College towns do OK in recession

For many American cities, the decade after 2000 played out in two starkly different scenes: Years of euphoric growth and prosperity followed by a crushing reversal.

For others, there was no heady boom — but no dramatic downturn either.

A USA TODAY analysis reveals two categories of cities that have weathered the recession and housing market meltdown better than many boomtowns: College towns and state capitals.

In some cases, these cities have grown even faster during the recession than before.

In smaller cities in particular, anchor institutions such as universities and governments have provided a buffer against economic whiplash. Often the main employers in the city and metropolitan area, these segments are less affected by economic fluctuations.
College towns and state capitals "are a refuge from the boom and bust of the private market," says Robert Lang, urban sociologist at the University of Nevada Las Vegas. "State capitals are where the action is because they developed a white-collar service economy around government."

The analysis of 2009 Census city population estimates released this week shows:

- The median annual growth rate of boom towns (half grew less and half more) hit 11% in 2000-06, before the economy soured. It dropped by more than half to 5% in 2006-09.

In places such as Maricopa, Ariz., where average population gains hit 63% a year the first part of the decade, growth plummeted when the housing market imploded and the number of Americans moving dropped sharply. The rate fell to an average 14% a year since 2006.

- In the 50 state capitals, the trend was reversed: a median 0.4% in the first six years compared with 0.8% in the latter years.

Topeka declined an average 0.1% a year in the first part of the decade but grew 0.5% a year the latter part. St. Paul was losing an average 0.6% of its population every year but has been gaining about 0.6% a year since 2006. Austin, a state capital that also has a major university, grew an average 1.5% a year until 2006 but 2.5% since then.

- In a sample group of 25 college towns from across the USA, the median annual growth rate went from 0.8% to 1.1%.

Gainesville, Fla., home of the University of Florida, grew a modest 0.2% a year on average in 2000-06 while other Florida cities were exploding: Palm Coast up 13% a year; Winter Garden up 10%. When the housing bubble burst and the economy tanked, Gainesville's growth accelerated — 0.6% a year; Palm Coast and Winter Garden each slowed to 3% a year.

State governments and universities involved in federally funded research also benefited from the stimulus program.

"That translates into jobs, which translates into households and people," says James Hughes, dean of the Edward J. Bloustein School of Planning and Public Policy at Rutgers University.

Most of the jobs lost during the recession come from the private sector. From December 2007 to December 2009, 8.5 million private-sector jobs disappeared but 90,000 government jobs were created, Hughes says. "The private sector bore the brunt."

**Funding from federal and state governments, private industry and foundations for research generates about 10,000 jobs at or near the University of Missouri's campuses, says Mike Nichols, vice president for research and economic development for the university system. The university has four campuses, including the main one in Columbia.**

Universities are enjoying high enrollment because the college-age population is high.
"You have the echo of the baby boom and children of immigrants," Lang says.

Also, when jobs are scarce, people stay in school longer or are more likely to return to school. In the past five years, total enrollment at the University of Missouri swelled by about 7,000, Nichols says, to 70,000.

Universities also attract other institutions such as hospitals and research centers because they provide a ready-made workforce. Columbia (pop. 102,324) grew an average 2.1% a year until 2006 and at a steady 1.7% a year since then.

"We have not been untouched by the recession, don't get me wrong," says Don Laird, president of the Columbia Chamber of Commerce. Unemployment, however, is much lower than in the rest of the state: 5.4% vs. 9.3% statewide.

The relationship between institutions of higher learning and economic development has grown closer in the past decade. In Columbia, the university has research parks. In the Ann Arbor, Mich., area, home of the University of Michigan, Eastern Michigan University and several other colleges, local businesses last year organized an economic development "Gown and Town Tour" to attract investment.

Even though Ann Arbor's population has dropped — down 1.6% since 2000 to 112,852 in 2009 — the city remains a bright light on Michigan's urban landscape where double-digit drops are common. (Dearborn down 13.4%, Livonia 11.2%.)

