

**Bridging the Divide:  
Making Regions Work for Everyone—  
Shaping the Federal Agenda**

December 13–14, 1999

U.S. Department of Housing and Urban Development  
Office of Policy Development and Research  
September 2000



## Foreword

We anticipated that as many as 200 business, government, and community leaders would attend HUD's "Bridging the Divide: Making Regions Work for Everyone" summit in December 1999. Instead we welcomed more than 400 participants—representing more than 200 organizations and almost 20 Federal agencies—who accepted our challenge to help hammer out a new Federal role in promoting regionalism. The high level of interest and enthusiastic discussions convinced me that a strong consensus is emerging in support of more effective cooperation across jurisdictional lines in metropolitan regions.

"Bridging the Divide" offered representatives from a broad spectrum of government, public, and private interest groups the opportunity to present their views. This report summarizes what we hope will be the first of many major conversations on how the Federal Government can do a better job to support regions and regionalism. Clearly, the times demand that we tackle this issue. From economic development to environment to transportation, metropolitan regions have emerged as the focal point for effective policy and action.

Conference participants affirmed the basic propositions at the foundation of HUD's mission and translated these objectives to a regional template:

- ◇ Metropolitan regions need a strong urban core.
- ◇ Revitalization at the center and sprawl control on the fringe are complementary elements of a common agenda for metropolitan regions.
- ◇ From this point forward, urban problems must be addressed in a regional context.

Participants reinforced the importance of the Federal role in encouraging regional cooperation. Specifically, there was widespread agreement that the Federal agenda for metropolitan regions should include providing current, timely, accurate, and relevant metropolitan data; disseminating best practices; encouraging a strong regional perspective in Federal programs such as TEA-21; promoting interagency coordination to produce a more coherent, cost-effective, efficient Federal approach to metropolitan regions; providing incentives for private investments in the urban core; and ensuring equitable opportunity for all communities pursuing economic development and stability.

We were encouraged by the many expressions of support for HUD's new initiatives, including New Markets, American Private Investment Corporations, and Regional Connections. We heard, loudly and clearly, that the Federal Government must work harder to overcome the problem of rigid funding streams organized in departmental "silos." Finally, while we must be

more active and effective in making metropolitan regions work better, we must do so in a way that is supportive—not overbearing, intrusive, and ultimately counterproductive.

The Bridging the Divide summit achieved its intended objectives, including:

- ◇ Bringing together representatives from government, public, and private interest groups who must be actively involved if America’s regions are to work for everyone.
- ◇ Linking the best thinkers with responsible policymakers to translate ideas into action.
- ◇ Addressing metropolitan areas in a way that clearly defines the common agenda for central cities and suburbs.
- ◇ Putting equity squarely into the metropolitan equation, along with livability and sustainability.
- ◇ Involving all of the Federal agencies with significant responsibilities in America’s metropolitan regions.
- ◇ Focusing on an action agenda including time management and quality assurance factors.
- ◇ Challenging the Federal Government to do more and better.

Thanks to all who participated, to Susan Wachter and her staff, and to all of those who are committed to carry this work forward. We hope this report will strengthen your resolve to “bridge the divide” and help us make metropolitan regions work for all Americans.

December 9, 1999

Warm greeting to all those gathered in our nation's capital to participate in "Bridging the Divide." I am delighted to join Secretary Cuomo in welcoming you to this conference to focus on how cities, suburbs, and the federal government can work in partnership to achieve livable communities.

We have had several important discussions throughout the nation in recent years about how America can grow in the next millennium in a way that sustains and nurtures all of our communities. While the discussions have been complicated, I think we have reached agreement on at least one central conclusion: local leaders will increasingly encounter problems that transcend local borders and that cannot be solved with government resources alone. Whether it is building enough roads to get everyone in metropolitan regions to and from work, keeping regions competitive in the global economy, protecting open space and natural resources, ensuring that all families have affordable housing, or finding jobs for those moving off of welfare into the workforce, the problems are not simply city- or county-wide. These problems affect entire regions, and their solutions must be regional as well.

So, armed with some good ideas and a clear recognition that we need to find new ways to work together, this is an ideal time, in the few remaining days before the new millennium begins, to examine what the federal role in that effort might be. Vice President Gore has been a leading voice in helping people understand how critical this issue will become, and he has been working hard with all our federal agencies to help them approach the issue creatively. During this conference, you will hear from the many federal officials that Secretary Cuomo has brought together, and they will have the chance to learn your ideas.

This gathering of experts and academics, elected officials, community and business leaders, and federal officials offers a unique opportunity to make real progress toward our goal of achieving livable, sustainable communities. Thank you for dedicating your interest, time, and energy to this important effort, and best wishes for a successful conference.

