



The city is humanity's laboratory, where people flock to dream, create, build, and rebuild. In his book *Triumph of the City*, Harvard economist Edward Glaeser observes that to stroll through the world's great cities is "to study nothing less than human progress." Each year, we spotlight the building blocks of that progress—bold ideas that promise to enrich our cities and economies. You'll find plenty in diverse, surprisingly creative Houston, our 2011 CITY OF THE YEAR (page 96), which urban theorist Joel Kotkin tips as "one of the world's next great cities." You'll also find these ideas across America: Join us for a tour of the UNITED STATES OF INNOVATION (page 104).

0 PIONEERS!

Reinvention, innovation, and cultivation make Houston our City of the Year for 2011.

BY MARGARET DOWNING

IT'S PAST 11 P.M., AND I'M walking with my husband in downtown Houston. We've just seen a play at the Alley Theatre, and the stroll to our car, which I'd left at my office, gives us time to dissect the show and enjoy the city at night.

Enjoy the city at night: I never would have thought of doing that in 1980, when I first came to Houston. Back then, downtown was not a place I'd wanted to walk after dark. That I can do it now is one sign of how Houston, America's fourth-largest city and a place I've lived in and around for most of my life, continues to reinvent itself.

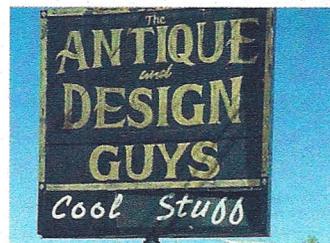
We're a diverse city of 2.1 million residents, with A-list universities, top museums, and the world's largest and arguably best medical center. We have a vibrant business community and more Fortune 500 company HQs than any other city except New York, including food giant Sysco, Waste Management, and the expected oil-and-gas titans. Annise Parker became our mayor last year, making Houston the largest U.S. city ever to be run by an openly gay person. Yet we are often misperceived. Disappointingly to some, cowboys don't roam the streets (except during the rodeo and livestock show each March). When Giuseppe Bausilio, a title star in the national tour of *Billy Elliot the Musical*, came to town and I asked him what he wanted to do, the 13-year-old Swiss dancer replied, "I want to shoot a gun for the first time." Sigh.

But another of the Billys, Daniel Russell, who hails from Australia, told me he wanted to visit NASA. For decades, that has been one of our symbols of research, teamwork, and the modern frontier spirit. That's the Houston I know and love.

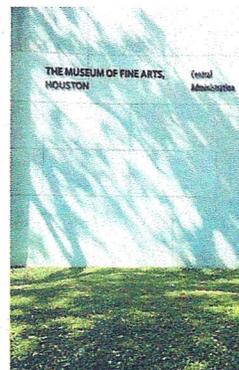
HOUSTON WAS BUILT ON THE determination to overcome life's little adversities . . . like yellow fever. In the 1830s, when the New York-born Allen brothers arrived on Buffalo Bayou's banks and began urging people to settle here, they failed to mention the mosquitoes or the swamps. Like the Houstonians who have come after them—from oil prospectors to waves of immigrants from Latin America and Asia—the brothers preferred to focus on the possibilities. "Entrepreneurship is in our DNA," says Walter Ulrich, president and CEO of the Houston Technology Center, an incubator with ties to Rice University.

"Houston is a mix of the wild, wild West and the most sophisticated global community in the world," says Leisa Holland-Nelson, a native Houstonian who spent 25 years working in the fashion industry in Manhattan before coming home to cofound an online communications firm called ContentActive. "Between those two elements, you just have incredible freedom."

This sense of opportunity, coupled with Houston's affordability, might explain why, according to a Brookings study, Houston is one of the nation's prime magnets for people ages 25 to 34. Case in point: the Texas Medical Center, a collection of 49 world-class institutions with nearly 100,000 staffers that, in the words of president and CEO Dr. Richard Wainerdi, is practically "a private city" focused on healing. The collaboration, innovation, and specialization happening at TMC—from the rehab of Arizona Congresswoman Gabrielle Giffords to "pediatric heart surgeons that work with children's hearts the size of strawberries,"

