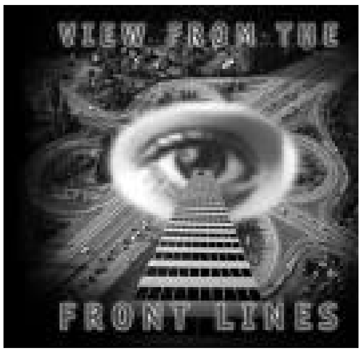
The View from the Metropolis



Collage by Glenn Pierce

BY ELMER JOHNSON

Metropolitan regions like greater Chicago cover hundreds of square miles, contain scores of independent jurisdictions, and house an enormously varied population. Yet they are bound, as Anthony Downs shows, by an intricate web of interdependencies. Although certain areas of Chicago are thriving and others faltering badly, the long-term prospects for all parts of the region depend on recognizing and taking those interdependencies into account.

Technological advances in transportation and communications have dethroned many central cities, causing the spread of economic activity throughout each region and creating strong competition among regions to attract and retain firms and skilled workers. The city as a single powerful center with corridors of activity radiating out from it has been displaced by an almost centerless network containing many nodes of varying strength, linked by countless channels of movement and communications. This network has a seemingly unlimited tendency to expand outward, leaving many residents of the central city and older suburbs mired in concentrated poverty and racial and social segregation. The continuing outward sprawl of the suburbs means that inner-city residents help underwrite the much more fortunate conditions enjoyed by residents of other parts of the region—residents who exclude most of the poor from their midst.

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In 1909, under the guidance of Daniel Burnham, the Commercial Club, one of Chicago's oldest civic and business organizations, produced the Plan of Chicago, written by Burnham and Edward H. Bennet. It is one of the most famous city plans in world history. Today the Commercial Club, under my direction, is about to issue a report urging Chicagoans to grapple with the challenges facing our metropolitan area. We hope that our project will have consequences as far-reaching as that 1909 Commercial Club plan. Our own plan has seven key objectives.

Public Schools. The most serious economic challenge we face is whether we can attain a consistently high level of educational opportunity throughout the region. The city of Chicago has already launched major and promising reforms of its elementary and secondary schools, although the long-range impacts have yet to be seen.

Economic Development. We must establish more public–private sector partnerships to pursue workforce development and job training region-

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wide and aggressively market our region to foster business location in the inner city.

Transportation. We must develop transportation systems that reduce congestion, improve economic efficiency, reduce environmental harm, and improve the mobility of those who are too old, young, poor, or disabled to drive—without diminishing the convenience of automotive travel. We must also maintain O'Hare Airport as one of the world's premier international hubs.

Housing. We must generate political support for developing wide and aggressively market our region to foster business location in the inner city. affordable housing in the suburbs. Metropolitan Chicago's centers of highest job growth offer almost no affordable housing, though the Gautreaux voucher project in Chicago has successfully moved thousands of poor inner-city households to the suburbs without weakening market conditions there.

Sustainable Spatial Growth. We cannot continue to consume vacant land at the current rate without incurring excessive costs for infrastructure to support the resulting sprawl. We must limit outward expansion of new development while fostering infill development and providing incentives to target infrastructure spending in built-up areas.

Taxes. We must push for some type of tax-base sharing, both to equalize funding of public schools and to keep the region's 270 municipalities from engaging in destructive tax-base competition.

Forums for Decisionmaking. We do not have metropolitan government in Chicago, and probably never will, for good reasons. But we must create the political will among fragmented governments to recognize the greater effectiveness of creating some regional bodies with authority to deal with common interests, particularly regionwide infrastructures.

Realizing most of these aspirations will require strong political support from both key officials and major constituencies within each metropolitan area itself and from both the governor and the state legislature. Only the state government can make the legal changes in existing institutions needed to achieve these goals. Existing state laws give splintered municipalities and other units of local government strong incentives to pursue their local objectives without regard to important social interests of the larger region. Local zoning laws and the local property tax system, condoned or established by the state, undergird the powerful bias toward all-powerful localism and against effective regional remedies to problems that are fundamentally regional in nature.

This is an ambitious and controversial agenda. But if a metropolis can realize its interdependence and act accordingly, it will see changes of a sort that today seem all but unimaginable. As Daniel Burnham once declared, "Make no little plans. They have no magic to stir men's blood." It is a challenge we must take up.