*President Bill Clinton*



December 9, 1999

Dear Secretary Cuomo:

I want to take this opportunity to send greetings to everyone associated with the “Bridging the Divide” Conference. I regret that I am unable to join you, but please accept my very best wishes for a successful event.

As all the attendees know, the issue of how regions can work together in unity is very important to me. I am pleased that you have organized this gathering to help advance thinking on this matter and how the federal government can be most effective in supporting cooperative regional development.

One of America’s greatest strengths is its continuing growth. Our innovations in science and technology, and the engine that is our economy, are the greatest in the world; so too is our realization that our resources – except for the resource of human potential – are not unlimited. Time, energy, land – these are all precious commodities that we need to conserve as we continue to grow. Whether your conference participants are local leaders, national thinkers, business persons, or a combination of all three, their presence means that they are already a partner in helping to ensure that American communities grow smarter and are more livable.

After your deliberations over the next two days, I urge you and the conferees to take what you have learned and share it widely with colleagues and counterparts in other areas of the country – through speaking engagements or whenever the opportunity presents itself. More people need to understand that towns and counties, suburbs and inner cities, are increasingly inter-connected, and that they must work together to benefit all their residents. I know the federal government has been exploring ways to effectively fulfill our role in helping regions to address the challenges they face, and I am glad that this conference is meant to help propose ways that we can all work together even better.

Again, please accept my best wishes for a successful event.

Sincerely,  
Al Gore



## Executive Summary

Revitalizing central cities and combating suburban sprawl are complementary parts to achieving the goal of making regions work for everyone. This theme, stated by Secretary Andrew Cuomo in his keynote address, set the tone of the “Bridging the Divide” conference, sponsored by HUD and held on December 13–14, 1999, in Washington, D.C.

This report summarizes the presentations and discussions from the “Bridging the Divide” conference. It includes brief summaries of papers prepared for the conference. A complete proceedings will be published later this year.

In his opening remarks Secretary Cuomo said that urban problems must be addressed at the regional level if solutions are to have any real chance of success. At the same time he stated that we cannot solve the many problems resulting from unchecked suburban sprawl unless we strive to make existing communities more livable and competitive. “Everything plugs into this template,” Cuomo said, “whether it’s economic development or housing or quality of life issues. If you don’t have a regional context, it’s not going to work.”

More than 400 attendees from all levels of government, the business sector, and civic leadership responded to Secretary Cuomo’s invitation to attend the conference on regional cooperation. Participants devoted a day and a half to working on the conference theme, “Making Regions Work for Everyone—Shaping the Federal Agenda,” in both plenary sessions and issue workshops.

Attendees were welcomed with letters from President Bill Clinton and Vice President Al Gore. “Local leaders will increasingly encounter problems that transcend local borders and that cannot be solved with government resources alone,” President Clinton said. In addition to Secretary Cuomo, conference speakers included Senator Carl Levin from Michigan; Governor Parris Glendening from Maryland; Mayor H. Brent Coles from Boise, Idaho; Richard Huber, Chairman and CEO of Aetna Incorporated; Carol Browner, Administrator of the Environmental Protection Agency; and Lester Thurow, Professor of Management and Economics, Massachusetts Institute of Technology.

The summit gave special prominence to center-city revitalization and the challenges facing low-income and minority populations and tackled many of the toughest challenges in today’s emerging regional paradigm, including:

- ◇ How can efforts to revitalize the urban core be linked effectively with suburban growth management in metropolitan regions?
- ◇ What are the priority problems and objectives that require regional cooperation?
- ◇ How can policymakers and opinion leaders build political support for regional approaches?
- ◇ What can the Federal Government do to operate in a more unified manner to support metropolitan regions?

The summit will help the Federal Government determine what more it can do to make regions work for everyone. This report features highlights of the discussions and workshops, excerpts from keynote speeches, summaries of papers prepared for the conference, and conclusions and recommendations for Federal action. A complete proceedings of the conference will be issued later this year.

**Engaging the Issues: A Public-Private Dialogue.** The challenges of sprawl and recommendations for how the Federal Government can encourage sustainable regional growth dominated the conference's opening dialogue. The discussion panel featured two dozen leaders from Federal, State, and local governments; community development practitioners; private sector retailers and high technology executives; and representatives from advocacy groups and nonprofit organizations.

"We simply cannot go on developing the way we are and expect to maintain a quality of life in the future," Governor Glendening said. He declared that "the loss of the environment, the abandonment of existing communities, the huge debt to build the infrastructure of sprawl, and the loss of community as we spread out with lower densities" are among the high costs of unchecked sprawl. He added that a growing number of States have begun to promote smart growth.

