

Brand Detroit:

Back in business

Anyone even vaguely interested in redevelopment, placemaking or place branding would be familiar with reports about Detroit and its resurgence, as a city, a community and as a brand. The Place Economy visited the legendary ‘Motor City’ to witness this transformation first hand. We spent time at Rock Ventures, whose founder, Dan Gilbert, is the man often credited with kick-starting Detroit’s revitalisation, and at the headquarters of Shinola, the high-end watches with a brand DNA entirely rooted in ‘Built in Detroit’.

These days the population of Detroit sits at around 677,000; this is compared to 1950 when around 1.8 million people called the city home. Back then, Detroit was the fourth largest city in the US and carried the mantle of automotive centre of the world. This combined with its reputation as a hotbed for musical talent led to the nicknames, Motor City and Motown Detroit. But the population has waned in the past 60 years, Detroit’s image morphing to symbolise urban decay as abandoned homes and buildings became the norm.

In 2017, however, US Census Bureau estimates showed Detroit’s population loss had slowed to its lowest pace in decades and experts noted the first signs of growth since the 1950 heyday. When the Detroit Regional Chamber released the 2017-18 State of the Region report, its president and CEO, Sandy Baruah, said the renaissance was “private sector led, technology focused, and sustainable”. For the fourth straight year, the Detroit region had outpaced the national average in private sector job growth. Back in 2014 Sandy had already made the point that “the Detroit brand matters, and it’s that reputation that will attract a new generation of young entrepreneurs”.² In his observation, the brand of Detroit was far better known and recognised globally than the brand of Michigan so, he said, “We need to fix that brand, and that brand needs to stand for something, and it needs to be real.”³

Today ‘brand Detroit’ is on the rise. The region is home to 11 of the 17 Fortune 500 companies with headquarters located in the state of Michigan. Metro Detroit is anchored by the healthcare, government, and manufacturing sectors. Penske Corp and Rock Ventures currently lead as metro Detroit’s largest private companies, together generating more than US\$35 billion in annual revenue.⁴ — ●



Detroit, US

Population – close to 680,000
Area – 370 km²
Median age – 35 years

1. *The Westin Book Cadillac Detroit*
2. *Book Tower*
3. *City of Pontiac*
4. *Woodward Avenue*
5. *Detroit City Council*
6. *Detroit River*
7. *The Belt*
8. *Shinola Headquarters*
9. *Shinola Detroit Store*
10. *Wayne State University*
11. *West Village*
12. *QLINE Grand Blvd Station*

Since moving the headquarters of his company Quicken Loans Inc. to Detroit’s central business district in 2010, Dan Gilbert, Quicken’s founder and chairman, has helped create thousands of jobs.

MeetRock Ventures



Dan Gilbert is founder and chairman of America’s largest mortgage lender, Quicken Loans Inc., as well as Rock Ventures LLC, the umbrella entity for his portfolio of business and real estate investments.

In 2010, Dan relocated the headquarters of Quicken Loans, complete with 1,700 employees, to Detroit’s central business district and has continued to move his family of companies to the area in his quest to lead a city-wide transformation.

In 2010, he also founded Bedrock Detroit, a full-service real estate firm specialising in acquiring, leasing, financing and managing commercial and residential space. That same year, with entrepreneurs Josh Linkner and Brian Hermelin, he launched a venture capital firm investing in seed and early-stage technology companies to be located in the city.

Since then Rock Ventures and its affiliates have plunged more than US\$5.6 billion into acquiring and developing over 100 commercial properties, equating to 1.5 million square metres in the city’s urban core.

Thousands of jobs have been created and today more than 17,000 Rock Ventures team members work in downtown Detroit. ➤



01 PAGE 167
THE QUICKEN LOANS HEADQUARTERS AT THE ONE CAMPUS MARTIUS BUILDING. THE COMPANY CONTRIBUTES TO SEASONAL PUBLIC PROGRAMMING IN THE PRECINCT SUCH AS ICE SKATING, HORSE-DRAWN CARRIAGE RIDES AND STREET PERFORMERS.

02
GREEKTOWN, DETROIT'S HISTORIC COMMERCIAL AND ENTERTAINMENT DISTRICT, KNOWN FOR ITS GREEK-THEMED EATERIES.



Retaining established Detroit eateries, including the original ethnic restaurants reflective of the residents' mixed heritage, is a point of pride.

Two key members of the Rock Ventures, George Roberts (senior director of civic development, place activation/ art) and Andrea English (communications associate), sat down with *The Place Economy* to explain how Rock Ventures approaches development and placemaking in Detroit.

“Doing well by doing good” is not just one of Dan Gilbert’s favourite sayings but also the mantra that powers Rock Ventures. It defines the company’s intentions and goes a long way to explaining its investments in public places.

“We’re trying to bring people together in a city that has had a lot of tension and disconnect over the years,” says George Roberts. “It’s our goal to bring folks together – which means you’ll walk through our lobbies today and find that almost every one of them is open, with wi-fi charging and comfortable seating. Office buildings in the USA do not do that. To us, creating alternative office spaces, where you can hang out or work, no matter who you are, is an important way to activate the city – helping us bring folks together.”

It was the 2008 arrival of a Westin hotel in Detroit that, in George’s mind,

signalled something might be happening in the city’s downtown. Constructed in 1924 and known as the Book Cadillac, the building had once been among the city’s most illustrious hotels. When the Westin restored its original splendour, George says locals began saying, “Wait a minute, something real might be happening here. A building that has sat empty, that was an important building for our parents and grandparents, is coming back to life. A number of changes like that have coalesced over the years and together helped move us forward.”

When Rock Ventures moved to the neighbourhood it did so in waves. Thirteen hundred staff members arrived first, gradually followed by more. “In a few short months, everyone in Michigan was basically downtown – spread across just a few blocks,” says George. “And people weren’t saying they didn’t want to come here. They were saying, ‘When can we go to Detroit?’”

Andrea says it was “an interesting time” because no one else was making that kind of move. “Now we’ve created over 8,000 new jobs and we hire a plethora of summer interns, something

like 1,300 each season. We get around 22,000 applications from all over the world and over 200 universities (including Harvard, Princeton and Georgetown) are involved. So much has happened; we’ve amassed at least 95 properties so it can be hard to keep up with. Our maps are constantly being updated.”