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The Exploding Metropolis

Why Growth Management Makes Sense

by DAVID RUSK

America is more than ever a land of metropolitan regions. Today those regions are home to five-

accompanying the explosive growth of U.S. metropolitan regions in the second half of the 20th century, driven by the federal interstate highway system, has been the demise of the central city and the balkanization of local

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governance.

In 1950, 84 million people lived in 168 U.S. metropolitan areas, typically composed of one large "central city" and its surrounding county. In all, 168 metro areas covered 304 counties and 208,000 square miles. With almost 60 percent of the metro population, 193 central cities dominated urban America. Only 40 percent of the metro population lived in surrounding suburban areas. Central-city dominance was an implicit system of quasi-regional governance.

By 1990, the demographic proportions were reversed. The original 168 metro areas (now with 159 million residents) had sprawled outward to embrace 345,000 square miles in 536 counties. But only one-third of the metro population lived in central cities; two-thirds lived in suburbs. Almost 70 percent of the metro population was governed by 9,600 suburban cities, towns, villages, townships, and counties.

Running Hard, But Losing Ground

Annexations and mergers are the traditional tools of municipal expansion, used by even the oldest American cities in their youth. By the mid–20th century, of course, the territorial expansion of cities like Boston, Philadelphia, and New York was history. In fact, throughout New England, New York, New Jersey, and Pennsylvania the political boundaries of 6,236 cities, boroughs, villages, towns, and townships were set in concrete. On the threshold of accelerated urban sprawl, the Northeast had become a region of "inelastic" cities.

Growing territorial inflexibility also affected much of the Middle West, which, by the Land Act of 1785, had inherited New England's pattern of township government. State laws provided for municipal annexation, but incorporated suburbs already surrounded many cities, such as Detroit and Cleveland.

Throughout the rest of the country, however, at midcentury, central-city officials could reasonably expect that annexation and mergers would continue to protect "elastic" cities' predominance as near-regional governments.

They were wrong. From 1960 to 1990, the 50 most annexation-minded central cities tripled their municipal territory, but saw their share of metropolitan population fall from 60 percent to 43 percent. Over the three decades, only 10 cities (Anchorage, Jacksonville, Nashville, Lexington, Columbus GA, Colorado Springs, San Jose, Huntsville, Bakersfield, and Fresno) increased population share. The interstate highway system decentralized America's metropolitan areas so rapidly and relentlessly that almost no city's annexation or merger efforts kept pace.

Big Boxes and Little Boxes

Though even most highly annexation-oriented cities are slowly losing ground in the face of accelerating urban sprawl, there are strong reasons for continued annexation. By capturing shares of new, middle-class subdivisions, shopping centers, and office and industrial parks, elastic cities maintain greater socioeconomic balance, broader tax bases, and stronger credit ratings than their inelastic counterparts. Minorities are more evenly spread out within "big box" elastic cities than between inelastic central cities and their "little box" suburbs. Big box regions are less racially and economically segregated than little box regions.

In contrast with the 50 elastic cities that tripled their territory, 23 "zero-elastic" cities expanded their city limits by just 3 percent. By 1990, zero-elastic cities' average income had fallen to 66 percent of suburban levels while elastic cities' average income was 91 percent of suburban levels. Zero-elastic cities averaged lower bond ratings (A) than elastic cities (AA). Within the zero-elastic cities' metro areas African Americans were much more segregated (an index of 74, with 0 indicating complete integration, 100 complete segregation) than within the elastic cities' metro areas (an index of 53). School segregation tracked segregated housing patterns in zero-elastic regions (74) while schools (46) were significantly less segregated than neighborhoods (53) in elastic regions. Elastic areas were less economically segregated as well (31 vs. 42).

Despite their advantages, however, even the most elastic central cities cannot hope to maintain their traditional role as quasi-regional governments largely controlling regional development. Annexation strategies have been overwhelmed by the sprawl-inducing impact of the federal interstate highway system and the networks of state highways supporting it. All central cities must turn to forging regional growth management compacts.

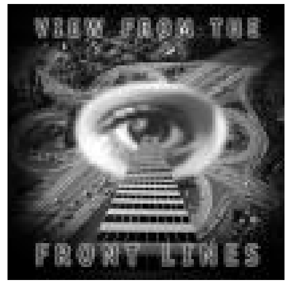
The Regional Agenda

Growth management is rapidly emerging as the top regional issue of the next decade. The key center of activity will be state legislatures, where land use rules are controlled.

