HIDDEN WATERFALLS ROMANTIC INNS WORLD-CLASS WINERIES

# Sactown

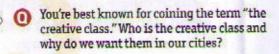
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In 2002, with his best-selling book The Rise of the Creative Class, Richard Florida kick-started a national conversation about how cities can attract the kind of people that will help them grow and compete. A professor of business and creativity at the University of Toronto, his new book, Who's Your City?, focuses on helping people choose the city that fits them best. He tells Sactown why our geography and diversity-and, yes, Arnold-will help propel Sacramento to new heights. by Rob Turner

## AUTHOR RICHARD ORIDA



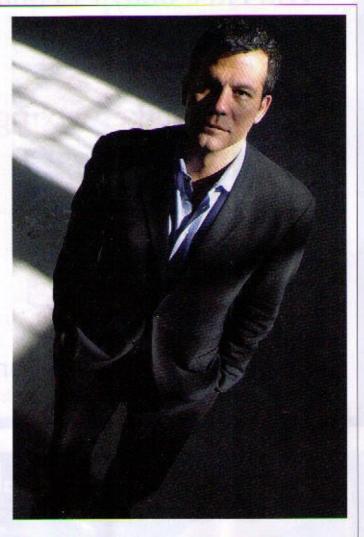
The creative class is now the driving force of our economy. It's the 40 million Americans who use their creativity and get pald to think for a living. They're people who work in arts and culture; they're professionals who work in law, health care, finance and education. They work in science, technology and innovation. And they're also entrepreneurs. They compose about a third of the workforce but they produce two-thirds of all wages and about threequarters of all discretionary income in the United States.

The real challenge of our time is to expand that group and to harness the knowledge and intelligence and the creativity of more people. The regions that expand that group to more than 35, 40, 50 and hopefully 60, 70, 80 percent someday will have an economic advantage.

## What's the focus of your new book?

The Rise of the Creative Class was about how you make cities and regions stronger-what you do to bolster them, support them, make them more appealing and harness their creative energy. It found an audience amongst economic development officials, city mayors, arts and cultural organizations, governors and even national leaders.

But it dawned on me that it had not addressed Individuals. My father-a working-class guy from Newarktold me, "Go to a university, take a degree in an area that's marketable, find a profession and your life will be



great." My mother always said. "Richard, your father is right, but there's another important decision you're going to have to make. Make sure you pick the right wife." What my parents never told me is that there's this third decision we make: where we choose to live. I have moved 17 times since college, so I know how important it is. Where you choose to live is the most important decision in your life. I wanted to give people advice on how to make this decision better. Most people pay a lot more attention to buying a car than choosing a place to live.

There are lots of reasons you need to pay attention to this. One, your housing decision is the most expensive investment most of us are going to make. And two, it's going to affect your labor market, your lifestyle, the kind

of people you're going to meet and the schools for your family. Location is important, people.

Sacramento has made several lists that have been influenced by your work on the creative class. In 2005, you and Fast Company put Sacramento on the list of the fastest-growing cities for the creative class. And the July issue of Kiplinger's Personal Finance magazine places Sacramento on the top 10 list of "The Best Cities to Live, Work and Play." Why are we popping up on all these lists? The world is organized around mega-regions: the Bos-Wash-New York corridor; the Chi-Pitts [Chicago, Cleveland, Detroit, Minneapolis, Pittsburgh] corridor; greater London; greater Tokyo. etc. Well, Sacramento is in one called NorCal, with the greater San Francisco Bay Area. It's 13

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million people, and it produces hundreds of hillions in economic activity.

Sacramento is very interesting. I would put Washington, D.C. In a very similar category. One of the things that's happened in Washington, D.C. is that it's become a very attractive suburb-and I'm making air quotes around "suburb"-of New York. People who don't want to live in New Yorkperhaps they find it too busy, too expensive, too hard to find an affordable house-are moving to D.C. because they believe it offers a great quality of life. I think Sacramento is the same kind of phenomenon. It is an affordable, fast-growing option in this powerful scientific and tech megaregion. It's a lovely place to live, and it's been growing accordingly. The whole NorCal region has a high quality of life, high level of amenities, and it's one of the most attractive mega-regions in the world. And I think Sacramento is one of the subregions benefiting the most.



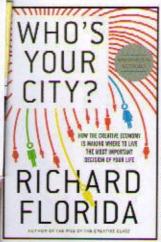
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## Are there other factors that are specific to the city itself?

