

# Toronto's Culturally Driven Gentrification: The Creative Class of West Queen West

During the late 1960's and early 1970's the North American economy began to see evidence that after decades of prosperity (during the post-war boom) the industrial economy was heading for a collapse (Harvey, 1989; Hannigan, 2004). When the war torn European nations were largely rebuilt and the massive move to the suburbs slowed down, the U.S. economy experienced what Harvey called the 'crisis of accumulation.' The economy was overproducing in the face of decreasing foreign and domestic demand, encountering stiffening international competition and coping with rising wages. These factors left profit margins squeezed and started the escalating process of deindustrialization. In an effort to cut costs many manufactures 'outsourced' and sub-contracted production to smaller firms and to international locations such as Mexico, where there were relaxed labor regulations and abundant workforces prepared to work for low wages.

These trends have had a particularly devastating impact on industrial cities with large working-class populations. Within the working class, traditionally marginalized groups, including women, African Americans and Latinos were significantly hit. The economic downturn caused by unemployment was exacerbated by the energy crisis and OPEC induced oil shocks of 1973 and 1979 which created staggering inflationary pressure. The combination of high unemployment and high levels of inflation represented a new problem in the form of 'stagflation' and it became evident that traditional Keynesian fiscal policies and government spending were not the answer.

To combat this period of 'stagflation,' Western leaders adopted neoliberal policies which rescaled the Keynesian welfare state, replaced fiscal policy and protected domestic markets with monetary policy, privatization and international competition. With regard to the provision of social welfare, the state 'rolled-back' social services, while encouraging individuals to be competitive and entrepreneurial, 'rolled-out' interventionist state building reforms that endeavored to remake cities and individuals in the neoliberal mold, while 'cleansing' the urban landscape and citizenry to facilitate capital accumulation (Peck and Tickell 2002). During the roll-back phase, subsidies and funding for cities were drastically cut while more responsibilities were 'downloaded' from higher levels of government. This left many cities with more responsibilities and fewer resources; the result was a general decay in many North American cities. In Toronto's case, 'the city that worked' (Donald, 2002) experienced an economic downturn and suffered increasing social disparity in the face of substantial cutbacks to social services. Cities and small towns were told to 'compete or die' and this left urban managers scrambling for solutions to their problems.

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Enter Richard Florida and his best selling book *The Rise of the Creative Class* (2002). Although the role of culture as an agent of economic development has been theorized for some time (Zukin, 1989, 1895; Scott, 2000; Evans, 2001), and cities have been adopting culturally driven strategies for economic development and urban renewal (Harvey, 1989; Short, 1999; Eisinger, 2000) for the past twenty years, Florida's creative class thesis seemed to strike a chord with city planners and politicians who eagerly implemented his strategies without proof of their success. Florida (2002) asserts that the modern economy is not driven by firms or natural resources but talented individuals, creativity and innovation. Accordingly, Florida encourages cities to cater to members of the 'creative class' - who possess high levels of human capital - by offering the diverse range of cultural and entertainment experiences which attract them. In Toronto we can see the evidence of such strategies in the Culture Plan for the Creative City (2003) and Mayor Miller's 'Year of Creativity' initiative (2006). Unfortunately, as Peck (2005) and others have pointed out, Florida's strategies have not proven effective. Moreover, as the creative class is smaller than the working and service classes it subjugates, the 'creative have-nots' deserve policies which benefit them directly, and not just in the form of a creative, elite 'trickle down'.

