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Center *for an*
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Future

Big Ideas
to Help NYC
Thrive in the
Post-Pandemic
Economy

Center *for an* Urban Future

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Center for an Urban Future (CUF) is a leading New York City-based think tank that generates smart and sustainable public policies to reduce inequality, increase economic mobility, and grow the economy.

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Big Ideas to Help NYC Thrive in the Post-Pandemic Economy

- Introduction 1
- 1. Create a **new top-flight undergraduate university** in New York. 3
- 2. Convene a **high-profile, multisector AI Week** to help New York capture a large and growing share of the nation’s fast-growing AI industry. 5
- 3. Launch New York City’s **first annual five-borough cultural festival.** 7
- 4. Create a **major new public art installation** on the scale of “The Gates” and expand public art programs citywide. 9
- 5. Help NYC **capture more of the immersive entertainment** uses growing globally by eliminating restrictive zoning. 11
- Conclusion 13

Big Ideas to Help NYC Thrive in the Post-Pandemic Economy

NEW YORK CITY HAS BOUNCED BACK FROM THE depths of the COVID-19 pandemic, once again demonstrating the city’s remarkable resilience in the face of crisis. New York has now regained all 946,000 private sector jobs lost during the pandemic, demand for housing in the city is as strong as ever, tourism is nearly back to 2019 levels, and the city has experienced an entrepreneurial boom. But as much as New York has overcome the immediate economic tests of the pandemic and emphatically repelled the threat of a “doom loop” scenario, it still has work to do to keep pace with a vastly changed post-pandemic landscape and reimagine key facets of the city’s economy at a time when hybrid work, e-commerce, climate change, an affordability crisis, and several other ongoing issues threaten to create long-term economic vulnerabilities.

For example, the new reality of hybrid work—as of February 2024, the number of employees working in city offices was still just 52.1 percent of the pre-pandemic level—will require bold and creative policies to re-imagine some of the city’s business districts and bring in entirely new uses, spaces, and amenities that draw people to these areas for reasons other than to work or shop. At the same time, the city’s affordability crisis, spiking at a time when remote work has made employees more mobile than ever, has the potential to jeopardize the key to the city’s economic success during the past two-plus decades: its ability to attract and retain highly educated, creative, and entrepreneurial people.

Another important foundation of the city’s long-term vibrancy and magnetism for talent—its cultural sector—has struggled to regain its former strength. Broadway attendance thus far this season is 16 percent below where it was at the same point in 2020, several arts and nightlife venues have shut down, and numerous working artists have left for more affordable locations.

Restoring the city’s creative edge will undoubtedly be important to New York’s economic future.

Finally, while jobs are up citywide, several key economic sectors are still lagging well behind—the city has only recovered 57.1 percent of the retail jobs lost during the pandemic, and other fields from the arts to manufacturing are also still considerably below pre-pandemic jobs totals. As a result, city economic development officials will need to cultivate new engines of inclusive job growth and fully harness the city’s vast potential in emerging industries like artificial intelligence.

Fortunately, this moment offers a once-in-a-generation chance to get ahead of these and other challenges, take advantage of new opportunities—including tapping the city’s considerable potential to be one of the globe’s most important hubs, and job centers, for the high-growth artificial intelligence (AI) field—and reshape New York City’s economy for the post-pandemic world.

Meeting this moment will require a seismic shift in how city officials approach economic development, a willingness to reimagine key facets of the city’s economy and infrastructure while implementing innovative new strategies and policies, and a bold new effort to play offense—aggressively attracting new companies, entrepreneurs, and workers from across the country and around the globe. City leaders have taken some important steps down this path, most importantly with the release of the “New” New York Action Plan, which featured 40 proposals for making New York City the best place to work. But what’s needed most of all are innovative but extremely actionable ideas that can be launched in the next one-to-three years.

This report offers five such actionable ideas—concrete proposals that city policymakers can implement in short order to address emerging challenges and seize

new opportunities to make New York even stronger, more vibrant, and more equitable. The report, which was researched and written by the Center for an Urban Future (CUF) and published with support from Fisher Brothers Foundation and Winston C. Fisher, was informed by more than 30 interviews with a diverse mix of leaders across the city and by a robust discussion

at a policy forum we convened in November 2023.

In the year ahead, we will publish two more reports featuring ten additional high-impact policy ideas for helping New York City thrive in the post pandemic economy.