"In the past, (universities) have always been instrumental to the community but now, they're much more instrumental to the business community as a whole," says Diane Keller, president and CEO of the Ann Arbor/Ypsilanti Regional Chamber.

The University of Michigan formed a center for business engagement, she says, and community colleges are retraining workers.

A university "is a buffer," says Craig Rost, deputy city manager of development for Champaign, Ill., where the University of Illinois at Urbana-Champaign is the largest employer. "And it's a big enough sector of our economy that it helps keep us from the kind of cycles others go through when a large manufacturing facility closes or lays off people." Champaign (pop. 80,286) grew an average 1.6% a year from 2000-06 and 1.3% from 2000-09.

"We haven't boomed at all," Rost says. "We've grown steadily."

**College towns**

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MU professors' new book studies the serious side of 'Twilight'

COLUMBIA — "Jacob or Edward?" is the pressing question "Twilight" fans discuss on end. Which is better, the series' lead werewolf or vampire character? However, **MU researchers have different questions when it comes to the popular young adult series.**

Three MU researchers wrote "Bitten by Twilight: Youth Culture, Media, & the Vampire Franchise," published in early June, to better understand the phenomenon.

"(The books) were very compelling but very problematic," professor Jennifer Stevens Aubrey said.

Aubrey and fellow professors Elizabeth Behm-Morawitz and Melissa Click were more interested in gender dynamics and the series' lack of a male fan base than if a vampire is more attractive than a werewolf.

The authors read the "Twilight" series in early 2009 and were amazed at how engrossed they became. Click saw Aubrey, a married woman with a Ph.D., become a fan and determined that there was something important happening, Aubrey said.

"The fans are seeking a diagnosis," Aubrey said. "They want to know why they are into it. I am in some part seeking self-diagnosis."

They surveyed about 5,000 fans from all over the world, and the authors have more than 100 pages of transcripts from one-on-one fan interviews.

"We marveled at how smart the 'Twilight' fans are," Aubrey said. "There is something so crucial to the appeal of 'Twilight' that we were trying to understand."

When the media portrays "Twilight" fans, only the most die-hard are represented. Swooping camera angles capture a bird's-eye view of hundreds of women camping out for the newest film release. In the book's promotional video, there is a lone man in a crowd of giddy young women.

"It sets (men) up for being ridiculed," Aubrey said.

The same kind of camerawork and representation of a rabid fan base can be seen in media coverage of "Harry Potter" or "Star Wars," but there is a big difference: The boy wizard and Jedi Knights are taken seriously, but the "Twilight" vampires are not.
"There's a larger gender dynamic going on here," Aubrey said.

Summit Entertainment, the company behind the films, attempted catering to a male audience in the newest trailer for "Eclipse," but the authors of "Bitten" worried the move will alienate the current fan base. Aubrey said if you listen to the trailer, it sounds like a generic war movie.

"What Summit fails to see is that by courting male audiences, they are devaluing 'Twilight's' devoted female fans and missing an incredible opportunity to develop the terms for future female franchises," Click said in a news release.

"Eclipse" will be released Wednesday. Hollywood Stadium 14 Theater in Columbia had not experienced long ticket lines, but it had high sales on Fandango. As of Thursday afternoon, there were three midnight showings scheduled, and employees said more shows would be added if they sold out.
Mo. gov. signs education, research grant bills

By CHRIS BLANK | Posted: Thursday, June 24, 2010 7:12 pm

Missouri Gov. Jay Nixon signed legislation Thursday allowing fees to be charged for a popular early childhood education program and giving school districts more flexibility in deciding how to spend money during tough budget times.

Nixon also signed several other bills that increase the amount for state spinal cord research grants and gradually cut the rates telephone companies charge one another.

Most of the new laws take effect Aug. 28. But provisions designed to help school districts with their budgets become effective July 1. Under those portions of the legislation, school districts would not need to meet state standards for things such as teacher professional development if state funding drops.