Participants in the Public-Private Dialogue outlined six elements of the Federal Government's role in containing sprawl and promoting investment in the urban core. Recommendations fell into the following categories:

- ◇ Target Federal investments to support growth and redevelopment in existing communities.
- ◇ Coordinate Federal policy and funding to better serve communities and regions.
- ◇ Encourage regional partnerships and alliances to include low-income people and community-based organizations.
- ◇ Promote a mix of place-based and people-based strategies.
- ◇ Build the political case for smart growth.
- ◇ Take a long-term view.

**Focusing on the Issues: Challenge and Response.** Conference attendees worked on the detailed implications of applying the regional template to addressing the challenges of sprawl and urban disinvestment in five priority-issue workshops.

- ◇ ***Competitiveness: Economic Development and Workforce.*** This session engaged in a wide-ranging discussion of the role of the Federal Government in encouraging business location and employee availability in disadvantaged areas. Participants agreed that the Federal Government has come a long way in recognizing the role played by businesses and community organizations within the private sector. They concluded, however, that Federal agencies should do much more to work effectively across agencies and with non-governmental entities.

Recommendations were made in four general areas: collaboration, coordination, devolution, and public education.

Support was expressed for the Administration's New Markets Initiative, and the newly created America's Private Investment Companies. Demonstrations currently underway with HUD and Department of Labor funding are linking low-income inner-city residents with suburban job opportunities.

- ◇ ***Housing and Community Development.*** This session provided both general and specific suggestions for modifying housing and community development initiatives to strengthen the regional character of Federal programs. Panelists urged more equitable distribution of affordable housing across metropolitan areas, both to break up concentrations of urban poverty and to ensure that suburban areas have the workforce they need. Suggestions included providing Federal support for public education programs that would combat the misinformation and misleading arguments made against affordable housing development, and dissemination by HUD of good models of successful affordable housing strategies.

Work currently underway with HUD support will provide "best practices" approaches to affordable housing in metropolitan areas, which will augment earlier work supported by HUD in this area.

- ◇ ***Transportation and Environment.*** This session concluded that growing environmental degradation in suburbs and high concentrations of poverty in central cities can never be effectively addressed until policymakers tackle America's overall patterns of metropolitan development. Panelists highlighted the significant costs of sprawl and cited the large savings that could be achieved by encouraging even modest smart growth strategies. Participants highlighted the new flexibility provided by TEA-21, called for better coordination of programs, and urged that Federal policy changes be derived from a recognition of the interrelationship of transportation, land use, and quality of life.

With strong support from the Department of Transportation, Metropolitan Planning Organizations are becoming increasingly important as coordinators of decisions concerning the major determinants of metropolitan development. The brownfields program is a success story in linking environmental protection with economic development.

- ◇ ***Growth Patterns: Benefits and Costs.*** This session reflected an emerging consensus that existing metropolitan patterns of development are not working, that the traditional Federal approach is not helping, and that ways to develop new relationships among Federal, State, and local governments and to move from policy to implementation are continuing to evolve. Participants learned about an initiative to help States modernize their planning statutes and heard a comparison of quality of life outcomes in Portland, Oregon, which has a strong growth management program, and Atlanta, Georgia, which has none. The session outlined strategies for improving regional development patterns and reinvesting in urban areas. The importance of distributing affordable housing throughout a metropolitan area was repeatedly stressed.

A major resource for improving metropolitan development patterns is Growing Smart, an ambitious effort being carried out the American Planning Association (APA) to develop updated State and local statutes for planning and development management. APA is also updating the 30-year-old land classification system to give metropolitan decisionmakers a better tool for understanding development patterns.

- ◇ ***Regional Coalition Building and Decisionmaking.*** Panelists affirmed the essential role of the Federal Government in ensuring equity and fairness in metropolitan regions. The session offered specific elements of a Federal agenda to promote better regional decisionmaking, and elaborated generally on strategies to strengthen regions' economic competitiveness. The following two-part Federal role emerged during this session: first, use the "bully pulpit" to increase awareness and provide national leadership; and then direct and redirect resources to build capacity for regional cooperation at all levels of governance, including State, local, community, and neighborhood. Suggestions for the Federal role included tying Federal funding to regional planning requirements and distributing robust regional data.

HUD's support for the "Crossing the Line" conference, held by Partners for Livable Communities, the *State of the Regions* report, produced by the National Association of Regional Councils, and expansions in HUD's 2020 database and analysis package will make much more information available about current conditions and activities in metropolitan regions.