The first set of five ideas include:

- 1** Create a new top-flight undergraduate university in New York
- 2** Convene a high-profile, multisector AI Week to help New York capture a large and growing share of the nation's fast-growing AI industry
- 3** Launch New York City's first annual five-borough cultural festival
- 4** Create a major new public art installation on the scale of "The Gates" and expand public art programs citywide
- 5** Help NYC capture more of the immersive entertainment uses growing globally by eliminating restrictive zoning

1

Create a new **top-flight undergraduate university** in New York.

FOR NEW YORK TO STAY ECONOMICALLY COMPETITIVE

in the years ahead, two things will be critical. First, the city will need to maintain its talent pipeline and continue attracting the highly educated, creative, and entrepreneurial young people that are drivers of economic success in today's economy. Second, New York will need to cultivate new sources of job growth that can help offset recent employment declines in industries like retail, hospitality, and manufacturing, and counterbalance potential job losses resulting from accelerated investments in automation and artificial intelligence.

Few things would do more to help New York achieve these two objectives than establishing a prestigious new undergraduate university in New York—or helping an existing university to significantly expand into a world-class institution.


On the one hand, creating a major new academic institution in New York would quickly create hundreds if not thousands of new jobs, from administrators and professors to building maintenance staff and food service workers. Indeed, colleges and universities may be the city's most underappreciated jobs engine. Private colleges and universities today account for 3.5 percent of all jobs across the five boroughs, nearly double the share from 30 years ago, when they accounted for just 1.9 percent of all jobs. (By comparison, the manufacturing sector accounts for just 1.2 percent of the city's jobs today.) Overall, there were 178,000 people employed at the city's private colleges and universities in November 2023—up from 77,000 in November 1993. A new institution would also inject hundreds of millions of dollars into the local economy in annual procurement, boost spending at local businesses in the surrounding community, and spark additional economic growth through entrepreneurship, research and development, and innovation.

Perhaps even more important, a preeminent university would enable New York to attract talented young people from across the country and around the globe, many of whom would remain in New York after graduation. The power of this talent attraction cannot be underestimated. In recent decades, the city's ability to attract highly educated young people from elsewhere has arguably been the single most important factor in New York's economic resurgence. Employers in every industry chose to locate and grow in New York to have access to the city's unmatched talent pool, even though it meant paying significantly higher rents, taxes, and labor costs than other locales.

But while New York still attracts thousands of highly educated people from around the world, the city is facing increasing competition for college graduates from other cities as well as intense and growing affordability challenges that are making New York less attractive to many young people. Recent data bears out this risk: New York experienced a greater net loss of millennials than any other age group from 2020 to 2021—a decrease of more than 130,000 residents in their late 20s and 30s. A new university would help counter those challenges, providing New York with thousands more students than it has currently.

There is clearly untapped demand from young people who would like to study in New York. In 2023, NYU received nearly 120,000 applications—up from 80,000 in 2020 and 46,000 in 2013. In 2023, NYU's acceptance rate was 12.5 percent. Similarly, Columbia had 57,000 applications in 2023, up from 36,000 in 2020 and 33,000 in 2013. It admitted 3.9 percent of applicants.

At the same time, many universities have been clamoring to have a presence in New York. In 2010, when the Bloomberg administration solicited bids from universities interested in building a new applied sciences campus in New York, 18 universities initially expressed



interest and seven submitted formal proposals, including Stanford, Carnegie Mellon, and Cornell University. More recently, when the Trust for Governors Island solicited interest from universities in 2021 to develop a new climate research center on the island, it received 12 expressions of interest from over 30 academic and research institutions—including Massachusetts Institute of Technology (MIT), Northeastern, and Stony Brook University. The award ultimately went to a consortium of universities led by Stony Brook that also includes other non-New York institutions such as the Georgia Institute of Technology and University of Washington.

To be sure, New York City already boasts dozens of excellent colleges and universities, many of which enroll thousands of students from outside of New York. Likewise, city and state leaders have taken crucial steps in recent years to help boost the number of New Yorkers earning college credentials and deepen the city's talent pool. But perhaps surprisingly, New York is home to fewer top-tier universities than several of its global competitors. New York City has just two colleges among the world's 100 leading universities, based on the World University Rankings. In contrast, Los Angeles and London both have four universities on the list, while Boston/Cambridge and Hong Kong each have three.