Only 12 states have enacted statewide growth management laws. They vary in effectiveness from strong (Oregon being the best example) to almost purely exhortatory, such as Georgia's. The two most recent state land use reform laws have been adopted in Maryland (1997) and Tennessee (1998).

Maryland Governor Parris Glendening's Smart Growth Act strengthens a weak state planning law adopted in 1993. The Smart Growth Act does not place new mandates on local planning, which is controlled almost entirely by county governments in Maryland. But it restricts state highway, sewage treatment, and other infrastructure grants (and the federal grants they match) to established urban areas.

Tennessee's new state planning law, the product of a bitter controversy over Tennessee's liberal annexation law, emerged virtually unnoticed by growth management advocates nationally. The Annexation Reform Act requires counties to adopt comprehensive land use plans that must designate urban growth boundaries for existing municipalities (the boundaries will also be cities' 20-year annexation reserve areas). The plans must also set aside rural preservation areas and "planned growth areas" that may allow some "new town" development. Though not as rigorous as Oregon's law, the new Tennessee law has real teeth. Counties that fail to adopt a comprehensive land use plan within 18 months will no longer be eligible for a long list of state infrastructure funds, including federal highway grants.



Collage by Glenn Pierce

New Allies for Growth Management Laws

Tennessee's new growth management law may have been born in unique circumstances, but public pressure for anti-sprawl legislation is growing in many states, particularly in the Middle West, where no state has yet adopted a statewide growth management law. New recruits to the legislative struggle—business leaders, church coalitions, inner suburban mayors, and township supervisors—are joining forces with environmental and farmland preservation groups, growth management's traditional advocates. Some key examples:

- A new association of business leadership groups in Pennsylvania, the Coalition of Mid-Sized Cities, has targeted enactment of a "Smart Growth," anti-sprawl law as its top priority. Prominent coalition members include Better York, the Lehigh Valley Partnership, the Lancaster Alliance, and the Erie Conference on Community Development. "Public policies that encourage sprawl are neither smart nor right," explains Tom Wolf, owner of a multistate chain of builder supply yards and president of Better York. "We need to change the rules governing land use planning."

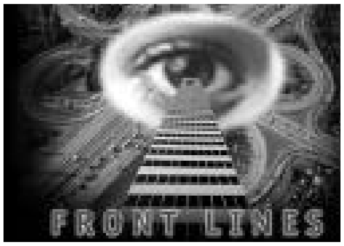
- In Missouri a coalition of 80 churches—Protestant and Catholic, black and white, city and inner suburb—is lobbying for a new state growth management law for Greater St. Louis. The Rev. Sylvester Laudermill, chair of Metropolitan Congregations United for St. Louis, explains, "For years our congregations have fought to stabilize and redevelop our communities, but every month more homes are boarded up and more local stores have closed. We've concluded that we cannot win the battle for our neighborhoods—the 'inside game'—unless we also fight and win the 'outside game.'"

- In Ohio the new First Suburbs Consortium (nine suburban communities around Cleveland) is organizing a statewide coalition of "mature suburbs" to support the proposed Agricultural Preservation Act—a state land use planning law like Tennessee's new law, with much broader impact than its title. "Many older suburbs are more vulnerable to sprawl-driven disinvestment than Cleveland itself," explains Dr. Tom Bier, head of housing research at Cleveland State University.

York, St. Louis, and Cleveland share one characteristic: highly fragmented local government. With 72 municipal governments in York County, 105 local governments in metro Cleveland, and 134 local governments just in the Missouri portion of Greater St. Louis, purely voluntary cooperation won't produce meaningful regional plans. As York's Tom Wolf says, changing the rules of the game for land use planning is essential, and only state legislatures can do it.

The Regional Issues That Count

Growing political support for new state land use planning laws will require the evolution of stronger regional planning organizations. In some states federally required Metropolitan Planning Organizations that allocate federal transportation grants are likely to have their planning authority extended into land use planning, housing policy,



regional revenue sharing, and economic development policy. And as regional organizations become more operationally significant and the impact of their planning decisions is better understood, public demand may convert some into directly elected rather than appointed bodies.