In the race to lure members of the creative class, tourists and suburbanites back to the downtown, branding, place-marketing and gentrification are being promoted by urban managers as agents of urban renewal. Examining the 'geography of gentrification,' Lees (2000) explains that such strategies, like those associated with neoliberal policies, can play out differently across space. Gentrification has been described in the literature as both emancipatory and as a process that leads to class-conflict and marginalization. Caulfield points to Toronto's inner city as an emancipatory and inclusive space to which gentrifiers relocated in order to resist the "dominant ideals of suburbia" (1989, 624), seeking to co-exist harmoniously with the local residents rather than displacing them. By contrast, critical scholars contend that the continuance of gentrification has led to more conflict (over social exclusion) "between the working-class population and the 'Starbucks Coffee Crowd' in cities (Lees, 2000, 390). Specifically, Neil Smith's 'revanchist' city thesis (1996) holds up gentrification as a kind of spatialized revenge against the poor and minorities who 'stole' the inner city from the respectable classes. As Lees eloquently describes, in Smith's view the inner city is not an emancipatory space but

rather a “combat zone in which capital embodied by middle-class gentrifiers, battles it out, block by block, house by house, to retake the city” (Lees, 2000, 399).

By 1922 Parkdale, which encompasses WQW, housed many of Toronto’s elite population, but in the 1950’s plans for ‘slum clearance’ and the construction of the Gardiner Expressway, which cut the area off from the waterfront completely, triggered a mass exodus to other neighborhoods and the expanding suburbs (Kipfer and Keil, 2002; Slater, 2004). An accumulation of vacant properties and economic decline followed and in the early 1980’s the situation was exacerbated by the Ontario government’s decision to ‘roll-back’ a vital welfare state function and deinstitutionalize the provision of psychiatric health care in favor of community-based care. Thousands of patients were discharged from the Queen Street Centre for Addiction and Mental Health and by 1981 it was estimated that over 1,000 patients had settled in Parkdale (Slater, 2004). The transition to community care, however, was problematic as the thirty nine under-funded local group homes could not effectively cope with the growing number of discharged patients who had been down-loaded onto them. This state action, therefore, further reshaped Parkdale, which became a ‘service-dependant ghetto,’ and a neighborhood rife with poverty, drugs, and prostitution (Slater, 2004, 310).

Despite Parkdale’s perceived ‘edginess’ several factors made the area attractive to gentrifiers in the 1990’s, including its close proximity to Toronto’s commercial downtown and stock of affordable and distinctive Victorian housing. The area had also emerged as a pseudo-bohemian village: a hot spot for artists who arrived in search of inexpensive places to live and work:

*Toronto artists took it over, converting warehouses into studios, and the artists’ urban cool, in turn, lured developers and buyers into the area. Now the developers are transforming the derelict factories and warehouses of Parkdale’s industrial hump just east of Dufferin St. into a bohemian wonderland* (Evans, 2005).

At the centre of this ‘bohemian wonderland’ is the recently renovated Drake Hotel, which is located at 1150 Queen St. West. During Parkdale’s ‘hard times’ in the 1980’s the Drake Hotel was a dilapidated ‘flop-house’ serving the local population, but that changed in 2001 when Jeff Stober, a 44 year old retired ‘dot-com’ executive sold his business and spent over \$6 million to renovate the Drake. Since then, the Drake has become the symbolic figurehead of the transformation in WQW and has received a frenzy of media attention as well as harsh criticism from local critics of gentrification.

It is clear that the WQW strip is being transformed by the presence of ‘big money’ renovation projects like the Drake, the influx of artists and increasingly, the capital

embodied by the creative class. Rundown hotels and shops, which have traditionally served the area’s poor and marginalized groups, for example, are being replaced by Zukin’s incarnation of ‘Loft Living’, in the form of lofts, condos, upscale art galleries, knitting café’s and organic food markets, which cater exclusively to the creative class gentrifiers. While the creation of a ‘bohemian wonderland’ and tourist village benefits real estate developers, popular artists, owners of the trendy boutiques and the area’s tax base, there have been negative ramifications for the neighborhoods disadvantaged groups. Studies on the area, suggest that the incoming ‘creatives’ and urban professionals are not seeking to co-exist harmoniously with the established community, but rather, seek to cleanse the socio-economic demography.