The success of Cornell Tech and the promise demonstrated by the New York Climate Exchange on Governor's Island demonstrate the potential for establishing another major university in New York City. To achieve this, the Adams administration should follow a similar blueprint to the applied sciences and climate center projects. First, City Hall should work with the New York City Economic Development Corporation (NYCEDC) to identify a small number of potential

development sites that could accommodate a new university campus—likely including Sunnyside Yards in Queens and the abandoned 24-acre Brooklyn Navy Yard Naval Hospital Campus—as well as other city- and state-owned sites. To build awareness of this opportunity, EDC should host a major event in 2024 focused on soliciting interest in, and seeking input from, university leaders in New York and from across the globe, as well as developers of student housing, placemaking experts, architects and designers, and providers of institutional financing.

Next, EDC should release a Request for Expression of Interest, offering one or more possible development sites on city-owned land for a new campus and seeking responses from universities. In addition to making city-owned land available for this project, the Adams administration should commit to providing \$100 million in city capital funding for the new campus, and work with the state and federal government to identify additional sources of capital funding. In return, the university should be required to make a number of financial, environmental, and equity commitments—perhaps including a minimum campus size, a minimum financial investment, a certain number of scholarships for New York City residents from low-income backgrounds, and commitments to workforce development. The city might give preference to universities that promise free tuition for low-income students from New York City or to institutions that offer majors in career tracks that align with sectors that are ripe for economic growth in coming decade—such as artificial intelligence, data science, personalized medicine, climate finance, and building electrification.

2

Convene a **high-profile, multisector AI Week** to help New York capture a large and growing share of the nation's fast-growing AI industry

IN THE SPRING OF 2023, MAYOR ADAMS WAS DIRECTLY involved in convening a half-day summit on the potential for growth in New York City's drone technology industry. Although New York hadn't previously been at the forefront of the drone industry, the mayor's leading role in the event had a catalytic impact. It brought a new level of visibility—not just in New York, but nationally and globally—to the city's emerging drone sector and spurred numerous drone companies from other cities to contact economic development leaders in New York about the possibility of setting up shop here.

Mayor Adams should build on this approach by convening a globally significant AI Week in venues across New York City, shining light on a part of the city's tech ecosystem that already has seen remarkable growth but which many believe could be the leading engine of future tech-powered employment growth in New York. Doing so could provide an important spark to New York's already-significant AI sector, creating buzz and attention for the cutting-edge work already happening with AI in the five boroughs—and helping New York recruit startups from across the U.S. and around the world that are working in the AI field.

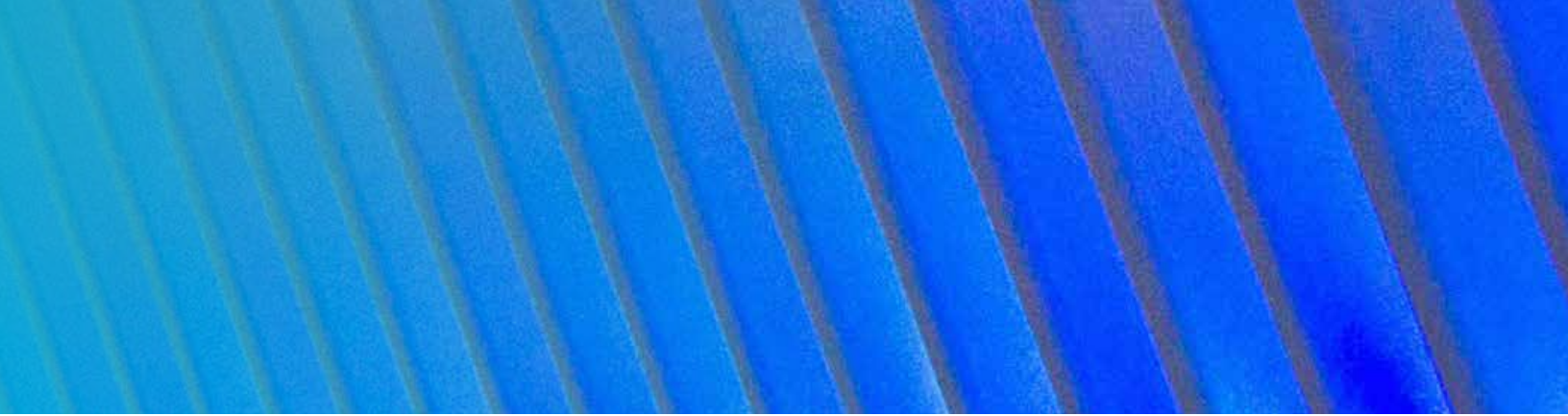
New York could benefit from efforts to power up a new engine of economic and employment growth. The city has only recently returned to the pre-pandemic levels of private sector employment, and some industries that have long propelled the city's economy—like retail, arts and entertainment, and accommodations/food—have lagged the overall recovery. Meanwhile, New York City's 0.2 percent employment growth since the start of the pandemic—from February 2020 to November 2023—has been slower than nearly every other peer city, including Boston (0.8 percent), Los Angeles (1.3 percent), Seattle (2.7 percent), Philadelphia (4.1 percent), Houston (5.6 percent), Miami (6.1 percent), Atlanta (7 percent), and Dallas (11.8 percent). And the