**Conclusions and Recommendations.** Although the task of shaping the Federal role was the priority for "Bridging the Divide," a much better understanding of the roles of other public and private sector institutions was developed. Against that background the conference participants generated concrete recommendations for how the Federal Government can better support the creation and implementation of regional strategies reflecting broad consensus on several basic propositions, such as:

- ◇ Addressing urban problems in a regional context will require increased cooperation across jurisdictional lines.
- ◇ To be strong, metropolitan regions must have healthy cores.
- ◇ The destinies of central cities and their suburbs are closely linked, and revitalization and growth management must be pursued jointly.
- ◇ The Federal Government has an important and legitimate role in promoting competitive metropolitan regions.

Throughout "Bridging the Divide," speakers and other participants affirmed the importance of the Federal role in making America's regions work for everyone and expressed support for a number of current programs and initiatives in various Federal agencies. With respect to that role, however, they also stressed the importance of Federal Government involvement in metropolitan regions being flexible and coordinated.

Several HUD and Administration-wide initiatives, ongoing or proposed, reflect the Federal Government's commitment to be actively involved in regional efforts to achieve livability, sustainability, and equity in ways that are supportive and effective, not intrusive or disruptive. These include the Partnership for Regional Livability, through which multiple Federal agencies are participating in 4 metropolitan regions in major initiatives launched locally with the support of a group of foundations; the White House Task Force on Livability, involving 17 Federal agencies that are working together on policies, programs, and activities to promote and support sustainable development at the State, regional, and local levels; and HUD's Regional Connections proposal which, if funded by Congress, will provide competitive funding to States and partnership of local government to develop and implement new, locally driven strategies that create more livable communities by addressing economic and community development across jurisdiction lines.

Thirteen papers were prepared for the conference by prominent observers and analysts of America's metropolitan regions, including syndicated columnist Neal Peirce, former Albuquerque Mayor David Rusk, and Minnesota State Legislator Myron Orfield. The papers are meant to stimulate discussion and spark ideas about regionalism. The authors participated in priority-issue discussions, and summaries of their papers are incorporated in the summaries of those discussions elsewhere in this report. A complete list of the papers and authors may be found on page 80. Full versions of the final papers, revised following the conference, will be included in the conference proceedings to be issued later this year.



---

# Table of Contents

**Laying Out the Issues: Different Perspectives** contains excerpts of speeches delivered by public and private sector leaders during the conference.

Honorable Andrew Cuomo, Secretary of Housing and Urban Development.....	1
Honorable Carl Levin, U.S. Senator from Michigan.....	5
Carol Browner, Administrator, U.S. Environmental Protection Agency.....	8
Richard Huber, Chairman and Chief Executive Officer, AETNA.....	10
Honorable Parris Glendening, Governor of the State of Maryland.....	12
Angela Blackwell, President, PolicyLink.....	15
Brent Coles, Mayor of Boise, Idaho.....	16
Lester Thurow, Professor, Massachusetts Institute of Technology.....	18

**Engaging the Issues: A Public-Private Dialogue** is a summary of the leadership roundtable discussion that established the foundation for issues discussions.....22

**Focusing on the Issues: Challenge and Response** presents summaries of the five priority issues roundtables.

Competitiveness: Economic Development and Workforce Strategies.....	32
Housing and Community Development .....	40
Transportation and Environment.....	46
Growth Patterns: Benefits and Costs.....	52
Regional Coalition Building and Decisionmaking.....	60

**Conclusions: The Next Steps** distills from the presentations and discussions the leading conclusions and recommendations for action..... 66

**Appendices** include lists of speakers and panelists, participating Federal agencies and participating organizations, and authors and the papers they prepared for this conference.

Appendix A: List of Speakers and Panelists.....	73
Appendix B: List of Participating Federal Agencies.....	75
Appendix C: List of Participating Organizations.....	76
Appendix D: List of Papers and Authors.....	80
Appendix E: List of Award Recipients.....	81

---



## Laying Out the Issues: Different Perspectives

### Honorable Andrew M. Cuomo, Secretary of Housing and Urban Development,

*in his opening keynote address, challenged the conference participants to discard their old templates for addressing urban problems and adopt the metropolitan region as the template of the future. Cuomo stressed the interrelated nature of the urban and suburban agendas and argued for the need to deal directly with the influence of race and class on the patterns of metropolitan development.*

I don't think there is a single topic that has more relevance or more importance than the issues that we're dealing with, than the subject of this conference, because in many ways this is the template, this is the framework. Everything else plugs into this template, whether it's economic development or housing or quality of life issues. If you don't have a regional context to it, it's not going to work.

Having said that, it is probably one of the most difficult things that we're going to have to do. This is a major change for us, and change is hard. Change is hard on any level. Change is hard on a personal level. Try to change your diet; it's very hard. When you want to change literally the context of identification, it is very, very difficult. We talk about city-county and the lines on the map and let's just erase the lines, let's just blur the lines, they're not really important—yes, except it is the way we associate. It is our identification. It's how we were grounded for so many years.

