

# The new urban crisis is upon us

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Welcome to BOWERY in New York City. (MARIELA LOMBARD/FOR NEW YORK DAILY NEWS)

I was born in Newark in 1957, and witnessed the riots that tipped that city into its long-running decline. As a college student in the 1970s, when New York City was still teetering on the brink of bankruptcy, I observed the first tender shoots of revival that were visible in SoHo, Tribeca and other parts of lower Manhattan, as artists began to colonize its abandoned industrial spaces.

By the early 2000s, I was celebrating the rise of the new creative class of entrepreneurs, techies, knowledge workers and artists that were pouring into downtowns around the world, sparking a wholesale urban revival.

But none of this prepared me for the new urban crisis that grips New York and other great cities today. The hallmarks of the old urban crisis were de-industrialization, fiscal insolvency, rising poverty and deepening crime and violence. This new urban crisis is more of a crisis of urban success.

As crime has declined, populations have risen sharply and economies have boomed, we've seen deepening economic segregation and worsening housing affordability.

The contours of this new urban crisis can be seen in a new index I developed to gauge the combined effects of housing unaffordability, economic inequality and economic segregation for all of America's 350-plus metro areas. The New York metro region ranks third among all metros and second of large metros (just behind Los Angeles).

New York's spectacular revival and its present crisis both stem from a new model of "winner-take-all" urbanism, in which the biggest and richest places, and the most-advantaged neighborhoods and classes within them, haul in the lion's share of the spoils, leaving the rest to fall further behind.

By virtually every measure, New York — globally speaking — is the biggest winner of them all. With \$1.5 billion in economic output, it is the most economically powerful city on the planet, outdistancing London, Tokyo, Hong Kong, Shanghai and Paris. If New York were a country, its economy would rank among the top 20 in the world, comparable to Canada's or Spain's. But there are winners and losers within the city, and the biggest loser by far is the blue-collar service class who work in restaurants, offices, shops and hospitals and account for almost 50% of the city's workforce. Across the metro region, the members of this service class have a meager \$17,860 left over after paying for their housing, compared to \$90,000 on average for business professionals, knowledge workers and the creative class.

A city cannot function when the taxi drivers, food servers and administrative workers who make it run can't afford to live in it.

Meantime, New York has largely lost its middle class, the backbone of the once-sturdy neighborhoods that once served as the platforms for moving up the economic ladder. Some of this is part of a broader trend; across America, the middle-class share of the population declined from more than 60% in 1971 to roughly half in 2015.

But less than half of greater New York's population are members of the middle class, one of the lowest levels in the nation. The political repercussions of our winner-take-all economy have been seismic for New York, the United States and the world. They propelled Bill de Blasio into office, on the promise of attacking the "tale of two cities" that delivers ever-increasing wealth and success for the few and diminishing returns for the many.

But it is also what's behind the populist backlash in the left-behind rural areas, distressed suburbs and smaller cities that gave Donald Trump his margin of victory, as well as the Brexit vote in England, and the rise of nativists like Geert Wilders and Marine Le Pen throughout Europe.

The hope of getting out of the jam, as de Blasio understands at least in theory, depends upon producing more affordable housing and upwardly mobile jobs.

New York has all the luxury apartments and condos it needs. What's desperately needed — throughout the metropolitan region — is more rental housing that the middle class and even the working poor can afford. De Blasio has big plans and some impressive early numbers, but none of it is going far enough fast enough.

Meantime, the city must better engage the private sector in turning low-wage service jobs into family-supporting jobs. And it must invest in better transit infrastructure to connect more people and places to its centers of employment.

Ultimately, the solution to the New Urban Crisis is more, not less urbanism. Getting there requires us to shift from the current lopsided and unequal distribution model of winner-take-all urbanism to a fairer and fuller urbanism from which all workers and residents can benefit.

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