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## Why famed urbanist Richard Florida is still bullish on San Francisco

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Creative Class Group

Richard Florida

Richard Florida is ever the optimist when it comes to the resilience of America's cities — including, or even especially, San Francisco. But even he concedes we in the Bay Area, and across the nation, are in for a rough ride. A pandemic-driven shift in how and where people work has reinforced what Florida, through his best selling books and advisory work as an urbanist and historian, has been preaching for years: That the office properties defining our city skylines are relics of a bygone era. ¶ Florida recently spoke with *Atlanta Business Chronicle* broadcast editor Crystal Edmonson about what's needed to get America's cities back on track, and the painful challenges that path will entail. And as he is wont to do, he had a lot to say about San Francisco, and in particular why he remains bullish about its future, despite all the challenges.

What follows is an edited transcript of their conversation, focused on his comments about San Francisco and the Bay Area

**It looks like cities are facing a permanent shift in how businesses and people use their urban cores, and conversely, the role that downtown plays in a city's economic and social fabric. What can San Francisco do to position itself on the leading edge of this fundamental shift, and how should it harness its assets and evolve to become a city of the future?**

The thing you need to know about San Francisco is it has faced this before. San Francisco saw its urban core empty during the 1960s and 70s, it saw high-tech business take place in Silicon Valley. Never mind San Francisco has survived earthquakes and pandemics and the Spanish flu, and it's come back thriving every time.

Obviously, downtown San Francisco's core has to change. What's interesting to me is that no one ever believed the tech businesses would come to downtown San Francisco's urban core. When I did my original studies of high-tech businesses in the 1980s, there were none in downtown San Francisco. They were all in Palo Alto and the adjacent communities of the Silicon Valley. What happened was that in the two thousands, many of these young people in those fledgling businesses got bored with being in the suburbs, wanted to move up to a real city. But what are the keys that have always made San Francisco great before that wave of technology businesses? What has always given San Francisco its edge? Let's think for a minute. What do we know about San Francisco in the American mindset? It's a center of American culture and arts and music, obviously maybe second only to New York City in its impact on our culture.

Who built modern San Francisco? Where does modern San Francisco come from? The 1960s counterculture. I could argue to you that in fact, the seeds of the high-tech revolution and the entrepreneurial revolution and people like Steve Jobs, they were all imbued in this counterculture of innovation and taking risk and doing your own thing. What did Steve Jobs call his company? Apple, after The Beatles' music studio. So all of this swirling that we called counter-culture or cultural innovation, that's where San Francisco has to go back to first principles.

I think that it's not just San Francisco, all of our big cities thought that they could build themselves on the backs of young single people, young urbanites. And I think what we've seen is that those young urbanites get older, and they're still very valuable and they still work for technology companies, except they want to live in places that are more family friendly

**How can cities prepare for what the future holds in this "work-from-anywhere" environment?**

Here's what I think. Even though work may shrink at the margin in the central business district, it will expand in areas outside the central business district. You're also going to have tremendous opportunities for workspaces in suburban areas, in outlying areas. People don't just want to work from home. They want to go somewhere to work, and they want to meet with people. It's also finally dawning on people that we're going to have to change the way our downtowns operate. We're going to have to make them better neighborhoods, better communities, not just office tower districts.

Big cities have actually been able to come back the fastest. San Francisco's had some special challenges because of tech, but it too is coming back reasonably well and has more further way to go. It's the smaller cities, I think, that have had bigger challenges because they're not as global. People aren't going there.

In the past, if you were a young person working for a tech company in the Bay Area or a finance or real estate company in New York, or a consultancy in Boston or Chicago, and you got married and you started to have kids, you'd move to the suburbs. You'd move to

the New York suburbs, the San Francisco suburbs, the Los Angeles suburbs, the Boston or Chicago suburbs.

Now what happens, of course, is when you start to have kids and remote work is an option, you go, "Oh, lovely suburbs, but Mom and Dad, the grandparents are back home in Michigan or Pittsburgh. Yeah, my sister moved to Kansas City and I've got great friends in Nashville. I think I could make a life there." So all of a sudden, these would be suburban moves. These are the family formation moves and Covid and remote work stretched out the possibility set.

Were (smaller cities) able to attract the young kid right out of college with those tech skills? No, those kids still went to New York and San Francisco and Los Angeles and Chicago. But once they had a family and once they got 20 years older, they look back at the hometown or the place they went to college and said, "Wow, this place looks great and it's affordable, and I can have a house and my kids can go to a good school and there are people like me here."

**Now that we're in the post-pandemic era, are we still going to see dominance from larger cities like Boston, San Francisco, Silicon Valley as it relates to startups and biotech and things like that?**

When you really look at the data, and I've got to tell you what the data says, not what wishful thinking says, The No. 1 place for startup innovation fueled by venture capital in the United States and the world by a huge margin is the San Francisco Bay Area. There's not even a place that comes close. And when I say the Bay Area, I mean San Francisco proper, Oakland and the East Bay, and the Silicon Valley. Of those places, San Francisco is the strongest now. It used to be the Silicon Valley. San Francisco's the strongest. The geography of innovation hasn't changed much at all over the course of the pandemic. It's hard to imagine someplace really supplanting the Bay Area as a center for startup innovation, even as work has moved out of San Francisco's core and it's become more distributed and moved out to the suburbs.

The ecosystem is there, the talent ecosystem, the research ecosystem, the university ecosystem, the big company ecosystem. And that ecosystem allows the Bay Area or other places like the Bay Area to continue to dominate, even when the infrastructure is inadequate, even if housing is too too expensive, if roads are congested, if it's hard to get a permit when you need it, if building codes are reticent, there's still enough of an ecosystem there that it trumps the problems.

**How do San Francisco and other West Coast cities double down on affordability and make living there affordable for more people?**

So one thing the urbanist community gets dead spot on right, we have to overcome this NIMBY, not in my backyard mentality and change to YIMBY, yes, in my backyard. We have to build more in our cities and we have to build more affordable housing, and I would add to that with a special focus on multi-family, family friendly housing, not just condominium but rental. So we've got to put a big premium on bigger units, three and four bedroom with family accessible, with outdoor spaces and playrooms. But the other thing, if you read the research, some of it coming out of the University of California at Berkeley and other San Francisco based institutions, the real parts of our geography that need to be YIMBY-ed, there's been a lot of building that goes on in the core. There's going to be conversion of those office towers and rebuilding of them as residential. We haven't seen a lot of building in those next rings of close in suburbs.



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