For George, all this activity meant a new sense of optimism in the city. “People here have heard a lot of promises over the years, promises that haven’t been delivered upon,” he observes. “Dan likes to use the aeronautics analogy of instrument flight rules (IFR) versus visual flight rules (VFR). You can have your instrument sense of what is happening but then you have your visual sense. With Detroit, there are a lot of metrics that say the city is making a turnaround or comeback but I think our staff or your local Uber driver are the ones who actually see what is happening – see that it’s real. And it’s not just one big project coming from the top down either. It’s a lot of different things coming from all over. It’s people in the West Village setting up coffee shops or a series of villages on the east side. It’s Paramita Sound record

shop or Red Oak (coffee) Roasters... it’s people opening up small business, creating cool blocks.”

Adding to this VFR is the work done by Rock Ventures’ civic development and place activation team which George says spans “civic and commercial”. “You could say we serve as the arm of the company that invests and activates projects around the city, community projects. My particular focus is on the redevelopment and activation of parks and public spaces throughout our town,” he explains.

Rock Ventures is also improving transport in Detroit. “We’re in the process of building a light-rail system that’s going to travel a total of 6.6 miles and connect downtown to midtown – hopefully connecting even further in coming years,” says Andrea. “Quicken Loans has the naming rights so, while it’s the M1 Rail System, it’s going to be called the Q Line. This is a private-public partnership funding effort for a transit system. There are many companies involved.”

George says Rock Ventures is taking a two-pronged approach to improving and reinvigorating the city, trying to cater to



To keep a talented new generation in Detroit, investment in the city must resume.

the people who have lived in Detroit for a long time as well as those coming in from elsewhere. “These are the people who see the opportunity here in Detroit,” he says, “whether that be in tech, or in the service industry or construction. Our goal is to build spaces and places that draw people in from around our metro area, around the country, around the world, and grow because we’ve created places where people want to be.”

Rock Ventures sees university graduates as a crucial group to attract. “We’ve got a bunch of great universities in this state,” says George, “but for too many years, people graduated, then

headed off to New York, Chicago, Miami and DC. Dan Gilbert says the bright 22-year-olds from University of Michigan would decline great job offers at Quicken Loans in the past because they didn’t want to drive to a parking lot in the suburbs, take an elevator up to an office and look out a window with a view of the expressway. They wanted to be in an urban core.”

To keep a talented new generation in Detroit, investment in the city must resume. “The city needs projects that draw people and this doesn’t just apply to the inside of buildings, it’s all the spaces in between,” George says. “We want all those people to leave University of Michigan, leave Michigan State, and say, ‘I want to be in downtown Detroit’. We want employers to locate to the city because they know this is where people want to work.”

To achieve this, George thinks you have to “make sure every step people take on the sidewalk offers something exciting, active and vibrant”. “This has been a big part of our strategy, both downtown and around the city, not just within the central business district. We want people to

03 – 05
DAN GILBERT’S
COMPANY INVESTS IN
THE CITY, INCLUDING
REDEVELOPMENT
AND ACTIVATION
OF PARKS AND
PUBLIC SPACES.



choose Detroit because they know there are things going on all over town.”

The efforts seem to be working. In 2015, fortune 500 company Fifth Third Bank moved 90 employees into new regional headquarters at One Woodward Avenue in downtown Detroit. The bank’s senior executive team and all commercial, business and private bankers, wealth management staff and support staff soon followed. Fifth Third Bank now occupies four floors at One Woodward, equating to around 5,750 square metres.

Part of ensuring the town’s appeal has meant combatting Detroit’s reputation for being unsafe, a criticism commonly applied to cities where abandoned buildings and neglected streets encourage nefarious activities to flourish. Even in this area, Rock Ventures has stepped in to help.

“We’ve made safety and security in the downtown core a major priority,” says George. “We have a full security team working down there, in partnership with the city, the police department, other businesses and business groups, just to monitor and keep the area safe. We’re part of a program called Project

Lighthouse so when you see the Project Lighthouse sticker outside a lobby, know you can come in and be greeted by security personnel who can help with any situations.”

Working closely with the city may well be another of Rock Ventures’ secrets to success. The company has a good relationship with Detroit’s planning director and Mayoral offices which is essential when it comes to working beyond the CBD, helping to rejuvenate other parts of the city.

“We were really excited to be selected and named by the city as the official housing implementation entity on their application for a US\$30 million-dollar Choice Neighbourhoods Grant,” says George. “The grant was aimed at redeveloping what used to be high-rise housing projects in the Brush Park neighbourhood. It’s great to partner with the city on all these kinds of projects.”

Money, or a lack of it, has been a big problem for Detroit. The city filed for Chapter 9 protection in July 2013, with an estimated US\$18-\$20 billion debt, giving it the dubious honour of being one of America’s largest municipal

bankruptcies. The fallout was nasty and far-reaching but, Andrea says, in hindsight, it can be seen as the catalyst for what has taken place since. “It was a new beginning.”

A native of Detroit who was living in New York at the time, George recalls how people would regularly ask questions about his hometown, “the city that went bankrupt”, and he found himself constantly explaining that this had been a long time coming. “It’s not like we suddenly realised we were in bad fiscal shape,” he says. “But this was an opportunity for us to reconfigure some things - a lot of great things. It was like everyone had a new perspective or outlook - a new vision of what the future would be.”

It’s even a positive from a development point of view now, according to George. “We see the opportunities, as do our competitors,” he explains. “If you know this place you know we still have so much city to go. And that’s not just the big parts of downtown but all the nooks and crannies, then all the neighbourhoods and residential.”

George also feels the bankruptcy brought the people of Detroit closer together. “We had spent so many decades fighting each other about so many things, the suburbs versus the city, black versus white, the people versus the cops, eventually we realised we were all each other had. No one was coming to help. Detroiters were in this together. Also, the city was running so many things that cities are not good at, things most of them stepped away from a long time ago, like power and lighting, garbage removal, running a 982-acre island park (Belle Isle Park, on the Michigan side of the Detroit River). There was a lot of things that needed to change to public-private partnerships. The bankruptcy was a good time to figure those things out.”

In November 2014, when Detroit eventually won court approval for its plan to exit bankruptcy, Dan Gilbert wrote a blog saying “the only thing that will enable the city to be fiscally responsible and experience significant growth is to develop a positive climate that encourages innovation at all levels.” He expressed a belief that Detroit and Detroiters would “bring their best game” to show the rest



of the world what the city and its people was capable of achieving. “There is no doubt that if we work together and open ourselves up to the creative ideas and exciting opportunities all around us, Detroit will inspire people from within and beyond its borders to transform our city into one of the biggest success stories of the 21st century,” he wrote.