Being the state capital is huge. Not all capitals perform well. But you have Madison, Austin and Sacramento, which are performing well. And you have great universities in the region-particularly the University of California, Davis. It's often the one that's not mentioned, right? You hear Berkeley right away, and then you hear maybe UCSF for biotech, and UCLA. But Davis is an equally spectacular university. In ag-related fields and viticulture, it's the greatest university in the world. It's not just a center of innovation of technology, but It's a center of innovation in agriculture, which is fantastic. But the state capital is a powerhouse. It raises the human capital rate, the creative class rate, and it creates a kind of open-mindednesseven though people are politically partisan-so having the state capital there helps in many ways.

### Is there an Arnold factor?

Absolutely. I was at the Bloomberg Radio (studio in New York) yesterday. And the young woman producing the show sald, "Mayor Bloomberg



Florida's new book says the NorCal mega-region is one of the most attractive in the world.

was just here with Governor Schwarzenegger and they did Charlie Rose." That's the first thing she said to us. So yeah, I think that's been great for the state of California, but particularly for the Sacramento area because it suggests that Sacramento is an interesting place, a cool place, a place where stuff's happening. So I think that that effect is reflected in rankings indirectly. And I think that in the popular mindset it has a huge effect.

## Of course the housing crash has hit Sacramento hard. Given that, is it as attractive a place for the creative class now?

I think over time Sacramento has proven to be a great real estate investment. When the dotcom crisis occurred [in 2000], real estate in San Francisco became a little bit more affordable, but there's still a great cost differential.

I was just in Portland and a former student of mine works in economic development there. He actually put the Cascadia mega-region [Portland, Seattle, Vancouver] together with NorCal and said, "Look—this could be emerging as one glant mega-region with tens of millions of people, and one trillion dollars in economic output."

So I think the placement of Sacramento positions the city for very good things. I wouldn't be surprised if—in the way San Francisco and Seattle and Vancouver have become *global* hotspots with people from all over the world wanting to buy in those markets—Sacramento experiences more of that over the next decade or so. The biggest danger is that the whole region becomes so unaffordable that younger creative people can't find a place to live. One of the things I hear from Californians a lot is, "I'm really afraid my kids will never be able to afford to live here."

In the book, you talk about how there are different kinds of cities for different stages of your life. There are those you move to for stimulation and opportunity when you're younger. Then there are those that you move to later because they're more affordable and family-friendly. Isn't it possible for a city to offer both? I think that's where Sacramento can really compete. There aren't a lot of other

communities that fall into this specific place that

Sacramento has. The real key is for Sacramer to take advantage of this. It could really use the advantageous location to put itself squarely of the map. And I think that's an issue that the countries and the local leadership need to grapple with.

You know, it's interesting-San Jose has had B very good opportunity to remake itself, and it has to some degree. But you would think that \$ lose would have done a phenomenally better jo given where it is (in relation to San Francisco ar Silicon Valley]. I think that Sacramento has don a phenomenally better job than [San Jose on the front]. If I thought about living in Sacramento, it would be not only because housing is relatively affordable, and not only because it's a great place with its own internal amenities, but because I've got the whole wine country there! I don't know if enough people really know that-that Sacramento [with UC Davis and flank by Napa and Amador] is the heart and soul and heartbeat of the wine country. Talk about a fantastic destination-that's one of the greatest destinations in the world.

## What do you think the city could do to take advantage of its situation better?

The obvious thought is to engage its people—ir two ways. One is to engage its creative class. Take those young people who are involved in fields like design, media and winemaking, and really engage them in a process of creating Sacramento's new identity. So instead of just the local chamber doing this, engage all of the energy that's in its people. Make sure that Sacramento really harnesses its creativity and talent, overcoming the squeichers.

The other thing is that Sacramento is obviously a very diverse community. Harness the energy of the multicultural community. One thing that we know is that what made the Silico Valley so great were all of these highly talented Indian and Chinese investors and technology workers. It's important to engage the immigrant communities (in Sacramento) and build ties that leverage the diasporas. This is something we're thinking about in Toronto. We have a wide range of ethnic groups from all over the world that will position us for success in the 21st century.

Where I've seen your region fail is when there's this buttoned-up leadership that doesn't want to release the energy that's building in the community. I think that Sacramento—given its geography and the fact that It's the state capital—has so much energy, It just needs to be released. That's the key. I don't have a specific silver buillet, but it's really about harnessing the energy of the people and the creative communities that live there, and making Sacramento seem to the outside world as an open-minded, expressive, creative center.

So I think Sacramento could probably do a little better job of thinking about its general strategy. But it's done a really marvelous job otherwise. And I think only good things are coming its way. •