving to smaller communities. Reverse migration has become a trend.

The bottom line is that right now is a great time for the leaders of smaller towns and cities to step in and seize the opportunity that lies before them. This does not mean everyone will be a winner in the small town revolution. Not all towns are the same. But as I travel to communities across the U.S., I see many small towns getting the important things right.

The communities leading the way are the ones that have an affordable cost of living; offer lots of opportunities for employment and entrepreneurship; and strategically create vibrant, walkable downtowns with plenty of places to live, work, shop, eat, and play. These leaders are focused on and deeply committed to revitalizing themselves.

Local governments are key players in helping to make this happen in their own small towns. It takes a village of both public and private players to revitalize a community, but government officials can lead and influence the team and cheer them on to victory.

With the groundswell of excitement we're seeing around revitalization, local government is more important than ever. Government leaders can't and shouldn't be in charge of everything—but the most successful ones keep the many factors that play into revitalization in their scope of influence. They are in a unique position to drive change and get local leaders to the table.

What's more, localism is a major trend right now. People are weary of what they see on the national level and are realizing the best solutions are local solutions. This sets city officials up nicely to lead the way. And I have found that the smaller towns and cities that are doing well are the ones in which government leaders play a deliberate and vital role.

Here are some of the things they're doing differently:

They think of themselves as community builders and chief engagement officers. No doubt about it: Government leaders have dramatically changed the way they see themselves. They don't just deliver services; they take ownership of the big picture. If an area or facet of the community shapes quality of life, it's in their scope and sphere of influence. This makes sense, because they know the strengths, challenges, issues, and needs of their town better than anyone.

They strive to be great partners and collaborators with other community players. They have a lot of social capital and they leverage it when they can. For example, they recruit local leaders to drive and lead change in the community. (This is essential.) They bring together the best minds from all sectors, facilitate public/private partnerships, and galvanize the biz community to take a leadership role in the larger community's future.

They get strategic and work off objective data. Ed McMahon of the Urban Land Institute said, "If there is no plan, everything fits it." It's true. That's why so many government officials are getting laser-focused on creating and following a strategic plan.

This typically begins with measuring the right things—not just economic development but quality-of-life issues like population trends, high school graduation rates, etc. Many leaders keep these metrics on a dashboard that reflects what the community wants and needs. (It's always smart to diagnose before you treat.) When you keep a dashboard in front of the community, it forces attention on the most pressing problems and helps you make decisions based on facts, not opinions, keeps citizens informed and engaged on progress, and holds leaders accountable for results. It also showcases bright spots, which is great for morale and keeps momentum going.

In successful communities, government leaders keep fiscal responsibility at the forefront of all they do. There are lots of possible options. It's best to make decisions that have a measurable positive economic impact. Finally, they realize that big, ambitious plans are often fiscally irresponsible—and they likely won't get executed. When this happens, people feel let down and become cynical. It's better to focus not on massive projects but on small, incremental investments instead. One small win leads to another.

They maintain a strong focus on creating a vibrant downtown. Typically, this is "ground zero" in a community's revitalization. A vibrant, walkable downtown is necessary to attract new businesses and talent and to keep your young people home. Leaders are realizing that when they revitalize downtown, it gets people activated and sparks growth in the rest of the community.

There are four main ingredients that must come together to create a vibrant downtown:

Ingredient 1: Programming. The first priority is to create events that draw people downtown. The goal is to get citizens and visitors alike to hang out downtown so they'll shop, eat, drink, and possibly even stay overnight. Many communities do this with a YMCA, farmers markets, festivals, or a series of concerts in the city park. The main point: Once you get intentional about giving people a reason to come downtown, they find they enjoy being there.

Ingredient 2: Retail/Entertainment. It's tempting to focus development around the interstate, as that is where the hotel and restaurant chains are located. This doesn't encourage people to come into your community and experience it. It's far better to strategically put things where you want them to drive growth and attract investment. Downtowns are red hot for development.

When people are downtown for an event, they need places to eat and shop. A vibrant downtown gives them these places. Communities need to attract owners of restaurants, boutique shops, coffee houses, and so forth and entice them to open up downtown. But it won't necessarily happen on its own. The process needs to be deliberately cultivated. Remember: Downtown is more than just a destination. It's an experience.

Parking is often a hot topic as downtowns start to activate. Progressive cities are eliminating parking minimums and pulling back on excessive parking requirements. They are finding that while they may be at capacity for large events, the space often goes unused a large portion of the time. By cutting down on parking requirements, it frees up valuable space for infill, new businesses, parks, etc.

Ingredient 3: Office Space. While the retail businesses attract foot traffic, downtowns also need realtors, attorneys, accountants, and other types of companies to help support the economy. These non-retail businesses keep downtown activated during the day. Employees who work for them, and also their customers, become customers for the retail companies.

Ingredient 4: Residential. Residential development is important, because if things get tough economically, there will still be a base of people to support restaurants, shops, and other businesses. The challenge is that retail usually has to come first. People don't want to move downtown if there is nothing for them to do there. That's why most towns need to start with local investors who aren't so concerned with a high return on investment. They see the real ROI as a better community.

They work to create entrepreneurial ecosystems. It's always best to create an environment where small and mid-market companies can thrive. That way your citizens don't have to depend on one or two large employers. In the long run, having a lot of thriving small businesses creates financial resiliency in an organic way. And this doesn't just mean making it easy to start companies (although that is important). It also means keeping them growing.

That's why revitalization-minded governments keep a close eye on their small business community. They're always asking: *Do we make it easy for entrepreneurs to get started and thrive? Do we forge connections between business owners and institutions like universities, financial service providers, and so forth? Is it easy to do business here? Are codes and regulations helping or hurting companies? Do new businesses have the leadership training they need to survive long-term? Do we encourage people to shop local?*

Many small towns set up programs for promoting mentorship of small and new businesses. They also bring business leaders together to share their skills and offer training and development sessions. Knowledge transfer is essential. Government leaders realize how vitally important this is and do all they can to foster it.

They work to raise their community's civic IQ. Informed citizens matter. They lead the way in many communities. They are the “boots on the ground” that make things happen. But until citizens understand what’s going on and how they will benefit, they’ll never get on board with revitalization plans. Civic education is the key. It not only helps them understand the *why* behind plans, it engages them and creates a common language that allows them to make meaningful connections. This allows progress to happen faster.

Many towns are finding creative ways to share civic knowledge with their citizens. For example, Pensacola, Florida, hosts a regular speaker’s series called CivicCon—a partnership between the *Pensacola News Journal* and Studer Community Institute (SCI)—where the best and brightest experts in urban planning and community building come to inform and educate citizens. We have also established the Pensacola Center for Civic Engagement, which teaches a variety of stakeholders how to create a vibrant community. It is a work in progress that will focus on education, neighborhood associations, advocacy strategies, election guidelines, and more.

Cities that are leading the way in the small town revolution have government leaders who pay attention to all of these things. But not only do they do it, they talk about it. Messaging is just as important as doing. When they communicate often and well, they ensure that citizens and other stakeholders know what’s going on. They stay transparent not only because it’s the right thing to do (and it is), but because it builds trust, which is essential to revitalizing any community.

Great communication also keeps momentum going. When government leaders talk up your bright spots and small wins, you get people excited about what’s happening and engaged in shaping their own future. This leads to more bright spots and more small wins.

Think of it this way: You’re not just government leaders; you’re cheerleaders for a team that’s made up of every business leader, employee, public servant, and citizen in your community. The better you do your job, the more the community wins. Yours is a noble role and a deeply meaningful one...and my hope is that you approach it with gratitude, fulfillment, and even joy.

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