

# Big Ideas From The World Of Business Books



JULY 16, 2012

## Book review: The Rise of the Creative Class Revisited

*This review was published in the July 16th edition of The Hamilton Spectator.*

[The Rise of the Creative Class Revisited](#)

By [Richard Florida](#)

Basic Books

\$32

Back in May and at the 11<sup>th</sup> hour, [city politicians](#) put pressure on the public school board to renovate and relocate their headquarters to the former [Cannon Knitting Mills](#) in the downtown core. The school board said thanks but not thanks. So the building sits vacant and the search for a savior continues.

At around the same time, [a Toronto company](#) inked a \$61.75 million deal to buy the former Lang Tannery in downtown Kitchener.

This deal was eight years in the making. In 2004, the City of Kitchener introduced a special 10-year property tax levy. The 1.25 per cent tax hike was expected to generate \$110 million for an economic development investment fund earmarked specifically for postsecondary education and knowledge industries.

The city drew \$30 million from the fund to help build the University of Waterloo's \$147 million school of pharmacy across from the former leather tannery. Another \$6.5 million brought Wilfrid Laurier's faculty of social work a few blocks over. A new transit hub will be also going in nearby to bring regional light-rail, Via Rail, GO Transit and buses under one roof.

Impressed by the renewal happening downtown, a developer asked about buying the former tannery in 2007. The mayor cut his vacation short to close the sale and the city and region gave the developer just shy of \$900,000 to help cover environmental clean-up costs.

The developer in turn transformed the factory into the [Tannery District](#). The 350,000 square foot district covers two city blocks and is 95 per cent leased to dozens of companies and start-ups from technology, digital media and life sciences industries. Tenants include Google, education software company Desire2Learn and Communitex, the association representing Waterloo Region technology companies.

In our knowledge-based and innovation-driven economy, these are companies you want setting up shop in your city. And you want the people working in those companies to call your community home.

Richard Florida, the Director of the Martin Prosperity Institute at the University of Toronto's Rotman School of Management, first christened these workers the Creative Class in 2002.

These highly skilled and sought after people work in science and engineering, architecture and design, education, arts, music and entertainment. They create the new ideas, new technology and new creative content that drive productivity and prosperity. There's also a broader group of creative professionals in business and finance, law, health care and related fields who are well compensated to solve complex problems.

On the 10<sup>th</sup> anniversary of the Rise of the Creative Class, Florida has revisited and revised what quickly became the playbook for urban renewal in many communities. His predictions and prognostications have proven true while his critics seem to have missed the mark.

The Creative Class has fared far better in weathering the economic storm compared to the Service and Working Classes. The same holds true for communities that have recruited and retained a critical mass of creative workers.

"These places are prospering, distinguished by a new model of economic development that takes shape around the 3Ts – technology, talent and tolerance. The most successful and prosperous metros excel at all three," says Florida, citing U.S. cities like Boston, Ann Arbor, Boulder, and Ithaca where the Creative Class accounts for more than 40 per cent of the workforce.

Florida adds to the economic development mix a fourth T in territorial assets. Quality of place matters to the Creative Class. When deciding where to live and work, they ask what's there, who's there and what's going on?

"Successful places do not provide just one thing; they provide a range of quality of place options for different kinds of people at different stages in their lives. Great cities are not monoliths, they are federations of neighbourhoods."

Building a creative community is an organic process, says Florida. He argues that public boondoggles like stadiums, casinos, convention centres and entertainment districts don't work. It's the small things that matter most to the Creative Class. "Real economic development is people orientated and community-based. It's a matter of providing the right conditions, planting the right seeds and then letting things take their course.

"The bottom line is that cities need a people climate as much as, and perhaps even more than, they need a business climate." Cities like Hamilton need a smart and focused strategy for attracting and retaining

charter members of the Creative Class and building our own homegrown talent. Get that right and the companies, developers and investment firms will follow. And, as Florida spells out, that's how buildings like the Cannon Knitting Mills are reborn, cities are revitalized and the creativity inherent within us all is fully realized.

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