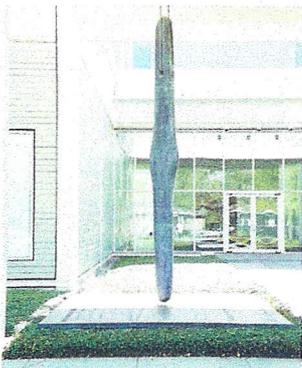
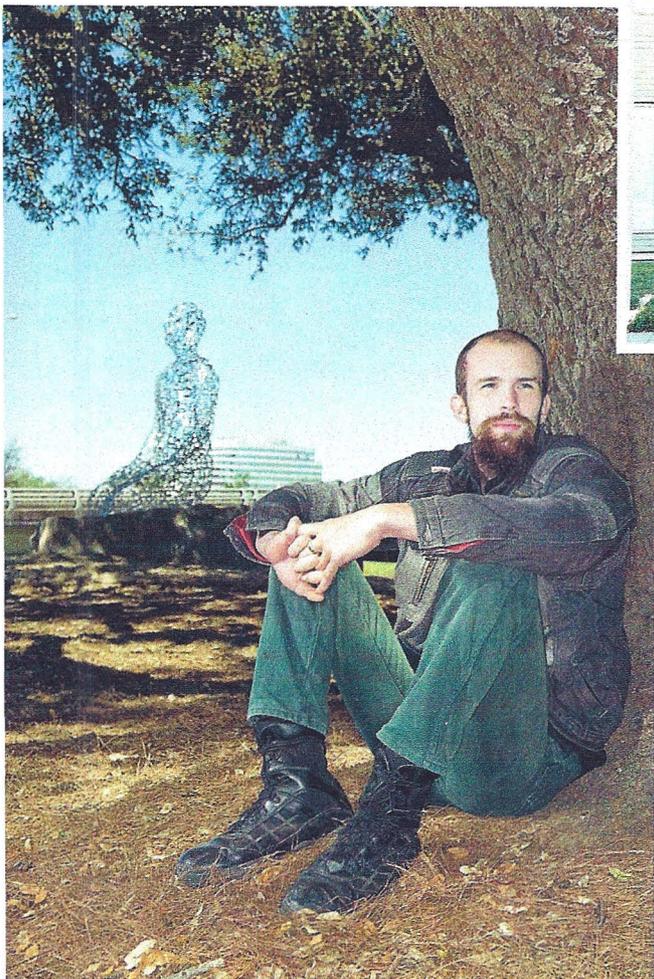


↑ **RYAN GUILLEN**, 35, a managing consultant at IBM, grew up outside Chicago and moved to Houston after being wowed by "how friendly people are here." He furnished his home with purchases from Westheimer Road's antique shops, above, and adores the enchiladas suizas at Café Adobe, right.



↓ **CHRISTOPHER BUSH**, 40, an entertainment lawyer turned oil-and-gas "land man" who was born in Louisiana and lived for several years in France, gets his high-culture fix at Houston's renowned Museum of Fine Arts.





← **TICO HANNAN**, a 33-year-old IT entrepreneur and networking consultant from an Irish-Mexican mining family, is working to rehabilitate property in the Third Ward. One source of inspiration: the Menil Collection art museum.

HOUSTON, WE HAVE LIFTOFF

We asked 10 creative Houstonians to tell us where they seek ideas and boosts of inspiration in their hometown.



→ **ASHLEY AND RYAN SMALL**, 25 and 27, respectively, met at Texas Southern University and now own a branding consultancy. They brainstorm on Discovery Green (they were photographed at the site where Ryan proposed) and at Hermann Park, below left. Vintage fan Ashley finds other kinds of inspiration at the Montrose store Fashion Plate, left. Ryan prefers light-rail trips, below right, to hit happy hours at downtown bars.



Wainerdi says—is a huge draw for young professionals in health care.

To freedom and opportunity, add cultural diversity. By the numbers, the city is currently 42% Anglo, 33% Hispanic, 18% African-American, and 7% Asian and other. Says Tony Diaz, director of Nuestra Palabra, a group that promotes Latino literature: “Houston is going to be the boilerplate for what the multicultural American dream looks like.”