pace of growth slowed significantly in 2023, from 5.6 percent in January to 1.3 percent in December.

AI-powered tools and technologies are expected to become among the biggest generators of job growth globally in the coming decade, and New York already has a significant foundation to build on. CUF's analysis of data from Crunchbase shows that New York City was home to 973 companies working on AI and machine learning in July 2022, up from 566 in 2016, a 72 percent increase. More than \$9 billion in funding has been invested in New York-based AI companies, and 13 percent of the country's AI workforce is located here, according to Georgetown University's Center for Security and Emerging Technology. As of November 2023, there were over 1,300 unique job postings in New York City looking for candidates with skills related to AI—nearly 3 percent of all current postings—and expertise in AI was the third most in-demand skill for New York employers last year, according to a survey of tech CEOs conducted by Tech:NYC and Accenture, following cybersecurity and cloud talent.

But while New York is undoubtedly one of the nation's leaders in AI, the city is well behind the San Francisco Bay area as a hub of leading AI businesses. For example, there are four New York City companies on the Forbes AI 50 list, second-most of any city but well behind the Bay Area, which has 33.

To maximize the city's growth potential in AI, and help lay the groundwork for thousands of new well-paying technology jobs, Mayor Adams should convene—in collaboration with Governor Hochul, who recently proposed an Empire AI Consortium—a high profile, multisector AI Week in venues across the city that includes product launches and demonstrations; networking opportunities with founders, economic development officials, and investors; AI-powered site-specific installations and activations; and site visits



to New York-based tech companies and innovation hubs like the Brooklyn Navy Yard. Crucially, this summit should play to New York's strengths as a hub for the crosspollination of tech with other sectors—focusing on opportunity areas like AI and healthcare, financial services, advertising and media, transportation, logistics, education, and art. It could follow a similar model as the city's 2023 summit on drone technology, which was a collaboration with Tech:NYC, the city's leading tech industry association, and build on the successes of other high-profile sector-specific weeks on the global calendar, like New York Fashion Week and NYCxDESIGN.

Importantly, an NYC AI Week should provide a major platform for start-up companies in the AI space, and not just tech giants. It would shine a spotlight on New York's significant and rapidly growing assets in AI, highlight opportunities that the city is creating for AI-powered technologies to improve government operations and tackle challenges from financial services to public health, and send an important message to entrepreneurs and investors alike that New York City government is not interested in shutting down new technologies or simply regulating them, but fully embracing them as a key part of the city's future economy and tech ecosystem.

3

Launch New York City's **first annual five-borough cultural festival.**

ONE OF NEW YORK CITY'S GREATEST COMPETITIVE advantages in the hybrid work era is the magnetic pull of culture and the arts. From museum exhibitions and gallery shows to performing arts events, nightlife, and cultural festivals, the city's arts offerings give residents compelling reasons to remain physically present in the city—and serve as a powerful draw for visitors from across the region and the globe.

To build on this advantage and give locals and visitors alike a compelling new reason to spend time and money exploring all that New York City has to offer, the Adams administration should work with cultural and community partners citywide to launch the city's first annual five-borough cultural festival. This festival would enlist hundreds of venues across all five boroughs and open up streets, parks, plazas, historic buildings, city-owned properties, and other spaces for music, dance, theater, visual art, cultural performances, and immersive experiences—drawing millions of visitors to neighborhoods and venues across all five boroughs.

Of course, New York is already home to a rich diversity of annual arts and culture events—from Lunar New Year festivals and the West Indian Day Parade to the Tribeca Film Festival and the Armory Show art fair. But New York still doesn't have a globally renowned citywide arts and culture festival on the scale of the Edinburgh Fringe Festival, Mardi Gras in New Orleans, South by Southwest in Austin, or the Venice Biennale.

