

# Best college destinations offer diversity, access, and city lifestyles

By AIER Staff

## Our 2017 College Destinations Index ranks cities that attract students

Quality of life and demographics, rather than the economic climate, play a stronger role in the top rankings for metro areas in this year's AIER College Destinations Index. This is particularly true for metro areas with a population of 1 million or more. In contrast, economic climate plays a more important role in our rankings for metro areas with populations under 1 million.

We use three dimensions of a city's attractiveness to construct our College Destinations Index. To capture quality of life we measure the presence of arts and entertainment venues and of bars and restaurants, as well as commuter use of public transit, bicycles, walking, and other alternatives to the car. To capture economic climate we measure the youth unemployment rate, labor force participation of the working-age population, the presence of workers in science, technology, medical, and engineering fields, and rent. Our demographic measures reflect two ways of describing what matters most to young adults—racial and ethnic diversity, and the share of the adult population with at least a BA. Our review of the literature and our own research (<https://www.aier.org/research/what-are-best-job-destination>) find that well-educated young people seek locations with others who share these characteristics. In addition, the increasing racial and ethnic diversity of the U.S. population as a whole suggests the need to capture this demographic element of metropolitan areas.

### Quality of life

Our three quality-of-life measures allow us to tap into important elements of what makes cities lively and attractive to young people. Our transportation indicator measures the proportion of commuters who do not depend on solo trips in their car to get to work. Cities where commuters use alternatives reflect two important qualities. First, they are places where young people can express their preference for a green lifestyle (walking or biking) and for sharing large capital costs (car- and bike-sharing schemes or public transit, for example). In addition, the denser the city, the more cost effective is public transit. Cities with a greater share of public-transit users are likely to be denser, and this spatial pattern is an important design element of what makes cities great.

Another characteristic of a great city is its abundance of “third places,” that is, places that are neither work nor home, where people can gather. These spaces may be parks and plazas or bars and pubs. We use two indicators to measure these privately-owned public spaces: restaurants and bars, and arts and entertainment venues.

### Economic climate

We use four indicators to measure the economic climate. Youth unemployment captures the labor market's capacity to absorb young talent, and labor-force participation measures the health of the local labor market. We capture another aspect of labor-market health by measuring science, technology, engineering, and medical employment. Much of our innovation-induced productivity increases will come from businesses that employ STEM workers, and metro regions with the greatest share of these workers are likely to provide the greatest opportunities for well-educated young people. Our measure of

median rents paid by those 18 to 22 years of age captures the last dimension of economic climate.

### How major metros fare

Our major metro category is topped by San Francisco; Boston; Washington, D.C.; and Minneapolis. For the most part, these metro areas all exhibit strong marks across the three sets of characteristics—demographics, quality of life, and economic climate—that constitute our College Destination Index. All of these cities are destinations for young professionals seeking a lively urban scene. In addition, each of them has a strong economy.

For the purposes of this study, San Francisco is a different city than San José, Calif.; nonetheless, it has a strong tech sector and legions of Silicon Valley workers who commute from San Francisco and Oakland. All of this means that college students who are looking for internships, jobs, and networking opportunities in tech will find opportunities in the San Francisco region.

Boston ranks above San Francisco in our measure of technology employment, in part due to its leadership role in the bio-tech and pharma sectors. These industries enjoy strong connections to research universities. So, students whose focus and direction is leading them toward the health and biological side of tech will find opportunities in the Boston region. Boston lags San Francisco, in part, because we include the region's diversity among our quality-of-life indicators. We do this to account for the value that the overwhelming majority of U.S. young people put on cultural and racial heterogeneity. Twenty-first-century Boston is far more diverse than the city was even a generation ago, though some parts of the region have yet to catch up.

Washington, D.C.'s third-place ranking is due to a combination of a strong economy and demographics. The nation's capital still holds major attraction for college students with interests in policy, politics, and law. And the concentration of medical and health research at the National Institutes of Health and private-sector employers who benefit from this specialized labor force mean that students with interests in science and biomedical research are likely to find internship opportunities. In addition, the district's role as a major tourist attraction means that opportunities abound for those with a professional interest in museums, history, and the cultural arts.

Minneapolis registers a fourth-place ranking, followed by Seattle, New York, and Los Angeles, with fifth through seventh places among metropolitan regions with over 2.5 million in population. Minneapolis has long served as a regional capital, and it benefits from its broad-based economy and lively arts scene. Seattle offers tech employment, a youthful population, and a strong arts and culture scene. New York certainly provides plenty of opportunities for ambitious college students in fields as diverse as the performing and visual arts, finance, culinary arts, and the social-impact sector. While New York City's tech sector has grown in recent years, it ranks below average on our tech employment measure. This relatively low score and high rents suppress New York's economic climate score. Los Angeles offers opportunities for those with ambitions in both the creative and technical sides of the TV and film industry. The sprawling region scores high for both our demographic and quality-of-life components. With rents and unemployment higher than average and science and tech employment lower, the economic climate is a challenge.