By the time of the bankruptcy and its aftermath, the CBD was blighted by numerous empty blocks, giving the city a strange and confronting air. Fortunately, as George explains, a lot of architectural gems were retained – buildings of international significance or “evidence of grand design” as he describes it.

Rock Ventures’ ability to invest ‘patient capital’ is helping in this area too. “There are transformational projects we’ve supported or put forward ideas on, ones that others may not have the ability to,” says George. “Some of these include former brownfield sites which entail years of carrying costs – just in terms of remediating these sites.”

One of the lost landmarks yet still beloved local sites is where the old Hudson’s store (the J.L. Hudson Building on Woodward Avenue) once stood. Andrea describes it as “an iconic piece of Detroit”, the place where every kid went to see Santa to make his or her Christmas wishes known.

Because of this, George says the company is being “very careful and deliberate” about what it does. “We know how important it is to folks,” he explains. “We have to do something that is a huge contribution from a design perspective, as well as a civic and commercial perspective.”

This is something the team is getting very used to. A few years ago, Dan Gilbert acquired the historic 38-storey Book Tower, which is attached to the 13-storey Book Building and an adjacent two-storey community centre. The trio’s combined footprint totals around 517,000 square feet. The Book Tower was designed by one of Detroit’s most noted 20th century architects, Louis Kamper, and dates back to 1926. It is visible for miles because of an ornate, copper roof, Corinthian columns, carved figures and other intricate details. By transforming the site into a mixed-use development, it is hoped

that revitalisation along Woodward Avenue to Washington Boulevard will continue, bringing jobs and energy and new civic pride.

“Locals are actually quite patient and understanding with this process,” says George. “In some cases, these dilapidated or neglected iconic buildings have become like wallpaper. So, the idea that somebody could turn them around is pretty exciting. And from our commercial point of view, it’s the right thing to do for our economy and our city; it’s not an act of charity.”

Wherever the company chooses to develop, one thing that prevails is the conscious and consistent attention it gives to retail curation, including food, beverage and fashion. This has led to hometown boys such as menswear designer John Varvatos returning to town. Well known

“Doing well by doing good” defines the company’s intentions and goes a long way to explaining its investment in public places.

for celebrity collaborations with rockers such as KISS, Iggy Pop and Ringo Starr; the fashion house reports annual sales in the range of US\$250 million and has 24 stores globally. The Detroit store, within a restored 19th-century building on Woodward Avenue, opened in 2015 and was the company’s first in the Midwest. During opening night celebrations John’s long-time friend and fellow Detroit native, Alice Cooper, performed. The designer told the *New York Times* he chose to open the new flagship after being “blown away by how quickly everything was changing” in the city when he made a visit in 2014. He recognised a “passion for Detroit and a work ethic” that was calling him back.

George says his colleagues at Bedrock Detroit “get calls all the time from folks who want to open and (we) talk to a ➤

tonne of people” but, he stresses, the company has been “extremely deliberate” when it comes to choosing the right retail mix for downtown. “We never leave this ‘til last,” he explains. “An entire team, great visionary people, work on this day-to-day, finding the perfect collection of places to make it special. No doubt we could have bank branches and things like that, but they are not going to get people walking up and down Woodward.”

Beyond fashion, however, it is the restaurateurs George credits with the most notable vision and “hustle” in Detroit, the ones who have “put in a lot of money or made an expensive gamble to create great spaces”. To him this is crucial as “no city can engage the outside world without a great food scene”. Detroit has attracted hospitality innovators from cities such as New York and Portland in search of new opportunities. Interesting architecture could be part of the appeal, as exemplified by Republic Tavern which opened in 2015. Housed within a beautiful 1899 castle-like structure that was once a gathering spot for civil war veterans, it made it into OpenTable’s top 100 hot spots in America in 2017.

The retention of local stalwarts is also vital. Mario’s, a Detroit landmark since 1948, continues to serve traditional Italian cuisine within a luxurious supper club atmosphere, subtly lit by crystal chandeliers. George says his suburban-based parents frequent all the new venues downtown but probably go to Mario’s now more than ever. Retaining those established Detroit eateries, including the original ethnic restaurants reflective of the residents’ mixed heritage, is a point of pride. As George says, “You don’t want to go around encouraging faux red sauce Italian American restaurants to open.” — ●



LINKS:

Anthem of Us, A Short Film About Detroit. Presented by Bedrock - youtube.com/watch?v=d1UDoUQzIus



06 PAGE 172
THE ANNUAL FORD ARTS, BEATS & EATS EVENT IS AN ART SHOWCASE AS WELL AS A CHANCE FOR LOCAL RESTAURANTS TO COME OUT TO PLAY.

07 - 16
“WITH DETROIT, THERE ARE A LOT OF METRICS THAT SAY THE CITY IS MAKING A TURNAROUND OR COMEBACK BUT I THINK OUR STAFF OR YOUR LOCAL UBER DRIVER ARE THE ONES WHO ACTUALLY SEE WHAT IS HAPPENING - SEE THAT IT'S REAL,” SAYS GEORGE ROBERTS.

- 1 www.detroitchamber.com/wp-content/uploads/2017/11/2017-18-State-of-the-Region-1.pdf
- 2 www.livingstondaily.com/story/news/local/community/livingston-county/2014/10/08/chamber-chiefs-detroits-brand-health-matter-michigan/16896931/
- 3 www.livingstondaily.com/story/news/local/community/livingston-county/2014/10/08/chamber-chiefs-detroits-brand-health-matter-michigan/16896931/
- 4 www.detroitchamber.com/detroit-regional-chambers-state-of-the-region-report-marked-by-growth/





DAN’S ARTISTIC VENTURES

As well as being one of most influential forces in Detroit’s development sector, Dan Gilbert is also one of the city’s biggest public art patrons, commissioning site-specific artworks for many of his projects. One remarkable example is The Z, a 10-storey parking garage in Detroit blending 1,300 parking spots with the work of 27 mural artists from across the globe. Named for the way it zigzags from the corner of Broadway Street and East Grand River Avenue to the corner of Library Street and Gratiot Avenue downtown, The Z is a collaboration between Bedrock Detroit and Library Street Collective, a group focusing on boundary-pushing emerging and established artists. Along with the adjacent BELT Alley, the 40-metre wide murals inside the garage, a number of which reference Detroit’s history, industry and culture, mean The Z is now a Detroit destination.