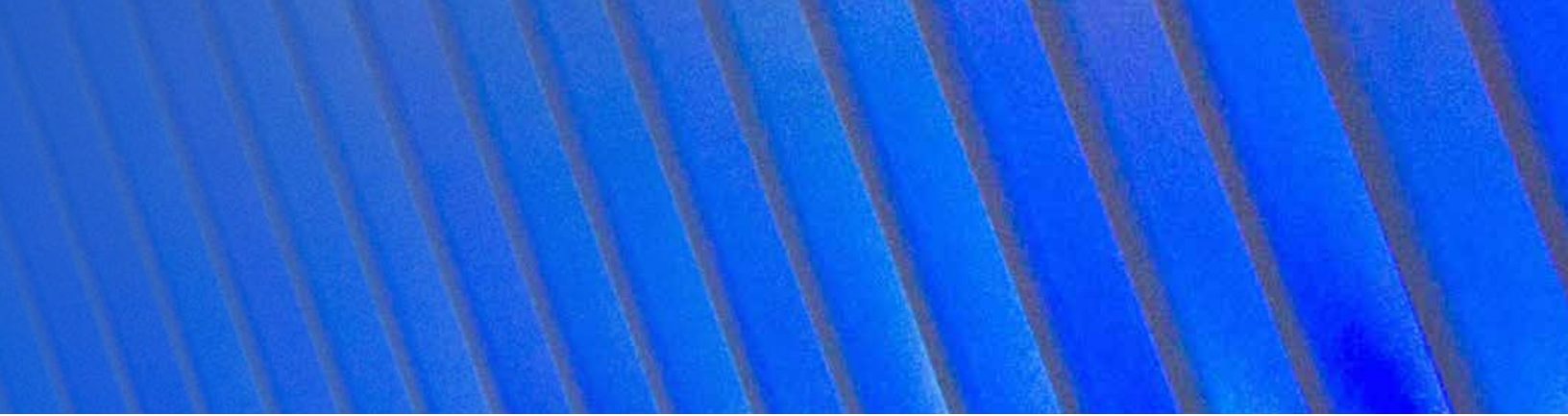
Every year, the Edinburgh Fringe Festival draws more than 250,000 attendees for a three-week arts festival that takes place across hundreds of individual venues and in the city's streets. The event generates as many as three million ticket sales annually and £500 million in economic impact in the city of Edinburgh alone, with about one-third of attendees comprised of Edinburgh locals, with the rest traveling from across the country and abroad. The public investment in Edinburgh's full calendar of cultural festivals totals just

£11 million each year, pointing to the significant return on investment for a citywide festival of this scale.

Inspired by these models, New York policymakers can help pave the way for an annual cultural festival of unprecedented size, scale, and significance. The key first step is mayoral leadership to make this idea a priority, identify a target week in the annual calendar, and enlist a small group of cultural leaders and civic-minded entrepreneurs to help develop the festival's operational structure, agenda, and logistics. To ensure that the organization is creatively nimble—and enable private and philanthropic sponsorship—this coordinating entity should likely be an independent nonprofit, as is the case with the Edinburgh Festival Fringe Society and the Biennale Foundation in Venice. This undertaking should be supported by senior leaders at a handful of city agencies and related entities—including the Department of Cultural Affairs, NYC Tourism & Conventions, the Department of Parks and Recreation, the Mayor's Office of Media and Entertainment, and the NYC Office of Nightlife—with clear direction from the mayor to make this idea a reality.

While much of the costs of programming the festival could be offset by sales of individual tickets and week-long passes, as is the case in Edinburgh and Austin, the city can help in other ways. For instance, the city can offer up city-owned buildings and public spaces for concerts, performances, installations, and parades—closing down streets to traffic and allowing performances to take place in parks, plazas, and other public land. The city should also coordinate preparations for a festival of this scale with partners at the state level, with a focus on leveraging state capital grants to help support upgrades and renovations of cultural venues across all five boroughs.