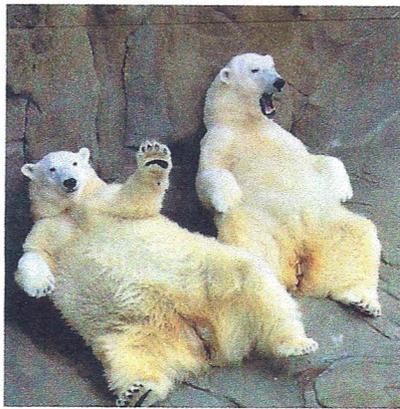
Houston at its best doesn’t just tolerate its mixed heritage; it’s a full embrace, and you can even taste it. Food writer Robb Walsh leads a barbecue tour of Houston with local chef Chris Shepherd as part of a culinary project started by the Greater Houston Convention and Visitors Bureau. “We go to an African-American place,” Walsh explains, “then a Hispanic place for barbacoa, then a place for Korean barbecue, and then Chinese barbecue.”

WHEN I FIRST ARRIVED IN

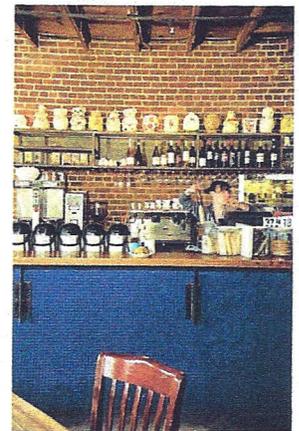
Houston—like most people, I came for a job—the equation here was simple: Given the choice between a parking garage or a park, the former would win every time. So it’s hard to underestimate the importance of Discovery Green, the park that opened in 2008, as a symbol of the new Houston.

“In the past, this community was more focused on commerce as the immediate goal. Trees kind of got in the way,” says Greater Houston Partnership president and CEO Jeff Moseley. “Now we understand that we have to have balance.” Discovery Green has 12 landscaped downtown acres, a lake, public art, and a weekly farmers’ market. Each year, there are more than 400 public events—mostly free—from alfresco opera nights to last summer’s big-screen World Cup viewings.

Attendance has exceeded all expectations, and Discovery Green program director Susanne Theis is thrilled by the composition of the crowds. One of her fondest memories is of a jazz concert last fall by Jason Moran, who grew up in Houston’s Third Ward. Theis spent much of the evening watching a young couple. “They had a little



→ **MICHAEL PARKER**, 35, a firefighter and an EMT, is a Houston native who went to Lamar High. He recharges with visits to Houston’s zoo, above (“I got kids. You got to like the zoo”), and with Sunday worship at his church, Fallbrook Baptist, below.



← **FRANCISCO LO**, 29, a counselor at the Houston Area Women’s Center and a freelance film reviewer, is from Macau. He hosts screenings in the backyard of the café/bar Brasil, top; photographs Houston’s refineries for their unusual beauty (“So interesting, but they kick me out”), center; and refuels at one of the city’s many Vietnamese eateries.



baby. They brought their lawn chairs and their picnic," she says. "A couple like that, with a 2- or 3-month-old baby, probably wouldn't have gone to a club to hear Jason Moran. Here, they could make it a family experience."

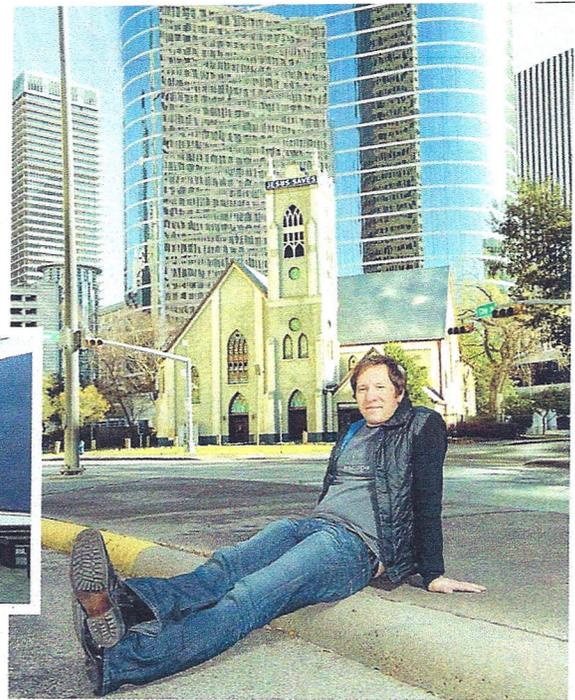
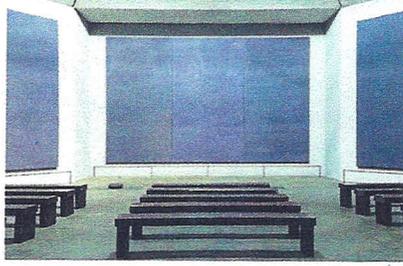
The creation of this green space also signals more attention to environmental concerns. We still love our cars, but Houston is becoming a renewable-energy research center. And this spring, the one-millionth tree was planted on a city right-of-way as part of a 10-year initiative to "reestablish the urban forests of Houston," says Moseley. We're restoring our bayous, too, removing concrete linings that we thought would protect us from floods but actually destroyed nature's filtration system. We're willing to learn.

