Urban theorist Richard Florida says so many people are trapped in homeownership today that it's harming our economy.

"They're underwater. They can't sell the house. They can't rent it. They can't get money to move," he said.

In high-unemployment metro areas such as Sacramento, more people should be moving elsewhere to find work, Florida said. But many can't. They're held back because they own a house.

Florida gained prominence with his theory of a "creative class" of artists, musicians, lesbians, gays and high-tech workers who breathe economic vitality into cities. He's written a new book, "The Great Reset," arguing that we need less homeownership and more mobility to rev up the nation's economy.

"This system makes perfect sense for my father," he said in a phone interview this week. "My father had one job his whole life. But this is an economy where we are shifting jobs more and more. In many cases we have to move."

Florida said: "The system depends on economic flexibility and ability of people to move to opportunity. If they're trapped how can they do it? The house has become an anchor."

Thousands of Sacramento-area households know this well. A new CoreLogic report says 45 percent of mortgaged houses in El Dorado, Placer, Sacramento and Yolo are worth less than the amount owed on them.

Home Front gets phone calls from people stuck professionally and personally because they're in this condition. A young working couple want to return to India for a year or more to care for elderly parents. Will they have to "walk away" from the mortgage and their sizable down payment?
A laid-off engineering professional in a region where no one builds eyes available jobs in other states. But neighborhood foreclosures have driven the family's home values $100,000 or more below the 2003 purchase price.

A 50-something construction industry worker wonders if it's time to leave town. But how to sell a house in Natomas when the neighborhood listings are all bank-owned?

More happily, area renter Leslie Madsen-Brooks, 34, says: "My lack of a mortgage has allowed me to take a job in Boise." She's leaving Davis – quite easily – in July to teach history at Boise State.

"Renters can more easily downshift or move or trade down," said Florida. "They have more ability to adjust to economic shock."

Florida owns a house in Toronto. But he previously rented in Pittsburgh, where the economy is less dynamic. He said he wouldn't buy in Miami or Las Vegas.

"When I look at housing I'm always looking at ability to exit the housing," he said.

Florida was polite enough not to mention Sacramento in that regard. But we fit his contention: Cities with high rates of homeownership lean toward less dynamic economies and higher unemployment than those where flexible renters come and go.

Census statistics say 60.4 percent of dwellings in Sacramento County are owner-occupied. San Francisco: 39 percent.

We do love our single-family homes and quality of life here. But there's no question today which city has a better economy.

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