The Missouri budget that takes effect next week keeps basic state aid to schools flat even though a funding formula called for an increase. Nixon also is blocking funding of some state assistance for busing.

The state budget also makes deep cuts into the Parents as Teachers early childhood education program. That program currently is free, but Nixon signed legislation that would allow parents to be charged a fee. Families whose children have not yet entered kindergarten would remain eligible for annual development screenings.

Bill supporters hope the fee could help sustain the program.

Sue Stepleton, the president and CEO of the Parents as Teachers National Center in St. Louis, said the details of setting up a fee system in Missouri for the program still need to be worked out. She said it can work but there are not examples for which Missouri can follow.

Stepleton said she hoped fees for Parents as Teachers would be temporary with state funding for the program increasing as the economy improves.
"We understand the state's fiscal situation, and even though it's my own belief that Parents as Teachers has taken way more than a proportional hit out of the budget crisis, it is what it is," she said.

Another bill signed into law Thursday would lower what telephone companies charge other phone providers for connecting calls from one part of the state to the other. That could cut telephone bills for Missourians who make lots of long-distance phone calls while making local phone calls more pricey.

The new phone access charges would apply only to the largest companies.

Missouri's access fees for in-state phone calls are among the nation's highest and much higher than the rate set by the federal government for calls between states. The fees generally are built into the rates charged to phone customers.

Telephone access rates will be cut by 6 percent of the difference between their interstate access rates for each of the next three years.

The governor also signed a bill boosting spinal cord research grants from $50,000 to $250,000. The grants are awarded by the University of Missouri-Columbia. They are funded by a $2 court fee charged on every criminal or infraction case.

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Education is HB1543

Spinal cord research is SB987

Telephone rates is HB1750

Online:


Legislature: http://www.moga.mo.gov
Missouri teachers prepare to file lawsuit against department of education

Thursday, June 24, 2010 | 6:10 p.m. CDT; updated 8:51 p.m. CDT, Thursday, June 24, 2010
BY Ettie Berneking

COLUMBIA — A group of public school teachers in Missouri is preparing a class action lawsuit after budget cuts forced a University of Missouri System program to cut their positions.

Three teachers from Columbia and two from Mexico are among the 45 who were fired from the Missouri Virtual Instruction Program, or MoVIP, three months into their one-year teaching contracts. MoVIP is an online education program created by the Missouri Department of Elementary and Secondary Education to provide academic credit to students who have special needs that prevent them from attending traditional schools.

Attorney David Brown of the Brown Law Office in Columbia represents 15 of the teachers seeking reparations, including the five from Columbia and Mexico. He said the lawsuit could cost the state department and the UM program called Enhancing Missouri's Instructional Networked Teaching Strategies, or eMINTS, $900,000 combined.

Beth Lower of Mexico is among the teachers who were fired and is a potential plaintiff in the lawsuit.

"I'm seeking restitution," Lower said. "Restitution for the job I gave up, for the job I lost, for the tenure I lost and for the benefits I lost."

UM became involved in the program when it entered a contract with the Department of Elementary and Secondary Education. UM agreed to staff MoVIP through eMINTS, which then began hiring new teachers. It signed 45 teachers to new contracts for the 2009-10 school year. UM fired the 45 teachers in October 2009 after the state eliminated funding for MoVIP.

Barbara Powers-Peck of Columbia also was among the fired teachers and is prepared to join the lawsuit. She said in a news release that the state appeared to be committed to MoVIP, but that the new teachers were fired three months into their contracts.

Brown cites e-mails obtained through a Missouri Sunshine Law request that suggest MoVIP was aware of severe budget constraints that eventually would force the program to cancel several classes and cut back its staff. Brown, however, said none of that information was made known to the new teachers, several of whom had left tenured positions and salaries to join.
Lower decided to leave her 18-year position at Mexico Middle School when she jumped on board with MoVIP.

“I wouldn’t have left a position of that many years and that salary if I didn’t think I would stay in that new position,” she said.

