



## The Empty Downtown – A New Normal?

### Description

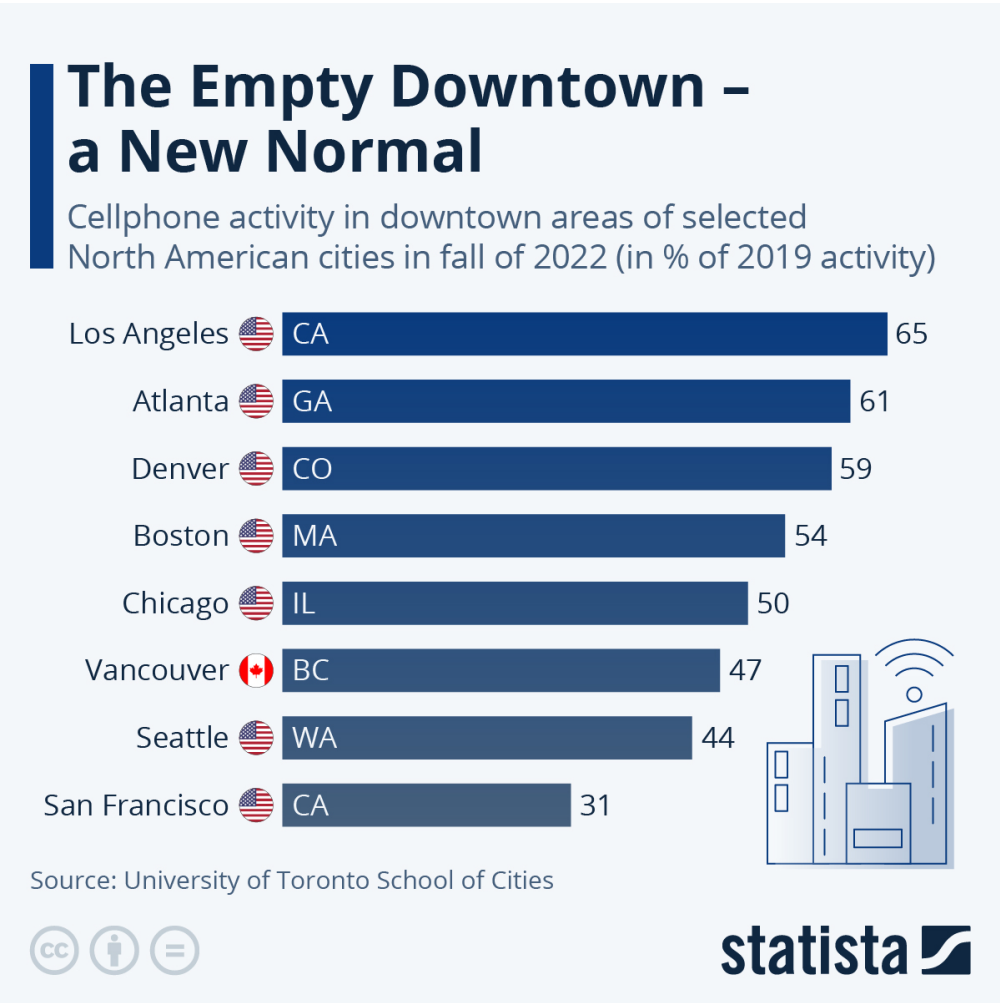
Three years after the coronavirus pandemic began, **the situation of North American downtowns remains fundamentally changed.**

*As Statista's Katharina Buchholz reports below, while most people's lives have returned to normal, the legacies of the lockdown era continue to affect formerly bustling city centers to a point that could cause a downwards spiral.*



Data collected by the University of Toronto School of Cities shows that as of the fall of 2022, **the downtowns of many major population centers in the U.S. and Canada were still recording much less activity than before the pandemic.** Los Angeles had gained back around two thirds of its former life (as measured by cellphone activity), but other downtowns – like in Chicago, Vancouver in

British Columbia, Seattle and San Francisco – are now at most half as active as they had been before the pandemic. The lull also affects boomtowns of former years like Denver, Atlanta and Houston.



You will find more infographics at [Statista](#)

According to reporting from the San Francisco Chronicle, at home in the most affected city in the analysis, **it all started with workers that did not return to downtown offices after the pandemic ebbed, instead preferring (and convincing their employers) to work fully remote, either from a cheaper suburb or from outside of any urban center.** This is causing vacant office blocks, decreasing ridership on public transport and less money spent on lunchtime or after-work activities, decreasing business revenue and in turn, the cities' tax income.

Arpit Gupta of the NYU Stern School of Business, who was interviewed by the Chronicle, said that this **could make downtowns appear even more unattractive as city services might have to be cut, empty transit could be seen as more dangerous and ultimately, the number of downtown amenities like shops and restaurants could decrease, prompting even more workers to wave goodbye to a certain city.** Hybrid work, however, has the power to keep tying workers to downtowns, but this normally requires high-quality office space. Another idea, according to Gupta, is to draw people into city centers – as tenants or visitors – by focusing on livability factors and creating experiences that people crave.

**The American West coast has been hit especially hard by the phenomenon as its numerous tech companies pivoted to fully remote work more aggressively.** The University of Toronto data shows that apart from San Francisco, downtown activity has also stayed far below pre-pandemic levels in Portland, Ore. (37%), Seattle (44%) and Oakland, Calif (49%). Only four out of 62 analyzed downtowns surpassed their 2019 activity levels: Salt Lake City, Bakersfield and Fresno in California as well as El Paso, Texas.

by Tyler Durden

### Category

1. Economy-Business-Fin/Invest
2. Main
3. Society-Family-Education

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