New York has been a global cultural capital for generations—a status that is helping to bolster the city's allure in the hybrid work era. But there is still

A decorative header with a blue background featuring diagonal, wavy lines that create a sense of movement and depth.

significant untapped potential to leverage these strengths to help make New York more competitive and attractive on the world stage. Creating a citywide cultural festival of global proportions would give locals and visitors alike a powerful new reason to explore the five boroughs each year, and help maintain the city's creative edge on an increasingly packed global calendar of must-do experiences. By attracting large audiences, facilitating collaboration, easing red tape, and directly supporting artists, this major new festival could also help spark long-term growth in the broader arts and entertainment industry, which has only recovered 76.4 percent of its pre-pandemic jobs total.

4

Create a **major new public art installation** on the scale of “The Gates” and expand public art programs citywide.

NEARLY 20 YEARS AGO, THE ARTISTS JEANNE-CLAUDE and Christo transformed Central Park with the creation of The Gates, one of the largest and most memorable public art installations in New York City’s history. Beckoning like flames on a cold winter’s day, the project’s 7,503 16-foot-tall gates adorned with flowing saffron-colored fabric drew visitors from around the world and raised the city’s profile as a hotbed of contemporary art. While the intentionally ephemeral project lasted for just 16 days in February of 2005, it had an outsized impact: the project generated an estimated \$254 million in local economic activity, attracted more than four million visitors—including 1.5 million tourists—and boosted revenues at nearby restaurants, shops, and hotels. Even Broadway ticket sales spiked 17 percent.

But the impact of The Gates went well beyond the immediate economic boost. It helped raise the city’s profile on the global stage, inspired a sense of civic pride and optimism among New Yorkers, and indicated to the world that New York was open to new and innovative ideas. In the emerging era of remote and hybrid work, city leaders will need to take actions that can have a similar impact—not only boosting local commerce and tourist visitation during sleepier seasons, but also showing the world that New York is fully embracing of boundary-pushing creativity and vision.


In the months ahead, city leaders should attempt to recapture some of the magic of The Gates and lay the groundwork for a major new public art installation of a similar scale and ambition in 2025. And this effort should be coupled with a bold new campaign to expand public art programs in communities across all five boroughs.

“The Gates was absolutely huge,” says Jessica Walker, president of the Manhattan Chamber of Commerce. “A major public art installation could be really beneficial in terms of drawing people back in—and reminding them, too, how much they love New York City.”

Although the idea for The Gates had been germinating since 1979, it didn’t gain traction until 2002. That year, Deputy Mayor Patti Harris reached out to Jeanne-Claude and Christo to express interest in the project, which the husband-and-wife duo had been advocating for, unsuccessfully, for more than two decades. With support from the top of the Bloomberg administration, the project gained new steam and finally opened to the public on February 12, 2005.

Of course, a new project of a similar scale and ambition need not languish for decades before coming to life. By making transformative public art a priority, as Mayor Bloomberg did in his first months in office, Mayor Adams can help usher a major new immersive public art experience into existence in 2025. He should start by convening a small group of public art visionaries—drawing from the city’s cultural institutions, public art programs, and civic-minded artists and curators—to develop a large-scale request for proposals. Eligible sites could be determined in advance, including publicly owned parks, plazas, Open Streets, and other civic spaces. Unlike The Gates, which was entirely self-funded by the artists, this new commission could include a partnership with private entities to help cover costs and raise funds for an appropriate artist fee.

Building on this major new commission, the city should take additional steps to strengthen and expand public art programs citywide. This effort can help address several of the challenges posed by the shift to hybrid work, including by boosting tourism, drawing more New Yorkers out to explore the city, enlivening commercial corridors across all five boroughs, and creating a stronger sense of community and place in neighborhoods that feel less cohesive and connected in the wake of the pandemic. Working with local Business Improvement Districts and business leaders, public space management organizations and volunteer groups, arts and nightlife venues and cultural centers, real estate owners and developers, and



community-based organizations, the city should launch a plan to support public art installations and interventions at an unprecedented scale.

To make this effort a success, the city needs a clear process for proposing public art projects and navigating the thicket of approvals—and often disconnected web of potential resources—that could make or break a project. This could take the form of a single new entity—call it Public Art NYC—tasked with helping artists, businesses, intermediaries, and other community organizations navigate the public approvals process, tap into existing city- and state-run programs, streamline licensing agreements and insurance requirements, and forge connections between public art organizations, private sector stakeholders, and artists themselves.