02



03

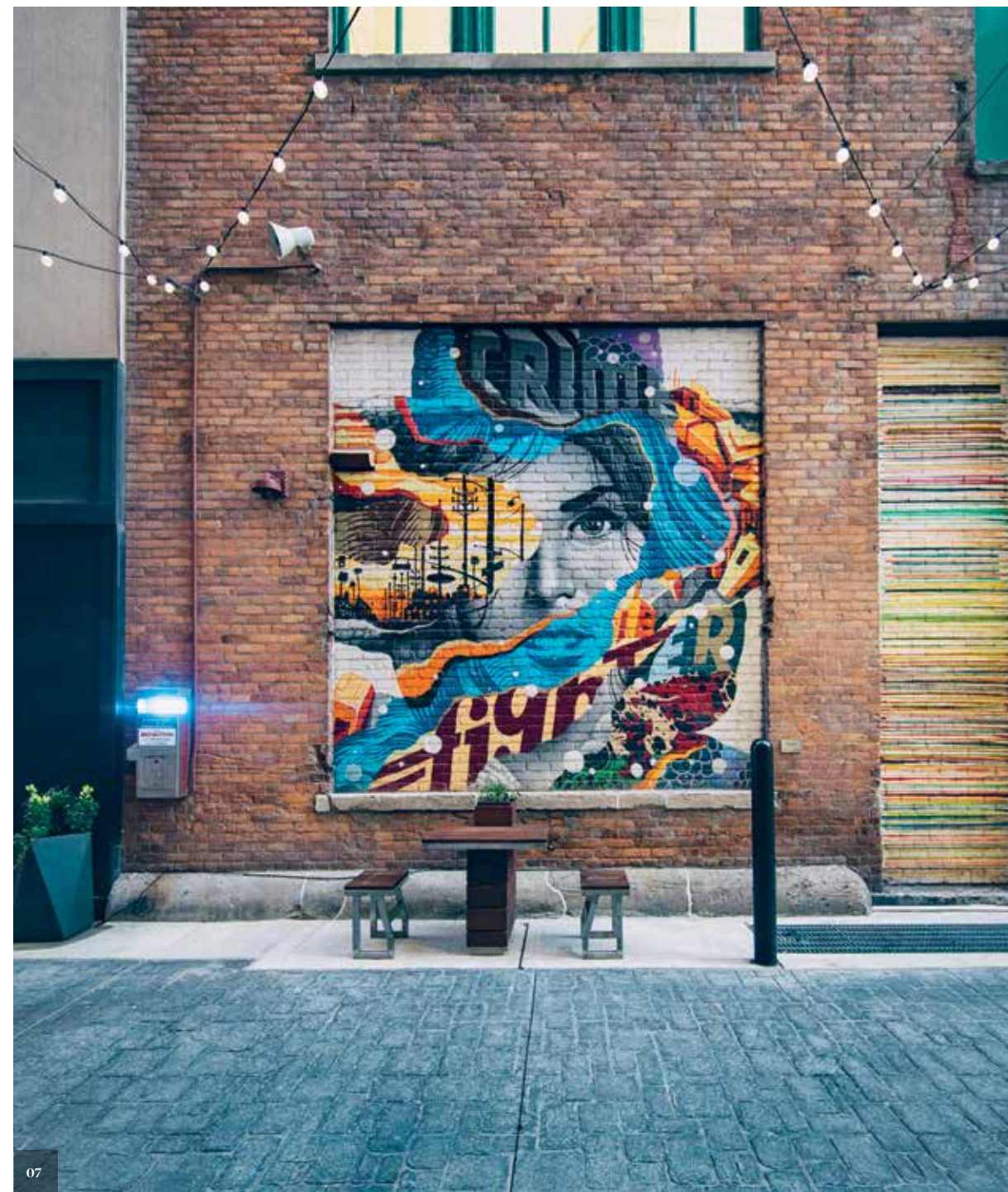
- 01 THE Z, DESIGNED BY NEUMANN/SMITH ARCHITECTURE, SPANS A PUBLIC ALLEY AND ALLOWS USERS TO ENTER AND EXIT ONTO TWO MAJOR ARTERIES.
- 02 SHEPARD FAIREY'S 'SMOKE 'EM WHILE YOU GOT 'EM'.
- 03 THE Z IS ULTIMATELY AN ART GALLERY YOU CAN DRIVE INTO.
- 04 BRITISH ARTIST HUSH PRODUCED THIS GEISHA FOR THE BELT.
- 05 WORK BY JORDAN NICKEL (POSE).

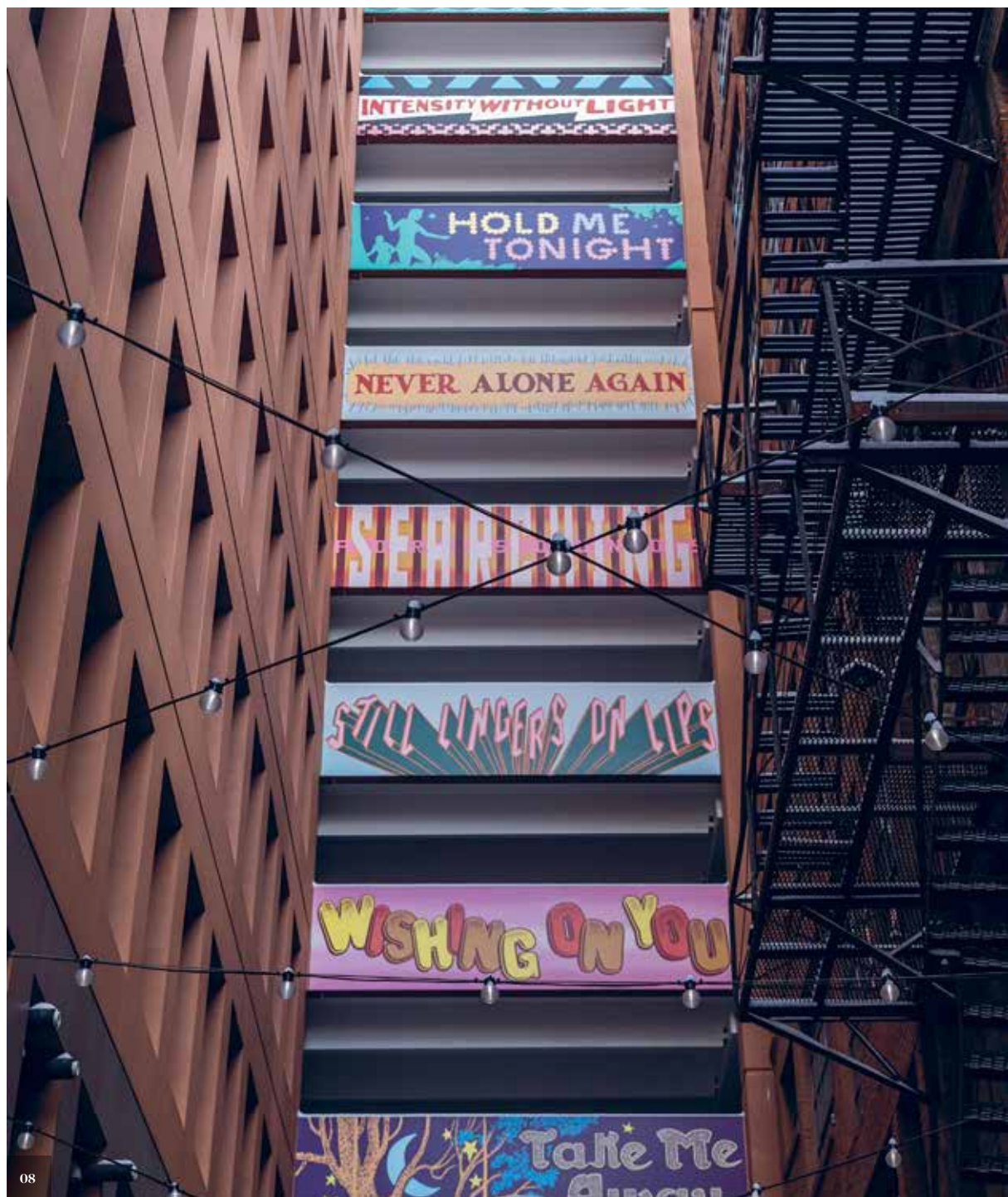
- 06 ARTWORKS IN THE BELT HUG THE ENTRANCES TO SEVERAL ESTABLISHMENTS INCLUDING ROCKEFELLERS BAR AND GRILL.
- 07 'CRIME FIGHTER' BY AMERICAN STREET ARTIST TRISTAN EATON.
- 08 THE Z IS THE FIRST BUILDING THAT DAN GILBERT'S FIRM BUILT FROM THE GROUND UP. (ARTIST: FAILE.)