Even directly elected regional governments, however, will not be unitary governments. (Anchorage is the country's only such example covering an entire metropolitan area.) They will not replace the mosaic of local governments as primary providers of local services. Their powers will be limited but vitally important. Regional land use and transportation planning, affordable housing, fiscal disparities, major regional infrastructure investments—these evolving metropolitan governments will deal with the issues that count for the wealth and health of regions. ■

The View from Capitol Hill

by EARL BLUMENAUER

In the past five years, increased attention to the role government policies play in such problems as urban sprawl and central-city deterioration has motivated academics, advocates, administrators, and even, occasionally, federal legislators to focus on how to refashion the policies that have accelerated urban expansion. In today's conservative political climate on Capitol Hill, strategies most likely to prevail are those that reduce costs, promote efficient government, and remove the government subsidies that encourage individuals

Earl Blumenauer is a member of the U.SD. Congress from Portland, Oregon to move out of the city.

Federal policies profoundly shape individual and local government land use choices, which in turn can create enormous public costs. For example, federal requirements to clean up polluted land sites and purify city water impose huge costs on central-city governments and landowners—costs that are not required for new development on vacant suburban land. This creates a bias against reuse of land in older communities, even though that land is already serviced by infrastructure systems with excess carrying capacity. Similarly, federal tax policy is biased in favor of well-off suburban homeowners who drive to work and against those who choose mass transit. Today employers can offer up to $175 a month worth of parking, tax free, to each employee, while transit benefits over $65 a month are counted as taxable income. The EPA found that even in the central business districts of the largest cities, where transit is available, over half the commuters who drive to work have free employer-provided parking. For a parking space worth $100 a month, the direct federal subsidy is equivalent to free gas for the daily drive to work. Reforming such policies will save federal money and require individuals to make their choices without imposing costs on others.

Congress could also lower public costs by encouraging at least some forms of metropolitan governance. Certain metropolitan issues—notably, water and air quality, species protection, housing, transportation, and economic revitalization—defy jurisdictional boundaries and can be dealt with effectively only on a regional level. Congress has already passed the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), which required local governments in each region to coordinate plans through a single Metropolitan Planning Organization to qualify for federal funding. By demanding metropolitan regional plans and by allocating money to metropolitan areas, ISTEA made regions pull together. This arrangement was retained in the reauthorized bill just passed, TEA-21.

Other recent efforts to expand metropolitan cooperation have been less successful. A HUD proposal to create grants for communities willing to volunteer to work together on a regional level met bicameral silence in this year's appropriations process on Capitol Hill. Nevertheless, using federal funding to encourage intergovernmental coordination at the regional level is the single best mechanism for cultivating a true regional perspective.

Another approach is to rethink the way the federal government finances projects. To the traditional method of large grants and appropriations matched by a small local contribution (thus essentially providing localities with almost-free money), Washington is considering adding long-term, subsidized loans that would support larger projects with smaller federal outlays. These loans are good for borrowers; over the life of a 30-year loan, a 3 percent rate subsidy is effectively a 30 percent grant. But there are also metropolitan benefits. Requiring repayment forces local governments to look for regional support for their large projects, so those projects must have regional benefits. And projects are much more likely to be economically and technically sound, since local governments will be accountable for performance in ways they never have been before.

One policy area ripe for a regional approach is water cycle management. Today, multiple federal laws and programs—the Clean Water Act, the Safe Drinking Water Act, the Endangered Species Act—have engendered regulations that require massive cleanups in some cities, while allowing other cities and states to shift problems downstream. To take one frustrating example, Portland's sewer agency plans to spend over a billion dollars to eliminate rain-induced sewer overflows into the Willamette River. But there is no guarantee that these plans will make Portland's rivers clean; upstream pollution generated by other communities may continue to counteract the city's best efforts.

Yet another approach is micropolicies—little bills that make metropolitanism's big ideas more accessible. My favorite example is requiring the Postal Service to obey local zoning laws and involve the public when it wants to move out of a downtown area. Members of Congress who would sooner gargle formaldehyde than say the words "land use" are signing onto this bill because they recognize the key role the post office plays in the life of a community.

Another little bill recently adopted as a House Rule will allow members of the House of Representatives to offer their employees in the District of Columbia and in their home congressional districts $21 a month toward a transit pass, to balance the $2,000 worth of free parking annually offered to each of their officemates who drive. Most federal agencies, the Senate, and thousands of private employers already offer this option.

These little bills will not change the world. But, like the other strategies outlined above, they are ways of encouraging a conversation about the healthy development of our nation's metropolitan regions. ■