ONE DEMOGRAPHER PREDICTS that, over the next 30 years, Houston will add 3.5 million people—roughly equivalent to an entire L.A. I have mixed feelings about that, but then I too was once a new Houstonian. No one ever came up to me and said I didn't fit. I found opportunity—in jobs, friendships, and recreation. This is where I started my family. This is where I've also reckoned with disaster. I've lived through hurricanes, lost power for days, had my office destroyed by rainwater, and come home to the task of chopping up toppled trees.

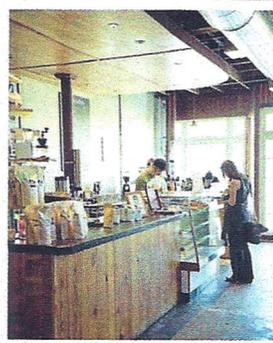
Houston has always been able to roll with whatever happens, good or bad. When I left the state for another job in the mid-'90s, I promptly got homesick for all of Houston's variety. A city that looks to new ideas and new people as assets has something about it that feels very right, and so I came back four years later for another fresh start. The heat and humidity? Well, there's always air-conditioning. And there's always the comforting thought that, in Houston, I will never die from shoveling snow—or, for that matter, from boredom. **TC**

Margaret Downing, editor of the Houston Press, has lived in Texas for more than 30 years.
loop@fastcompany.com

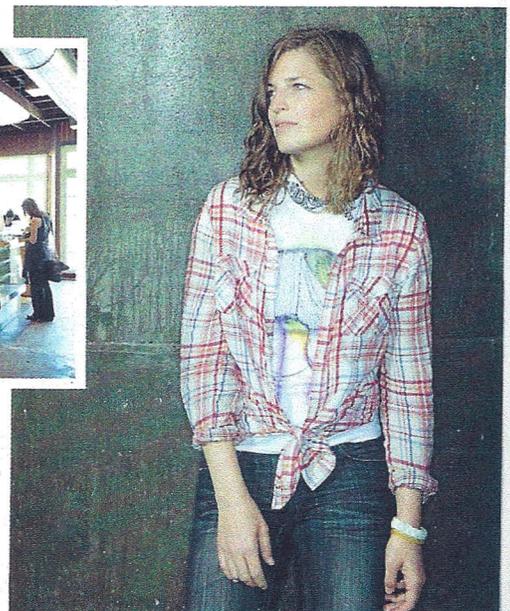
→ **CESAR INSERNY, 33**, an audio engineer, belongs to a band called the Watermarks. Ironically, perhaps, he cites the usually silent Rothko Chapel as a place that inspires his songwriting.



← **JORDAN SMOTHERMON, 29**, joined Teach for America after a stint in the Navy. He teaches fourth grade at Frost Elementary in south Houston. In his downtime, one of his haunts is the eclectic Domy Books, above.



→ **JESS BRAND, 28**, the University of Houston's social-media coordinator, seeks offline peace at the Houston Arboretum, top left. Then she feeds her own urban garden with grounds from Catalina Coffee, above.



Annise Parker, right,
with her partner, Kathy
Hubbard, was elected
Houston's second
female—and first
lesbian—mayor in 2009.



THE EVANGELIST

Mayor Annise Parker is working to build a better Houston—and to tell the world that her city isn't the redneck capital of their imagination. BY JEFF CHU



COULD ANNISE Parker be any more Houstonian? Born downtown at St. Joseph's Hospital, she went to Rice University, worked in the oil-and-gas industry, and co-owned a local bookstore. In December 2009, Parker, a longtime city official and gay activist, was elected the 61st mayor of her hometown. Over lunch at Irma's, a Houston institution that serves some of the city's best Tex-Mex under the motherly eye of chef-owner Irma Galvan, Parker talked with *FAST COMPANY* about cowboy boots, sauna-like summers, and her role as her city's evangelist-in-chief.