*It does become rather tiring living here sometimes, when you constantly live near drug dealers, hookers, and these real low-life, pathetic creatures. We joined a Residents Association, which made a real effort to get the message across that we needed to get rid of these people to stop the neighborhood becoming like the South Bronx* (Parkdale resident, quoted in Slater, 2004, 321).

*There is an ever-present population of vagrants and drunks, and lots of people who seem to have checked out of the mental hospital too early....and God help you if you live next door to a rooming house. The sooner they get sold and renovated, the better...* (Parkdale resident, quoted in Slater, 2004, 321).

There is also evidence that the skyrocketing rents and property taxes have caused displacement, poverty and homelessness for Parkdale’s long time residents and immigrant groups who, according to the 2001 census, are among the poorest in Toronto with a median household income of \$34,491, well below the census metropolitan area’s average of \$59,502. As one Parkdale resident describes the change:

*I got kicked out of my house [in 1999]. I couldn’t afford the rent anymore as it kept going up and up as all these young folks started moving into the neighborhood. My rent was the same for 15 years* (Parkdale resident, quoted in Slater, 2004, 319).

The 2001 census also reveals that the Portuguese population, which constitutes the area’s largest immigrant group, is in danger of being displaced and further marginalized since ‘Little Portugal’ is the site of WQW’s three largest condo developments. These condo developments are also contributing to broader class-based social exclusion. Consider, for example the yet-to-be built 18 story Bohemian Embassy condo development at 1171 Queen Street West which, according to its website, will be so stylish and cool that it promises to redefine the way this city’s hipsters live. If

the condo's price range (from \$186,000 to \$418,000) does not discourage the community's poor residents from booking an appointment, the Embassy has deployed bouncers to keep out the undesirables. Ironically, as the yoga clubs, upscale cafés and trendy restaurants take over, the local residents who give the neighborhood its diversity, eccentric edge and attractiveness, are being evicted and priced out. It is clear, therefore, that the results of this transformation include an increase in land prices, social exclusion and the decreased functionality of the area for the increasingly marginalized poor and working-class residents.

As the recent developments in WQW are not socially inclusive, several forms of organized resistance have emerged. Active18, for example, is a group of residents and business owners committed to ensuring that further development in the area reflects the needs of the entire community. Active18 has mobilized to stop a development plan, which would introduce several high-rise buildings and threatens to tear down an historically significant building where over 80 artists live and work ([www.active18.org](http://www.active18.org)). While Active18 is an organization that works through formal channels, such as the Ontario Municipal Board (OMB), to halt disruptive developments, there have also been informal displays of resistance levied against the symbols of the middle-class incursion. In December of 2005, the impending completion of Parkdale's third Starbucks triggered a response from residents who spray-painted a message of resistance on the side of the soon-to-be coffee shop: "Drake you ho this is all your fault."

It is clear that in this case, the creative class, through its collective consumption, is driving the process of gentrification in WQW. Jeff Stober, the owner of the Drake, is a quintessential 'creative' who cast aside his corporate ambitions to fulfill his creative dreams. Furthermore, given the new residents' desires to price-out and remove the established community by exacerbating social disparities and the pre-existing class-based cleavages, it can be concluded that the transformation is anything but emancipatory. While the actions of the state, in this case study, are more moderate than those described by Smith in his revanchist thesis (specifically, the ruthless use of police power against the city's marginalized groups), an alarming pattern emerges. Clearly, Toronto's urban managers have adopted Florida's creative class argument and the rhetoric of competing for talent, and in so doing, the city has forsaken the majority of its citizens to cater to the creative class. Toronto is spending its scarce resources on an educated and more financially secure group, which constitutes less than one third of the population in favor of the marginalized majority. This form of 'municipally managed' gentrification, therefore, is not an organic process which leaves the state without responsibility. While Toronto has, to this point, avoided the full-scale class warfare which has plagued many American cities, the continuance of a 'creative trickle down' strategy (Peck, 2005) can only lead in one direction. To quote Evans (2005): "When you stop to smell the espresso, it's clear there's no turning back."

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