We have over 45,000 units of government in this Nation, 45,000. Why? Because we like to have our own wherever we are. It's very important that we have our own mayor, our own county executive. It is very much a way of identification. It's where we came from. I came from Queens, not Brooklyn, not the Bronx. How dare you even suggest that I would come from Brooklyn or the Bronx? I came from Queens. We had our own little accent. I'm now from McLean, Virginia. These associations are very important.

When you start to talk about regionalism and changing the lens, you're talking about blurring those lines. It is necessary, but it's easier said than done. All the experts, all the arrows, are pointing in the same direction, that this is the way the world is going to have to move. It is no longer an option. And you'll hear that during this conference. Everyone will have a different reason why it must happen. The Conference of Mayors will give you a great economic rationale why we must go to regions. Eighty-one percent of the cities, counties say that their economy will function as a region or it will not.

Lester Thurow will tell you—he came to HUD, he sat us down and he said there is no unit that is relevant besides the regional unit. Otherwise you're talking to yourselves. So you'll have all sorts of different rationales for why we have to move this way. But they all point in the same direction. Environmental, if we're going to do anything with the environment we are going to do it as a region. It's the way the problems are presented, it's the way they're going to be solved. Traffic is a regional problem. Air pollution is a regional problem. The cloud doesn't drift, look down and say, ooh, I'm at the Boise border, I have to stop right here because that was my place of genesis. These are all by definition interconnected, interrelated.

David Rusk will tell you the housing problem, affordable housing problem, is a regional problem, and that's going to be the template for the solution or it's not. This is not to say that you will hear person after person coming up to this podium, this microphone, in your discussions with the same concept of what it is. This is an evolving topic. It is an evolving lexicon, and for a lot of words that we're making up for this topic we're not all sure that we have a uniform meaning.

We start to talk about livability and sustainability and smart growth. There's little nuances, little shades of difference depending on who you're talking to. It means one thing in a suburban context, it means one thing in a rural context, and one thing in an urban context—close to the same concept, but different shades. And we have to keep an ear for those slight differences because they can really bring a distinction. In the suburbs when you talk about these issues we tend to be talking about preserving the quality of life that the suburbs cherish, preserving that, making sure that suburb stays the way it was when people moved there, making sure that suburb keeps the same attraction that it had the day that person bought their home. Preserving the rural area, don't lose any more farms, especially now when the economy is so tough on farmers, don't lose any more farms.

It is slightly different in the urban context, where it is less about preservation and more about redevelopment. In urban areas these topics don't mean let's stay where we are, protect the status quo, which is what they're saying in the suburbs. Cities don't want to stay where they are. Cities want to be redeveloped. Same words: sustainability, livability, smart growth—different meaning, suburb, city, rural.

Having said that, I think you come out to the same place anyway in that none of these entities can do what they want to do and what they need to do without the other. It is not either-or. It is both or neither, because the suburbs can't do what they want to do unless the cities are doing what they need to do. You cannot within the suburbs themselves achieve suburban nirvana. You can't stop the development of the suburbs. You can't keep the shovel out of the ground in the suburbs unless you're doing something in the cities. Why? You still need at the end of the day 1.6 million new units per year. Where are they going to come from? Well, not the suburbs.

We don't want any more development, we don't want any more crowding. That's why we moved out to the suburbs in the first place. We want to keep it forever green. But then where are the 1.6 million units going to come from? If we can't build in the suburbs, then please tell me where? Well, we don't build any more. That's not an option. Then build where? Well, not here. Maybe rural America. No, we don't want to do that. The same mentality as in the suburbs. We want to preserve rural America, which we should.

The answer is going to be the cities. Redevelop the urban core and the older suburbs, redevelop the central core, and you won't have to do further development in the suburbs or rural America.

So: different nuances of different concepts, but I think at the end of the day we'll all come out at the same place. The cities will have to go a ways before they are going to be viable alternatives for the redevelopment to the suburbs. If you need the cities as a viable option to suburban development, they have a way to go. They cannot—"they"; there is no "they" as a class—many of them cannot now compete as a living environment with the suburban areas. Cities have assets that the suburbs don't have

and never will. Dick Moe will tell you about the history that is unique to cities. I don't care how good a developer is, they can't build history. They can't build culture. That is an asset that only the cities have.

Cities have something else. Cities have people. People are nice. Most people like people. Some people don't like people, but that's a different story. But for those people who like people, cities are nice. They're a concentration of people and different types of people and different colors of people and different accents and different sizes, and we enjoy that diversity. That's what cities offer. Cities are the most economic way to house people and have them work. In the density is an economy. It is the most cost effective way to do it. So cities have assets that they're bringing to the table, but they're going to need extensive redevelopment to get to a point where they're a viable option.

