



## **An Urban Agenda for the 21<sup>st</sup> Century**

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*The NYUSPS Schack Institute of Real Estate Urban Lab develops new understandings of the economic and real estate trends that are shaping our cities.*

## **Key Takeaways:**

- A new urban agenda will be difficult to solve on the national level alone. Any efforts at reform must engage mayors, cities, and regions as well.
- The two most important improvements to our nation's cities include affordable housing and transportation reform.
- As some of the biggest investors in our cities, universities have an obligation to develop urban programs.
- Cities looking to diversify their economies would benefit from employer-led efforts to upgrade their service jobs. This can be achieved by marrying technology with existing industries.
- By framing affordable housing in terms of capital investment and job growth, policymakers can gain bipartisan support.
- While many communities are experiencing strong regional growth, a number of neighborhoods have fallen behind. A new urban policy must strive to bridge this divide between opportunity and talent.

It's been thirty years since the United States last developed a concrete urban agenda. In the meantime, many cities have become increasingly characterized by inequality, limited mobility, and a lack of affordable housing. In the midst of an unsteady political climate, there has never been a more pressing time for widespread urban reform.

But what exactly might a new urban agenda look like in the 21<sup>st</sup> century?

Recently, the NYUSPS Schack Institute of Real Estate Urban Lab hosted a panel of leading experts to discuss the most critical aspects of urban reform. Led by Associate Dean Sam Chandan, the panel featured a host of policymakers and influencers like renowned urbanist Richard Florida, former Maryland governor Martin O'Malley, Zillow's chief economist Svenja Gudell, and Amy Liu, the director of The Brookings Institution's Metropolitan Policy Program. Many of the subjects that arose during discussion help to inform Florida's latest book, *The New Urban Crisis*. While each expert offered a unique approach to prioritizing our nation's cities, one message was unanimously clear: The economic health of our nation depends on the economic health of our urban areas.

## **Setting the Nation's Priorities**

Although cities are plagued by a number of pressing issues, a new urban agenda must begin with the two most important: affordable housing and transportation reform. Across the board, experts agree that these improvements will be key to resolving issues like mobility, inequality, and poverty in our urban areas.

Perhaps the more difficult question at hand is where to begin. While Florida rightly argues that America "needs an urban policy that goes across this country," Liu also points out that building a national strategy in Washington will prove extremely difficult. While Congress may be unwilling to partner on an urban agenda, there is plenty that mayors, cities, and even entire regions can achieve together.

According to Liu, the vast majority of infrastructure funding comes from states themselves. The real issue, she argues, lies not with the federal government, but with the disconnect between individual states, who lack a common framework for developing public-private partnerships and attracting venture capital. Equally important is the need for the U.S. to integrate its many forms of infrastructure across land, water, and air to abide by the same rules and regulations.

Although affordable housing is often more controversial than infrastructure, a national or regional strategy may still be within reach. According to Gudell, affordability is now the number one driver of home-buying in the U.S. Developing an effective strategy that reaches across party lines depends on how this issue is framed. To start, a new urban agenda must emphasize not only public housing, but *affordable*, reasonably-priced housing nationwide. Painting affordable housing as a smart capital investment and generator of new jobs could maximize its appeal among legislators.

### **Inclusion Versus Growth**

As Liu points out, “it’s very hard to talk about inclusion without talking about growth.” But not all growth results in a more inclusive city. According to a [2016 Brookings analysis](#), 95 of the 100 largest metros in the U.S. saw an expansion in their GMP, jobs, and aggregate wages, while only 63 metros saw an increase in per capita prosperity. Meanwhile, a mere eight metros saw improvements in their levels of inclusion.

The problem, Florida argues, is a “spatial mismatch” between cities and their residents. When the affluent colonize every neighborhood around a transit hub, they deny mobility to poorer urbanites. This explains why many communities are seeing strong regional growth, while their individuals neighborhoods are being left out.

But geography is not the only cause of poverty and segregation. According to Liu, there is also a “skills mismatch” that prevents talented residents from gaining access to opportunity. Much of this can be solved on the university level by establishing relationships between cities and universities along the lines of Johns Hopkins University in Baltimore, Florida International University in Miami, or Carnegie Mellon University in Pittsburgh.

Universities can also assist cities by developing their own urban programs that train students on issues of urban policy and economics. More important still, universities can leverage their existing STEM programs to stimulate their surrounding urban economies. Many cities, for instance, are in dire need of an upgrade to their service sector. As Liu points out, cities like Phoenix can improve service-level jobs by marrying technology with their indigenous industries. University STEM programs offer the tools to achieve this union.

Of course, many strategies for urban reform are difficult to achieve without a willingness to collaborate on the local, state, or regional level. Though far off, a national agenda will prove most critical of all to making our cities more inclusive and prosperous places to live.