04









ABOUT
DAN GILBERT

“There is no doubt that if we work together and open ourselves up to the creative ideas and exciting opportunities all around us, Detroit will inspire people from within and beyond its borders to transform our city into one of the biggest success stories of the 21st century.”

Dan Gilbert is founder and chairman of Quicken Loans Inc., America’s largest mortgage lender. He is also founder and chairman of Rock Ventures LLC, the umbrella entity for his portfolio of business and real estate investments, and chairman of the 2016 NBA Champion Cleveland Cavaliers.

Rock Ventures and its more than 100 affiliated companies across the country employ more than 30,000 team members. Dan began moving his companies to Detroit’s central business district in 2010 in an effort to help lead the transformation of a great American city. In January 2010, Dan co-founded

Bedrock Detroit, a full-service real estate firm specialising in acquiring, leasing, financing, and managing commercial and residential space. Since then, Bedrock and its affiliates have invested more than US\$5.6 billion in acquiring and developing more than 100 commercial properties



accounting for more than 11.5 million square metres in the city’s urban core. Thousands of jobs have been created, and today more than 17,000 Rock Ventures team members work in downtown Detroit.



In conversation with
**Chief marketing officer of Shinola,
Bridget Russo, and Andrew Hoyne**



BRIDGET RUSSO
CMO SHINOLA



ANDREW HOYNE
HOYNE

Specialising in watches, bicycles, leather and an increasing selection of complementary luxury products, Shinola is an American design brand founded by Tom Kartsotis, of Fossil Group fame. Founded in 2011, the company transformed 2,780 square metres of raw space into a state-of-the-art watch factory inside the College for Creative Studies in Detroit’s historic Argonaut building at 485 West Milwaukee Ave. Since then, Shinola has created approximately 650 jobs, close to half in the manufacturing of its high-quality, hand-assembled goods. While Shinola does not release detailed financial results, it has 28 stores and watch production has grown by 325 per cent since its founding. The brand now chalks up around US\$100 million in annual sales; a woman’s handbag could set you back US\$695, a gentleman’s watch a lazy US\$550 and above. ➡



LET’S LACE UP OUR SHOES.
LET’S CHOP SOME WOOD.
LET’S PUT OUR BACKS INTO IT.
LET’S WAKE UP EARLY AND GET THE WORM.
LET’S MAKE HAY.
LET’S SHARPEN OUR PENCILS.
LET’S USE SOME ELBOW GREASE.
LET’S BREAK A FEW EGGS.
LET’S PRACTICE AND MAKE IT PERFECT.
LET’S HAMMER SOME NAILS.
LET’S PLANT SOME TREES.
LET’S MAKE LEMONADE.
LET’S JUMP IN.
LET’S REACH OUT.
LET’S GO THE DISTANCE.
LET’S DO IT OURSELVES.
LET’S GET FIRED UP.
LET’S TAKE HEART.
LET’S GIVE BACK.
LET’S DO SOME GOOD.
LET’S NOT WAIT ON ANYBODY ELSE.
LET’S MAKE THIS THE YEAR WE ALL DO BETTER.
BECAUSE THERE’S A LOT WE CAN DO.
TOGETHER.

LET’S ROLL UP OUR SLEEVES.

SINCE 2012, WE’VE HIRED MORE THAN 600 PEOPLE AND CREATED 200 MEANINGFUL MANUFACTURING JOBS. WE’RE PROUD OF WHAT WE’RE BUILDING, BUT WE KNOW THERE’S MORE WE CAN DO, AND WE BELIEVE THAT’S TRUE FOR EVERYONE. TOGETHER, WE CAN GET THERE.

**SHINOLA
DETROIT**

DETROIT • NEW YORK • CHICAGO • WASHINGTON DC • LOS ANGELES • SAN FRANCISCO

SHINOLA.COM #ROLLUPOURSLEEVES

SHINOLA PRODUCTS ARE BUILT IN AMERICA WITH U.S. AND/OR IMPORTED PARTS.

Andrew Hoyne (AH): What impact has the Shinola brand had on the city so far and how do you see that evolving?

Bridget Russo (BR): We definitely don’t assume that Shinola are the ones driving the change in Detroit, but we are certainly part of a group of people, from artists and filmmakers, to businessmen like Dan Gilbert, who are all working in our little corner. Some corners are bigger than others, all are required to make it work and get this city back on its feet. At the city’s height, there were two million people living here, now there’s only 700,000. We’re happy to be part of the change but we definitely don’t feel like the ones who lit the match so to speak.