Number one, they're going to need an education system that works. It has nothing to do with HUD, Housing and Urban Development, but the number one urban issue in my opinion is the education system. What's happening to cities is they're getting younger and older. They're losing the middle. As soon as a family has a child of school age, they're out to the suburbs. Why? Because they're not going to sacrifice their child's education, nor should they. So they need an education system that works. They need housing that is competitive with the suburban market—a different concept. But if you have a choice between staying in an urban area and moving to a suburban area, you need a choice of housing that is competitive. We're trying to do that, getting to a higher mortgage limit so we can provide more of a house.

We have to remove the housing failures, which in many ways are unique to cities. We're trying to do that with the HOPE VI program, tearing down the public housing that didn't work and rebuilding it with smaller scattered site housing that actually works with the community.

We need affirmative economic development measures. I was just chatting with a gentlemen from Kmart about developing in Harlem, 125th Street, which is a tremendous economic revitalization success story. It's also an Empowerment Zone. We seduced businesses into the area with tax incentives and grants, but basically, all things being equal, it's much easier for the businesses to go to suburban America and develop a greenfield than to come into urban America and develop a brownfield. If you want them to come in and develop the brownfield, you're going to have to subsidize the difference. Otherwise the numbers don't make sense. We know how to do it. It's Empowerment Zones. It's the brownfields program. It's APIC. It's the New Markets Initiative. But you're going to have to subsidize the economic differential.

The suburban agenda and the urban agenda are flip sides of the same coin, and either you will do both or you will do neither.

My last point is that in many ways it is fitting that you are here to discuss this topic as we're also anxiously expecting the new millennium, because in many ways this question is not a new question or new issue, but in many ways is the most fundamental issue that the country has ever dealt with. This is not a new phenomenon, and in many ways it is unique to the American experiment. The American experiment said something that we have yet to vindicate. The premise was that we could bring people from all across the globe, bring them to one country, one place, and forge a Nation out of them.

We take it for granted, but it was a very aggressive, ambitious premise, that you could take people of all different colors, all different religions, bring them to one place, and somehow forge a community out of them and say, forget that you're black and you're white and you're Asian and you're Italian and you're Irish and you're Jewish; you're all now Americans and you're all one. Very difficult to do, and I don't believe that we have done it yet.

I believe when we talk about sprawl and we talk about concentric circles of development and we talk about people moving from cities, these are not just environmental issues and traffic issues and housing issues; these are social issues. There are many reasons why people moved out of the city and moved to the suburb. Some of them were: they wanted a bigger home and they wanted a better school system. Some of them dealt with the issue of race, in my opinion. Some of them dealt with the issue of class, in my opinion. Some of it dealt with a belief that the way to handle this thing called diversity is not to come together, but to separate, to move away. That's why the concentric circles of development move further and further and further away. Don't try to unite, but literally run one from the other.

We now have gotten to the edge of the envelope. Seven thousand acres consumed per week. You can't go out any further. There's only one option. Now you have to turn and face one another and you have to figure out how to do this together and how to take these issues, which have always been common problems and common issues, and rather than solving them by running, resolving them by unifying.

How do we do this thing called affordable housing, altogether? Because we can't move away from them any more, we're going to have to do it together. How do we work this out, these economic development issues where you have the jobs but I have the workers? We have to work out the issues that we've run from for so long.

That was always the premise of the country, that we could do it. The founding fathers said "E pluribus unum": Out of many, one. That was the founding premise. It is still the enduring promise. It is the topic of this conference. Thank you. (Applause.)

**Honorable Carl Levin, United States Senator from Michigan and Co-Chair of the Senate Smart Growth Task Force,** *described in his remarks some of the bills related to metropolitan development that have been introduced in the Senate, emphasizing the breadth of support for action around the country. Levin also counseled the conference participants on how to pursue courses of action that are not in direct conflict with consumer preferences and how to develop a language for advocating change in urban development that encourages inclusiveness.*

...You meet at a time when there's a growing consensus on the problems and the costs of unsustainable development and growth. For instance, from 1980 to 1991 the U.S. population increased by 11 percent, but vehicle miles traveled increased four times the population growth. From 1960 to 1990 the Detroit metropolitan area's population grew by just 4 percent, but urbanized land grew by 53 percent.

We have too often experienced the negative aspects of growth, including traffic congestion, wetland and farmland loss, deterioration of inner cities and older suburbs, concentration of poverty, lack of affordable housing, degradation of environmental quality, and so forth.

To attempt to address some of those problems, there are exciting initiatives on sustainable development under way across my State of Michigan. Everywhere in my State people are looking for ways to balance our need for economic growth and better quality of life.