### Major metros

- 1 San Francisco
- 2 Boston
- 3 Washington, D.C.
- 4 Minneapolis
- 5 Seattle
- 6 New York
- 7 Los Angeles
- 8 Chicago
- 9 Dallas-Fort Worth
- 10 Houston

### The South and West rule our midsize metros

Our top-ranking midsize metros are dominated by Southern and Western cities. It's no surprise that Denver, Colo., and Austin, Texas, top this list of metropolitan areas with populations in the 1 million to 2.5 million range. Denver ranks high across all three components of our index. In addition to a young and well-educated population, Denver's economy is booming. Despite the attractiveness of these regions and above-average rents for midsize cities, housing still costs less than in Seattle, our fifth-ranked major metro. Austin also provides opportunities for ambitious students looking for work while in college. Its tech sector is strong, in part due to the relationships between researchers at the University of Texas at Austin and the private sector. Students interested in creative or technical careers in music will also find opportunities.

Portland, Ore., ranks third among our midsize cities, in part because it offers some of the lifestyle opportunities of Denver and some of the tech opportunities of the larger Seattle metro region to the north. San José, Calif., as the capital of Silicon Valley, earns its place due to the strength and attractiveness of its tech sector. With its exceedingly high rents, however, it ranks 30 out of 32 on quality of life. Our quality-of-life indicators can't capture the distinctive lifestyle of Silicon Valley, where so many employers compete with each other to provide social opportunities to attract highly skilled tech workers. We cannot pick up this organization of social life in our measures, which rely on employment in restaurants, bars, arts, and entertainment venues as social and cultural indicators. Raleigh, N.C.'s fifth-place ranking among midsize cities is due to its proximity to Research Triangle Park and nearby Durham and Chapel Hill. Raleigh provides a young and well-educated workforce, so college students will find the challenge of networking somewhat easier, particularly in the health and technology sectors.

### Midsize metros

1	Denver, Colo.
2	Austin, Texas
3	Portland, Ore.
4	San José, Calif.
5	Raleigh, N.C.
6	New Orleans, La.
7	Nashville, Tenn.
8	Columbus, Ohio
9	Milwaukee, Wis.
10	Virginia Beach, Va.

### Small cities rely on universities

The role of universities in shaping and influencing metro areas is prevalent in our small cities, with populations between 250,000 and 1 million residents. Four of the top five metros in this category are homes to universities. Ann Arbor, Mich., has a high quality of life and ranks first in the demographic characteristics that appeal to young college students (i.e., the share of the population with a BA, and racial and ethnic diversity.) Looking south, the Durham, N.C., metro area captures characteristics of college towns, with an emerging technology economy and a high quality of life. The Durham area includes Duke University, the University of North Carolina at Chapel Hill, North Carolina Central University, and medical schools at both Duke and Chapel Hill. This means that the area has a balance of attractive demographic and quality-of-life attributes. In addition, the universities and medical schools have connections with local pharmaceutical companies that provide the synergies supporting that thriving economic sector. Number four-ranked Madison, Wis., is another Midwestern city that is a quintessential college town and, like Ann Arbor, has a strong economic climate.

### Small metros

- 1 Ann Arbor, Mich.
- 2 Tallahassee, Fla.
- 3 Durham, N.C.
- 4 Madison, Wis.
- 5 Gainesville, Fla.
- 6 Fort Collins, Colo.
- 7 Honolulu, Hawaii
- 8 Santa Barbara, Calif.
- 9 Bremerton, Wash.
- 10 Santa Cruz, Calif.

### College towns

If the West and the South were overrepresented in our midsize and small categories, it is Midwestern and Western towns (metro areas with less than 250,000 in population) that stand out among this group. Boulder, Colo., and Champaign-Urbana, Ill., rank first and second. Boulder shares much with Denver, the larger metro area just 30 miles to its southeast. Like Denver, Boulder scored at the top across all three components of our CDI index. Champaign-Urbana, home to the flagship campus of the University of Illinois, benefits from lower rents than can be found in Boulder. And, its smaller share of tech workers may be misleading for students looking for lab and tech-

nical experience, as Champaign-Urbana's lower score on this indicator may simply reflect that there are fewer STEM opportunities in the private sector. University labs may offset this apparent disadvantage, which may only be statistical in nature. Flagstaff, Ariz.'s high ranking on quality of life is largely responsible for its third-place. Five university towns—Ithaca, N.Y.; Iowa City, Iowa; Bloomington, Ind.; College Station, Texas; and Manhattan, Kansas—round out the top eight slots in this group of the smallest metro areas. 🌟

### College towns

- 1 Boulder, Colo.
- 2 Champaign-Urbana, Ill.
- 3 Flagstaff, Ariz.
- 4 Ithaca, N.Y.
- 5 Iowa City, Iowa
- 6 Bloomington, Ind.
- 7 College Station, Texas
- 8 Manhattan, Kan.
- 9 Columbia, Mo.
- 10 Bloomington, Ill.

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