Lower began teaching through MoVIP in August 2009 and was notified in October that the program — and her job — would be eliminated.

“We had no notice, no clue that there was any possibility of the program not continuing,” she said. “There was no help finding new employment. There was ‘good luck,’ but that doesn’t put money in the bank.”

Several teachers are still trying to find work. Lower said she will start teaching at the advanced technology center in Mexico in August, but it will be only a part-time position.

“Teaching is my passion,” she said, “and it’s what I wanted to do all my life. This has been devastating to all of us.”

Kelly Mescher, an attorney for the UM system, said there was no breach of contract when the new hires were let go.

“The teachers were in a probationary period, and the funding for the program was cut before that period was over,” she said.

Brown, however, doesn’t buy that excuse. He said the new teachers were told that there would be at least one year of funding, and there was no way they could lose their jobs in the first year.

But overseers of the program knew that wasn’t true, Brown said. “They were already laying people off and shutting the program down.”

Curt Fuchs, director of virtual education at MoVIP, was unaware of the pending lawsuit. He said cuts in state funding last year to the program caused a "disaster" that resulted in the firings. The program, which used to be free, is now primarily self-funded through tuition fees and is no longer affiliated with UM.

Brown said he sent letters to the Department of Elementary and Secondary Education and to UM seeking settlement talks. The state agency didn't respond; UM was apologetic and said it needed time to investigate.

Brown said he plans to move forward with the lawsuit against the state education department but will give UM another week to respond to his request for a negotiated settlement.
Cattle futures rose for the first time in three days on signs that beef demand is increasing as importers boost purchases and U.S. grocers stock up for summer grilling. Hogs dropped.

U.S. exporters sold 14,710 metric tons of beef the week ended June 17, up 42 percent from a week earlier, the Department of Agriculture said today. U.S. demand may rise for the Independence Day holiday on July 4, when many consumers grill outdoors. Inventories at the end of May were 13 percent smaller than a year earlier, the USDA said on June 22.

“We had good export sales on cattle, well above a year ago,” said Christian Mayer, a market adviser at Northstar Commodity Investment Co. in Minneapolis. “And people may buy a lot of product for the Fourth of July. We’ll see a lot of sales in stores.”

Cattle futures for August delivery rose 0.65 cent, or 0.7 percent, to 89.15 cents a pound on the Chicago Mercantile Exchange. The price dropped 0.9 percent in the previous two days. The commodity has climbed 8.1 percent in the past 12 months.

Feeder-cattle futures for August settlement gained 0.775 cent, or 0.7 percent, to $1.12675 a pound.

Cattle futures earlier dropped as much as 0.3 percent as the Standard & Poor’s 500 Index fell for the fourth straight day on Greek-debt concerns.

Cattle are “still shook up about the stock market,” said Lane Broadbent, a vice president at KIS Futures Inc. in Oklahoma City. “The stock market has been a big driver lately, and there is still a lot of uncertainty.”

Hog Market

Hog futures for August settlement fell 0.975 cent, or 1.2 percent, to 83.25 cents a pound. Earlier, the price rose as much as 0.5 percent. The most-active contract has gained 42 percent in the past year as U.S. producers cut herds.

Wholesale pork prices dropped 0.6 percent yesterday to 83.8 cents a pound, according to the USDA.
Futures may rebound because the USDA is expected to report tomorrow that the U.S. hog herd is shrinking, Northstar’s Mayer said. The breeding herd may have been 3.5 percent smaller on June 1 than a year earlier, according to the average estimate of 11 analysts in a Bloomberg News survey.

“We’ve got the hog and pig report on Friday afternoon, and people are jockeying to figure out what position to take,” Mayer said.

Farmers slashed herds after losing $6 billion from late 2007 to early 2010 as the recession and swine-flu concerns eroded pork demand, according to University of Missouri estimates.

To contact the reporters on this story: Whitney McFerron in Chicago at wmcferron1@bloomberg.net; Jennifer A. Johnson in Chicago at jjohnson133@bloomberg.net.