AH: Who would you say were some of the key proponents of the change we’re seeing?

BR: I think it was just a lot of things happening at once. One of those things is the young artists coming here because they could have more space for less money and be part of a creative community - that was becoming less and less of an opportunity in places like New York or LA where it’s much more expensive to live.

Then you have Dan Gilbert who’s investing but also people like Phil Cooley, at Pony Ride, who is taking over old buildings and creating these business incubator spaces. Detroit Denim came out of that program. They’ve opened another company called Lazlo; the guy there hires ex-convicts and teaches them how to sew and make them high-quality t-shirts.

It’s exciting to be part of that evolution... a diverse group of businesses who are working to create change.

AH: I understand there’s a relationship between Shinola and Dan Gilbert now.

BR: We are partners in a new hotel and Dan has now invested in Shinola and sits on our board.

AH: It is interesting to see the influx of new restaurants and bars in the city. And retail is finally starting to come alive for the first time in decades, with people like fashion icon John Varvatos moving in.

BR: We were excited when we heard he was coming. There was certainly a time when Woodward Avenue was short on fashion stores. Now we’ve got Warby Parker (glasses and prescription eyeglasses) there as well. We do it ourselves of course when we go into a new market; we see who’s in there, how they are doing, in order to make a business case.

AH: Has Shinola been involved in social programs outside of those dealing with your own staff and building?

BR: We’ve definitely helped fund programs together with Midtown Detroit Inc. (a non-profit planning and development organisation supporting the physical maintenance and revitalisation of the Midtown Detroit neighbourhood). That included funding a few green alleys near our store as well as the dog park nearby. We try to find initiatives the public can see, something specific that the community can participate in or benefit from.

AH: I was talking to one of the designers here at Shinola who moved from Dallas to find work here after reading about the company and being attracted by the products. Is that experience very common? And are people moving back to live in Detroit, specifically to work at Shinola?

BR: Definitely. Our marketing director, for example, went to University of Michigan. For 10 years she had lived in New York and wasn’t going to move back just for any job. She was working at Alexander Wang (American fashion designer and the former creative director of Balenciaga) when she contacted me and I was so excited that someone



with Alexander Wang experience wanted to move to Detroit. Then there’s Chris who was living in Amsterdam while working for Converse. His wife’s family is originally from here so there was a connection but, yes, Detroit has been good to us.

AH: Sometimes just one business or venture can have an incredible halo effect on commerce, development and tourism in a city. This seems to be happening in Detroit... a number of businesses seem to be having this effect.

BR: I agree and that is such an important part of the story. It shows other cities in a similar situation that there’s hope, there’s opportunity to do what Detroit did. Life is changing now... before you lived on the coast and that was it... you either went to New York or LA to make it. Now that is changing and people are wanting to live wherever. There’s a greater openness to living in any US city as long as people feel like they can find a like-minded community, feel part of something and not just a cog in a wheel. Detroit is symbolic in many ways but you have to take the leap, as we did. Other folks are taking that leap too now and doubling down on Detroit essentially. It’s been successful for us and, while I can’t speak for the others, they’re still here so they must be doing alright.

AH: With growth comes growing pains. Are there any negative aspects?

BR: You do hear people saying, “Oh, they’re just going in and tearing things down” but the reality is, these businesses are not kicking anyone out. There was no one in the buildings to start with! It’s a concern that outsiders might think that these ‘brands’ are just coming in and nudging out the little guy. Before now there were just streets with empty or decrepit buildings, with no lights on. With the new business coming in, however, more people are arriving and populating these neighbourhoods and that’s allowing the city to grow. ➡

AH: How do you try and hold on to the good things that got people returning to Detroit in the first place?

BR: Even though it's affordable, the prices have changed. It will be interesting to see how Detroit handles that because you want to make sure the city keeps its diversity. You want to make sure it's a place of opportunity for everyone, it's not just going to turn into Gucci and Chanel and Louis Vuitton down Woodward Avenue. Certainly, I know that is not Dan Gilbert's intention, but we have to be careful. Once again it pays to remember that we're coming into something where, for a long time, there had been nothing.

AH: Detroit is a city that is being repurposed in a way. Previously it was quite depressed and battered with negativity, now it's reinventing itself and becoming something unique.

BR: That is definitely true and part of why we're here. Detroiters in general are very resilient. While everybody else sort of forgot about this city, those who stayed made the most of what they had; they made lemonade out of the lemons and were very resourceful and creative.

AH: Is there a desire to retain the old Detroit style?

BR: It was named the UNESCO Design City, which is a pretty big deal, and hopefully it won't all get torn down. I think the city, and anyone new coming into town, is looking around at the buildings with the intention of retaining or incorporating what they can. Saying that, there are a lot of buildings in such a state of disrepair that it would cost a lot of money to bring them up to speed again. When we found this place (the College for Creative Studies within the historic Argonaut building) we just happened to be touring the College and the doors opened up on the fifth floor, revealing an empty space. Our founder, Tom Kartsois, asked the College's president, Rick Rogers, what the situation was and discovered ➡



“While everybody else sort of forgot about this city, those who stayed made the most of what they had.”

Bridget Russo, CMO of Shinola



01 PAGE 181
SHINOLA, TAKING DETROIT TO THE WORLD.

02 PAGE 182
SHINOLA'S FLAGSHIP STORE AT 441 WEST CANFIELD IN MIDTOWN DETROIT.

03 - 11
SHINOLA HAS CREATED APPROXIMATELY 650 JOBS, CLOSE TO HALF IN THE MANUFACTURING OF ITS HIGH-QUALITY, HAND-ASSEMBLED GOODS.

Dr. Nadine Burke Harris rolled up her sleeves to help kids grow up into healthier adults.

She is the founder and CEO of the Center for Youth Wellness, a leader in developing treatments for the health consequences of Adverse Childhood Experiences. Research has shown that children who experience situations of extreme stress are at greater risk of developing serious medical problems later in life. By focusing on children, Dr. Burke Harris is undertaking work with long-term implications for the health of everyone.



SHINOLA DETROIT

DETROIT • WASHINGTON DC • NEW YORK
LOS ANGELES • CHICAGO • SAN FRANCISCO
SHINOLA.COM #ROLLUPOURSLEEVES

10

KEVIN F. ADLER
ROLLED UP HIS SLEEVES TO DELIVER A MESSAGE.