...In State capitals across the country, governors and legislators, Republican and Democrat alike, are working to provide incentives and remove disincentives to businesses and communities in order to redevelop brownfields, revitalize urban centers, preserve farmland and open space. In State after State after State, voters are sending pretty tough messages that they want something done, and the candidates that seem to understand the growth problems are the ones that are winning. As a result, through public-private partnerships States are beginning to demonstrate creative approaches to smart growth.

...In the United States Senate, some of us are struggling to address the issue in a bipartisan manner and it is absolutely essential that it be done that way. I have joined with Senator Jeffords of Vermont in creating the Senate Smart Growth Task Force. This 25-member multi-regional working group gives senators a forum to discuss and coordinate efforts concerning sustainable growth.

One of our objectives is precisely what this conference will address today, identifying Federal programs that can assist and complement State and local efforts to promote smart growth. Although the Senate Smart Growth Task Force does not endorse individual bills, it does act as a forum to disseminate to its member legislative proposals that can be categorized as smart growth bills, so that its members can make choices about which ones to support.

These are just a few of the bills which are stacked up awaiting Senate consideration. Senators Baucus and Hatch have introduced a bill called the Community Open Space Bonds Act. This draws on the largest component of the administration's livability agenda, the Better America Bonds. This bill would provide State and local governments up to \$9.5 billion over 5 years in bonding authority to combat sprawl. The program would allow State and local governments to carry out their own conservation priorities by using Federal tax credits to market zero interest bonds to purchase open space, protect water quality, improve access to parks, help communities redevelop abandoned industrial city centers,

and so forth.

Another bill, the Historic Home Ownership Assistance Act, introduced by the late Senator Chafee and Senator Bob Graham, would provide tax incentives for rehabilitating historic homes that are occupied as a principal residence, stimulating economic revival of older communities.

The Federal Government should lead by example in locating Federal buildings, including post offices, in downtowns and city centers and older communities. The Post Office Community Partnership Act, sponsored by Senators Baucus and Jeffords, would help to achieve that.

We need brownfields redevelopment legislation to help communities restore sites that have the potential for economic development. There are over 20 different pending bills addressing brownfield redevelopment.

The Urban Park and Recreation Recovery Program, which has been underfunded and neglected, as a matter of fact not funded at all, for many years. We succeeded finally in getting some very minimal funding for the program this year, which at least gives us an opening to increase funding next year.

...So we're not short of ideas or road maps to address the problems of sprawl and unplanned growth. The problem, however, is that the political support for these initiatives is not yet there. It's not there in part because some attack these initiatives as big government interference and often this mischaracterization is used as political ammunition.

I admire tremendously the work of such leaders as Governor Glendening, who spoke to you yesterday. That kind of leadership can help turn us around and turn around the debate on sprawl and the need for the Federal Government to provide incentives and remove disincentives to older communities.

We need to fight to turn this into an issue like social security, where just about everybody in both parties is struggling to achieve more than the next guy instead of using the issue against one another. One way to gain the necessary support to enact smart growth legislation and to debunk the attacks that are made against the sustainable development movement is to focus on the positive, supporting programs to make older communities more attractive, offering attractive choices and options for our citizens, and offering again added choices and not constraining choices.

...We have to be smarter in the way we address the issues of growth, both politically, rhetorically, and on the ground. That means that we have to make available choices to consumers that compete with the choices that they're offered now that result in sprawl. We have to respond to what it is that draws people to live in the outer suburbs and in the edge cities.

We can't advance smart growth by constraining consumer preferences. People may not like sprawl and congestion, but they like good schools, safe neighborhoods, places to park where they shop.

...Words matter in our effort to win legislative initiatives. Since our goal is to identify those aspects of smart growth which naturally appeal to more people, making cities and older communities and

neighborhoods magnets to attract people to them, our rhetoric should not be words of control, but words of choice.

This also would avoid the elitist label that some critics try to pin on us, intended to put us on the defensive on an issue where we have the high ground and have a broad cross-section of public support from persons of all political persuasions and from a broad geographical cross-section of urban dwellers, suburbanites, and rural residents.

The ingredients for action to address the problems of sprawl are all present. The recipe isn't particularly exotic. It requires leaders to work together with steady hands towards the goal of leveling the playing field between outward sprawl and inward development and mobility.

...I want to commend Secretary Cuomo for organizing this conference and for recognizing the need to identify and coordinate the Federal and local roles involved in achieving sustainable and livable communities. Sustainable and livable communities is a straightforward and a noble goal for any government and for any people, and this conference can make a notable contribution towards achieving that goal. I commend you for your participation, urge you on, look forward to your results, and pledge along with Senator Jeffords and our colleagues in the Senate to attempt to respond to your initiatives.