With additional resources to help offset insurance costs and a push to engage more property owners, this effort could include a major expansion of pop-up artist studio and exhibition space in empty storefronts and offices. Other components should include a large-scale

expansion of the Department of Transportation’s innovative DOT Art program and the much smaller scale Art in the Parks Program operated by the Department of Parks and Recreation; new incentives that could offer modest density bonuses or other perks for new development that includes a major public art component; and a program to commission innovative digital artworks that could be displayed on LinkNYC kiosks, in bus shelters and subway stations, and even projected onto the walls of city-owned buildings—from City Hall to the city’s 217 branch libraries.

While public art alone cannot address all of the city’s challenges in adjusting to the hybrid work era, an ambitious and large-scale expansion of public art across all five boroughs can generate a new level of excitement among visitors, strengthen New Yorkers’ own desire to venture out into the city, and help craft a new narrative about New York as a city that embraces creativity in all its forms.

5

Help NYC **capture more of the immersive entertainment** uses growing globally by eliminating restrictive zoning

THERE IS BROAD CONSENSUS THAT NEW YORK CITY will need to help reposition and reimagine its central business districts for a post-pandemic world in which hybrid work is the new reality. Although reinvigorating these districts will require converting some offices to residential use and adding new open spaces, another important step will be to bring in new uses that help draw New Yorkers to these areas for reasons other than to work or shop. One of the best opportunities to do this is by greatly expanding immersive entertainment and amusement activities—things that, as urban expert Ed Glaeser has written, provide “experiences that are worth leaving the house for.”

These innovative entertainment activities—everything from immersive art installations to cutting-edge virtual reality simulators to interactive worlds brought to life from video games, movies, and TV shows—have been on the rise in other cities across the globe. New York has also experienced some successes, including the popular “Sleep No More” immersive theater experience at the McKittrick Hotel and the growth of escape rooms. But there is arguably untapped potential to grow this part of the economy in New York, which boasts natural advantages to appeal to entertainment companies, starting with the city’s unmatched population density and creative talent.

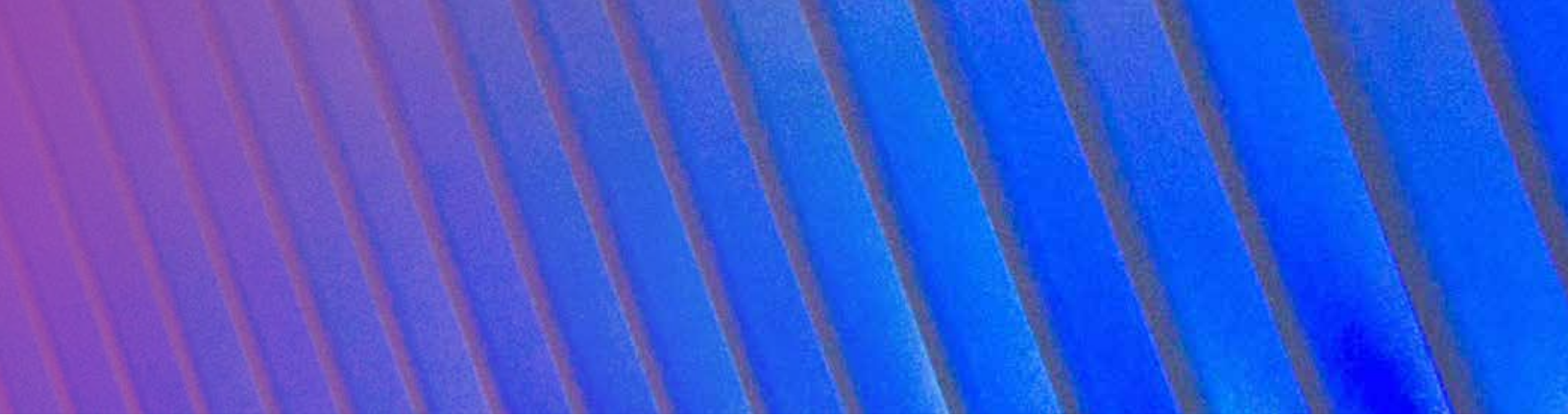
The number of amusement and recreation businesses increased from 960 in 2010 to 1,400 in 2023, according to data from the Department of City Planning, and experts in retail leasing see these uses as integral to the goal of maintaining vibrant commercial districts as traditional retail continues to face major headwinds from e-commerce.