ADLER IS THE FOUNDER OF MIRACLE MESSAGES, A SOCIAL PLATFORM FOR HOMELESS PEOPLE TO RECONNECT WITH THEIR LOVED ONES. BY GIVING THESE INDIVIDUALS THE ABILITY TO RECORD AND SEND MESSAGES TO THEIR FAMILY MEMBERS, MIRACLE MESSAGES OFFERS THEM A CHANCE TO REESTABLISH A SENSE OF BELONGING AND REGAIN A VOICE.

LET'S ROLL UP OUR SLEEVES.



SHINOLA DETROIT

DETROIT • WASHINGTON DC • NEW YORK
LOS ANGELES • CHICAGO • SAN FRANCISCO
SHINOLA.COM #ROLLUPOURSLEEVES

11

12
SHINOLA NOW
CHALKS UP AROUND
US\$100 MILLION IN
ANNUAL SALES; A
WOMAN'S HANDBAG
COULD SET YOU
BACK US\$695. A
GENTLEMAN'S WATCH
US\$550 AND ABOVE.

13
THE NEXT STEP IS
THE SHINOLA HOTEL,
WITH DESIGN FROM
GACHOT STUDIOS
AND KRAEMER
DESIGN GROUP, PLUS
FOOD AND BEVERAGE
FROM NOHO
HOSPITALITY GROUP.
A PARTNERSHIP
BETWEEN SHINOLA
AND BEDROCK,
THE HOTEL WILL
HAVE 129 ROOMS,
EIGHT FLOORS,
A RESTAURANT,
AND RETAIL SPACE.



“I actually think Detroit may turn into a place where people come to work with their hands. It’s a return to the idea of the craftsman, as the French and Italians have cultivated.”

Bridget Russo, CMO of Shinola

the school didn’t need it. Tom was like, “Okay, why am I going around looking at all these places that will cost millions of dollars to refurbish? What if we came in here?” That’s how that conversation started.

AH: There’s a book in my library at home called *Decaying Detroit*. It’s a beautiful photographic book but it’s quite sad because it depicts all these incredible buildings that have fallen to wrack and ruin. Do you think the government will ever assist financially in the rebirth of some of these assets?

BR: Honestly, I feel like there are so many other things that need to be fixed, the schools and so much infrastructure that’s just missing. I think they’re going to have to rely on the private sector to come in and fix these things or take them down. I don’t know what’s going to happen with the train station but that’s a very good example. I can’t even imagine what you would put in there and how much work it would take to do it. They just put windows in. It didn’t even have windows.

AH: Are things like this a disincentive for people to move to Detroit?

BR: Well talent is definitely a hot topic, specifically keeping Detroit talent here because there is plenty of it, plus

encouraging talent to move here. If you’re a couple with a family and you want your kid to go to public school, well you might not want to live downtown because your options are not that great. A lot of people with kids tends to live in the suburbs because of the school situation. Detroit’s public-school system experienced decades of corruption, to the point where they had to send in emergency managers for some of the schools. But this is another thing the Mayor’s office is working on.

AH: So, based on your experience of building a business in Detroit, what are the lessons that you would share with other companies?

BR: For us I think it was easier because we didn’t move from one city to be here. We always intended to be in Detroit, even though our founder is not from here. I think your intention is crucial. You can’t be going to a city just for marketing, you have to go because you want to have some meaning there. Consequently, you need to come through on the intention and communicate that in an authentic way. If people just want to ride the wave, I don’t know if that works.

AH: What personality traits to Detroit and the Shinola brand share?

BR: It’s the simple fact of us being here and the majority of our staff coming

from Detroit. I think that is absolutely part of our DNA.

AH: What other work is Shinola doing in partnership with the city to progress things?

BR: We’re in the process of talking to the Mayor’s office to be part of a workforce development program. Our piece would involve providing apprenticeships in the leather factory. There are a lot of skilled labour jobs required, but we don’t have enough skilled people to fill them. For example, industrial sewing is one of the skill sets that’s missing, so again, we can probably create a couple of jobs a year, or a couple of apprenticeship programs a year with that. While Shinola might not be able to hire everyone that goes through the program, we would be providing them the skill that could potentially be transferred to other companies, other cities. Perhaps if we can create a program here, pilot it and make it successful, it can be duplicated in other cities. It’s a hot topic in the USA currently. I’ve heard statistics saying there’s everywhere from 2.5 to three million jobs going unfilled because we don’t have the skilled labourers to fill them. These are jobs that provide a better living than working in McDonald’s or Walmart, which is where a lot of low-income families find employment. Once the program was in place

then we’d need to work out how to communicate to people the career path they could follow – the whole idea of craftsman and skilled trades is something we have lost to a degree.

At the moment, the city has a problem where a contractor might be penalised for not hiring a construction company from within Detroit, for instance, but the reality is we don’t have enough workers or companies to deal with the work required. If there are only two guys in town who know how to service elevators, what do you do? Wait for six months until they’re free? These rules are nice if you have a lot of choice. For now, we have to help create the infrastructure that provides training because there is no end of jobs to be done.

I actually think Detroit may turn into a place where people come to work with their hands. It’s a return to the idea of the craftsman, as the French and Italians have cultivated. — ●



LINKS:

A 360 virtual tour of the Shinola factory with actor Luke Wilson - www.youtube.com/watch?v=wraJppF0kyg



By Professor Robin Boyle, Department of Urban Studies and Planning, Wayne State University, Detroit, MI.

In the five years since Detroit filed for municipal bankruptcy, the city has witnessed a comeback few predicted. The next challenge is to ensure investment makes its way to neighbourhoods beyond downtown. Infrastructure, including public transportation, needs overhauling, so people can access the newly created jobs. Schools must reopen and commercial strips revive, bridging the gap between Detroit and its suburban communities.



PROFESSOR ROBIN BOYLE
WAYNE STATE UNIVERSITY

Impressions of Detroit





02

“The ‘20-minute neighbourhood’. This is defined as an active, safe, walkable, convenient, predominantly residential neighbourhood.”



03



04

01-04
WHILE AREAS BEYOND THE CITY MAY STILL BE PLAYING CATCH UP, DETROIT IS TRANSFORMING TO BECOME A BUSTLING URBAN CENTRE FILLED WITH COLOUR, ACTIVITY, INTENSITY, REAL VALUE AND, MOST IMPORTANT, OPPORTUNITY.