Why did you choose Irma's?
It's so Houston. It's very egalitarian: Everybody waits in the same line—politicians, lawyers, workers. It's idiosyncratic and entrepreneurial: Everybody talks about local, fresh ingredients and daily menus now, but Irma was doing it years ago. There's no menu: It's just fresh ingredients and whatever she wants to cook that day.

People may think of Houston as idiosyncratic, but most don't think of it as a creative, innovative place.
People just have this image of Houston as a redneck, cowboy place. We're a diverse, sophisticated, urbane place—some of us may wear cowboy boots, but we wear them with our tuxedos. There's been a cultural transformation here from a biracial Southern city into an international melting pot.

How has that happened?
There are low barriers to entry. Consider what it costs to start a business in New York or Chicago, or what it costs to live in Washington, D.C. You can live palatially here compared with those cities, and we have all the amenities: We have the opera and the ballet and the symphony. I'm a huge fan of the Houston Zoo and of the Natural Science Museum. We have affordable housing—you don't have to live in a closet. Yes, it can be like living in a steam bath in August and September, but you can be outdoors here for all but a few days of the year.

What's the role of the mayor—and of the government—in creating the right climate for business, investment, and opportunity?
The role of government is to do things that can't be done by the private sector, do them well, and then get the hell out of the way. My emphasis is on infrastructure; our job is to provide the platform on which business can thrive. It's the blessing and curse of Houston that we're never satisfied with where we are. Sometimes that makes it messy to govern the city, but we're willing to take chances on things.

What's the biggest chance you've taken so far as mayor?
I supported a citizen petition, called "Rebuild Houston," to place a drainage fee on the ballot. We've been neglecting our infrastructure for a very long time. Remember this was a Tea Party-driven, anti-government election climate in the middle of the recession. We went to the voters and said, "We want you to agree to put this fee on yourselves. We don't know how much the fee will be or what projects it will fund. But we pledge it will go into a lockbox and it will just be used for infrastructure." I put the odds at 50-50, but

Houston weighed the issue and decided to approve it.

What's your top concern right now?
The budget. That's universal. I thought the economy would have been better by now.

Has it been tough to adjust to being in such a singular position, in which people hold you responsible for things, like the economy, that are largely beyond your control?
I sometimes wake up at night thinking about the responsibility of 2.1 million people and 21,000 employees, but I knew what the job was going to be. I called Rahm Emanuel the other day to congratulate him on being elected Chicago's mayor, and I told him being mayor is the coolest job in the world. Things go well, it's on you. Things don't, it's your fault. It's all on you!

It's not, really.
No, it's not—I'm joking. When I was running, I said, "Don't expect to send me to City Hall to fix things. Expect me to open doors so that we can work on things together." "Rebuild Houston" is a classic example. It wasn't my idea.

Tell us something we don't know about Houston.
Houston is the nation's largest municipal purchaser of alternative energy. We know we're energy hogs, so we're making a conscious choice to do this. We don't do so well with solar here because of the cloud cover, but we're rapidly becoming a



Parker loves the guacamole, enchiladas, and quirky, entrepreneurial spirit at Irma's.

center of wind energy. And we've learned it doesn't always cost more to go green. We've been retrofitting several thousand traffic signals, replacing incandescents with LEDs. We knew they'd use less energy, but we also learned the new bulbs last seven times as long. We're saving money in both the short and the long term.

It seems like a big challenge to constantly have to change people's perceptions about your city.
It's part of my role as mayor to evangelize for the city and to tell the rest of the world that Houston is not what they think it is. But I've also had to do it with Houstonians, oddly. I think we've had an inferiority complex. People feel like they have to say: We are, too, cultured! A few years ago, there was a guerrilla marketing campaign called "Houston. It's Worth It." It said things like, "Cockroaches as big as hummingbirds—but Houston is worth it!" and "98 degrees and 98% humidity—but Houston is worth it!" It drove the Chamber of Commerce nuts, but I think most Houstonians immediately got it. We have a good sense of humor. This city works, and it all comes together. I just want the whole world to see that. ^{FC}

chu@fastcompany.com