Unfortunately, current zoning rules and building regulations make it unnecessarily difficult for many of these businesses to locate in commercial areas, even as demand grows. Companies whose main business involves amusement activities, such as indoor skydiving,

golf simulators, shuffleboard and pickleball, indoor mini-golf, go-karts, laser tag, or arcades are generally restricted to operating in the city’s manufacturing zones today. But these and other similar entertainment and experiential uses—including virtual reality experiences, interactive art installations, adult playgrounds, and climbing walls—might make perfect sense for office or retail spaces in office districts that are struggling with high vacancies.

One area where local leaders see potential for entertainment and experiential uses is Downtown Brooklyn, where the retail vacancy rate was 17.5 percent in January 2024. According to a September 2023 community survey, 42 percent of residents in the Downtown Brooklyn area said they wanted more entertainment activities in the district; none of the other 17 retail categories included in the survey got as much interest. Yet zoning restrictions do not make it easy to bring in these uses. “Some entertainment uses, such as arcades, virtual reality, or bowling alleys, are constrained or prohibited along Fulton Mall,” noted Regina Myer, president of the Downtown Brooklyn Partnership. “These uses will support ground floor vitality in Downtown Brooklyn in addition to complementing the street’s other retail businesses by encouraging much-needed foot traffic on evenings and weekends.”

Some businesses have attempted to sidestep these requirements in commercial districts by selling drinks or food and positioning themselves as primarily a bar or restaurant that happens to include amusement activities. But the risk of being out of compliance has deterred many other entertainment businesses from locating in commercial areas. Indeed, today, the vast majority of companies providing amusement and experiential uses are located in industrial areas such as Gowanus, Sunset Park, Williamsburg (or in Coney Island, which has long been allowed to offer a range of amusement activities).



At the same time, many experiential entertainment companies and entrepreneurs—from major studios and brands to start-up founders and creatives—are overlooking New York City as a site for expansion, either because other cities have done far more to roll out the red carpet for these uses or because navigating the rules and regulations in New York proves too onerous, especially given the already high costs of operating here.

Fortunately, there's a unique opportunity to make these changes. The Department of City Planning has proposed changing these restrictive zoning rules as part of its City of Yes for Economic Opportunity initiative. The proposals would simplify zoning rules so amusement and recreation facilities would be allowed in a broader range of zoning districts, subject to size limitations in certain cases.

Although the administration's City of Yes initiative has garnered support, it's far from a given that it will be fully and swiftly implemented—or that the specific proposals to change restrictive zoning rules for amusements will remain in the final version. It's critical that they do win approval. Ending the restrictions on

amusement and experiential uses would not only help fill vacant office and retail space but would also provide another magnet for people to come into the city's urban core at a time when office occupancy rates remain significantly lower than pre-pandemic, with spillover effects on local businesses of all kinds.

As important as these zoning amendments are for encouraging the future growth of this sector, passing City of Yes for Economic Opportunity should be just the start. To seize on this opportunity, the Adams administration should work with NYCEDC to make the Experience Economy a core part of the city's economic development strategy going forward. This should include convening building owners, experiential entertainment operators, finance experts, and creatives to understand where and how existing incentives can be utilized to facilitate the creation of entertainment experiences; building experiential entertainment uses into a citywide strategy to fill retail vacancies; and identifying opportunities for companies from around the world to pilot innovative new immersive technologies in vacant storefronts and underutilized office buildings.

Conclusion

NEW YORK'S STRONG RECOVERY FROM THE DEPTHS

of the Covid-19 pandemic is just the latest example of the city's remarkable resilience in the face of a major crisis. But this time, the city is not yet out of the woods. Even as it has had a full jobs recovery, New York still has significant work to do to keep pace with a vastly changed post-pandemic landscape that is creating new challenges and threats—as well as new opportunities.

City leaders will need to meet this moment with innovative ideas that can be implemented in short order for reimagining the city's commercial districts, nurturing new opportunities for inclusive job growth, and keeping the city's talent pipeline flowing. This report offers five concrete ideas for doing just that—proposals that are not merely focused on helping the

city bounce back from this most recent crisis, but rather ideas that will help New York build a stronger and more sustainable economy for the new economic realities of today and tomorrow.

The ideas in this report—creating a new top-flight undergraduate university, convening an AI Week to help position New York as a global leader in artificial intelligence, launching the first five borough cultural festival, going big with public art, and eliminating zoning that restricts the city's ability to add more of the immersive entertainment uses that are growing rapidly elsewhere—will help New York stay ahead of emerging challenges and build an economy that is even stronger, more vibrant, and more equitable. Mayor Adams and other city policymakers should begin to move them forward.