In the five years since the City of Detroit filed for municipal bankruptcy, the biggest urban collapse in US history, the city has witnessed a comeback few predicted. The 18.6 square kilometres that make up the urban core has changed from a place devoid of life, with empty streets, crumbling real estate sitting atop dark storefronts and little pedestrian activity, to a bustling urban centre filled with colour, activity, intensity, real value and, most important of all, opportunity.

Dan Gilbert’s property acquisitions through Quicken Loans and Bedrock, and the Ilitch family’s¹ sport and entertainment investments have changed downtown Detroit, almost beyond recognition. What has been developed, and perhaps to be built, is unparalleled in ‘legacy cities’ of a comparable size in the US Midwest. Rather than count the buildings bought and restored, the square metres of offices brought to market, the soaring lease rates or the

return on investment, the true measure of change downtown is best calibrated by the job count, by the pedestrian activity, by the range of new hotels, bars and restaurants, by the number of revitalised parks and open spaces and also by some critical investment in urban infrastructure. This is contemporary placemaking on steroids.

And some of this reinvestment is making its way to select neighbourhoods beyond downtown. With the support of philanthropy, such as the Kresge Foundation, a revamped city administration, and re-energised non-profit community development corporations working in partnership with committed private developers, there are signs of local, neighbourhood-scale development. This is happening in places close to middle-class neighbourhoods that have held on to their property value and to their families. While many schools remain closed and the commercial strips are

still often vacant, there is evidence of cleared sites, blight removal and small-scale residential investment.

These areas are following the concept of the ‘20-minute neighbourhood’. This is defined as an active, safe, walkable, convenient, predominantly residential neighbourhood. A place where people can get most of their day-to-day goods and services – shopping with good food, access to transit, parks and schools – all within a 20-minute walk. According to the Portland Plan of 2009, 20-minute neighbourhoods have three basic characteristics: a walkable environment, destinations that support a range of basic living needs and residential density. Density: this the very characteristic many of Detroit’s neighbourhoods lack. Are their enough households, with sufficient disposable income to sustain the shops, the local services? Are there enough children to keep the school open and thriving? Not yet, not by a long way.

But... and there is a “but”. Despite

what the Mayor would say, beyond the 18.6 square kilometres of downtown and Midtown, outside the few ‘20-minute’ nodes of local renewal, revitalisation is much harder to find. Across the other 343 square kilometres, which make up the rest of city, the ravages of deindustrialisation, disinvestment, social dislocation, and decades of white flight have left Detroit with a majority-minority population that is poor, badly educated and often isolated from the jobs and opportunity in downtown and in the burgeoning suburbs. One sobering statistic captures this yawning disconnection. Median household income in 2016 in the City of Detroit was measured at US\$26,249 per annum. The same statistic in Oakland County, some 13 kilometres north of downtown stands at US\$69,850 per annum. And if you drill deeper into the data, the gap in household conditions is even wider between Detroit and communities out in the suburbs.

The gulf that exits between the city and its suburbs is accentuated by the ‘spatial mismatch’ in the regional labour market. Bluntly, most of the jobs in greater Detroit are beyond the city limits and many job centres, in the auto industry, in healthcare, in logistics, in retail, are beyond the reach of Detroiters, twice over. These jobs are difficult for Detroiters to get because too often they lack the education and skills demanded by employers. Furthermore, if they don’t own a car - and 25 per cent of all households living the city fall into this category - the public transportation system to get them to jobs in the suburbs is woefully inadequate.

But if Detroiters can get there, they’ll find thriving communities: Royal Oak and Birmingham in Oakland County, Sterling Heights and Clinton Township in Macomb County, Plymouth and Dearborn in Wayne County. These and other strong suburbs have vibrant local economies; new housing development; restored, walkable, downtowns and an

improved quality of life. Despite the growing elderly population in the suburbs, many communities are planning for the millennials moving to their communities, for the family homes, the schools, and, as stated, the quality of life. So far, the suburban communities are seeing success in their commercial cores but there is less success building density. The cultural commitment to the single-family home on tree-lined streets runs deep. Despite gaps in the market, getting support and approval for even mid-rise housing is hard. Getting the same support for rental apartments is well-nigh impossible.

From 30,000 feet, the greater Detroit region is evolving into four zones. Zone 1: downtown and Midtown, dense, hip, vibrant, even gentrifying in parts; Zone 2: a vast swathe of low-density urban housing, vacant lots and abandoned property, with small beacons of emerging middle-class development; Zone 3: a cluster of smaller vibrant suburban communities, job rich but not so friendly

towards newcomers; and Zone 4: the ever expanding ex-urbs, filled with upper-income ‘McMansions’, firmly auto-dependent and resistant to comprehensive public transportation. This is America! — ●



ABOUT
ROBIN BOYLE

Born and educated in Scotland where he studied at the Glasgow School of Art and the University of Reading, UK, Robin is Professor of Urban Planning, Department of Urban Studies and Planning, Wayne State University, Detroit, MI. He was first appointed as Chair of Geography and Urban Planning in 1992 before becoming Associate Dean. He returned to faculty in 2014 as the Director, Graduate Certificate Program in Economic Development. Robin’s research focuses on public policies and planning for large cities, emphasising governance and economic development in a metropolitan context. Current funded research includes a study of alternative mobility systems in metro Detroit; and adaptive reuse of commercial property.

¹ Marian Ilitch and her late husband, Michael, founded global food franchise, Little Caesars Pizza. The family is leading development of a US\$1 billion Detroit sports and entertainment district and Ilitch Holdings, Inc. provides professional support to businesses founded or purchased by Detroit entrepreneurs.

Detroit vs. Everybody

Detroit is the new black

Image Credits

CHAPTER 3 Think global, brand local

Meet Rock Ventures

01-02, 07, 10-15 by Bedrock Detroit
03 by Sam Beebe (Flickr)
04, 06 by Detroit Tourism
05 by Phil Squattrito (Flickr)
08, 16 by Library Street Collective
09 by Stanford Smith (Unsplash)

Insert

01, 04-08 by Bedrock Detroit
02-03 by Library Street Collective

In conversation with CMO of Shinola, Bridget Russo

01-03, 05, 07-08, 10-13 by Shinola
04, 06, 09 by Andrew Hoyne

Impressions of Detroit, 2018

01 by Jason Vaughn
02 by Vito Palmisano
03 by Bedrock Detroit
04 by Bill Bowen



Every effort has been made to locate the owners of copyright and to ensure that the credit information supplied is accurately listed. Errors and/or omissions are inadvertant and will be corrected in future printings.

AN EXTRACT FROM
THE PLACE ECONOMY BY HOYNE
WWW.THEPLACEECONOMY.COM