## **Carol Browner, Administrator, U.S. Environmental Protection**

**Agency**, *described how the brownfields program results in wins for the environment and wins for the economies of local communities. Browner also emphasized the importance of cooperation among Federal agencies and the importance of the Federal Government responding flexibly to local conditions.*

...I want to congratulate HUD and Secretary Cuomo for creating this opportunity to meet the challenges of conserving our land, but not stifle economic growth, economic prosperity. We do need to build bridges that link towns to cities, cities to counties, counties to States, and States to neighboring States.

...The Federal Government must set an example itself by building bridges across its many agencies and departments so that together at all levels of government we can more effectively, efficiently target regional problems and find regional solutions. I think one of the really great and in some ways untold stories of this administration has been the willingness to work across agency and department lines, putting aside historic differences, putting aside those kind of discussions about, well, this is mine and not yours, coming together as one government and working together to find the very best solutions to the challenges we face.

...Between 1992 and 1997 nearly 16 million acres of forest, farmlands, green spaces were converted to other uses. At this rate, in a decade, just 10 years, we will have bulldozed the land equivalent to States like Pennsylvania, Ohio, Virginia, or Mississippi, in just 10 years if we continue to grow in the way we have grown in the past. While all of this land across the country, these open spaces, are being swallowed up, hundreds of thousands of acres of brownfields sit idle.

...The U.S. Conference of Mayors estimates that developing the land that we call brownfields could bring in almost \$1 to \$3 billion in tax revenues annually, each and every year. It could create nearly 700,000 new jobs, and obviously it could take some of that development pressure off of our green spaces. In May of 1997 the Vice President announced the Brownfields National Partnership Action Agenda, which offers communities financial commitments and technical advice from more than 25 Federal agencies and partners.

...I had the pleasure last week to go to Dallas, Texas, and I got to visit with the Mayor of Dallas one of their brownfield sites. Dallas has received about \$1.9 million in financial and technical support from all of the Federal agencies that are working together there. It has been money very well spent. They have already attracted another \$109 million, so literally taking \$2 million and turning it into almost \$110 million in private investment. We actually went to see a site, a brownfield site. Part of it has already been cleaned up. We developed these very, very nice urban apartments, and in the hole that is there now as they complete the cleanup and begin construction will arise an arena, a downtown arena, bringing people back to the community, bringing people back into the city, providing green spaces, providing jobs, providing redevelopment. It's the kind of progress that I see every time I travel to a brownfield site.

...According to a study released in October by the Council for Urban Economic Development, for every dollar the Federal, State, and local governments put into revitalizing brownfields, almost \$42.50 in private investment was attracted, more than 8,300 construction jobs were created, and once the work

was done another 22,000 jobs were either created or retained. Clearly, this program is a huge success. We are committed in this administration to expanding on this success.

...In cities, in States across the country, voters are going to the polls and they are voting in huge numbers to create green bond initiatives, if you will, programs to take a little bit of their tax dollars, to set them aside to buy green spaces, to preserve green spaces, to create urban parks, perhaps to preserve wetlands, forest buffers along a river, to protect their coastline. Recognizing this huge demand in community after community, the President and the Vice President have called on Congress to create a program called Better America Bonds. It would allow States and local governments to issue nearly \$10 billion in local bonds that could be used, not only for green space preservation, but also to clean up brownfields that would become greenfields, giving them another financial tool as they look at how best to grow their communities.

...If I've learned anything in my experience of the last 7 years or almost 7 years now at EPA, it is that no two communities are the same, and the history that brings them to where they now find themselves are different histories and the futures that they will create are very, very different futures. But when we as government give those communities, those regions, those areas, the tools that they need, the information and the understanding that they need to make decisions about how best to grow, about how best to change, there is no doubt in my mind that they always make a far better decision than any of us can really ever hope to make on their behalf.

## **Richard Huber, Chairman and Chief Executive Officer, AETNA,**

*offered a business perspective on the importance of urban revitalization, offering the severe economic disparities within the Hartford, Connecticut metropolitan area, home of AETNA, as an example of why action is needed. Huber affirmed the importance of investment incentives provided through government programs as catalysts for private investment.*

...Hartford is an example, in some ways an extreme example, of the problems of the way many cities in America have developed. Aetna is headquartered there, was founded there. We are a Fortune 50 company, and to a certain extent our success or failure depends upon the success or failure of the community in which we live, and we're very much aware of that.

We have a city, Hartford, that's in a State, Connecticut. Connecticut is the most affluent State in America. The richest State in America on a per capita basis is Connecticut, and 3 of the 10 poorest cities in America are in Connecticut—Hartford, New Haven, and Bridgeport.

What's wrong with this picture? What's wrong with this picture and what's wrong with to a certain extent most cities in the Northeast is that these are old cities. So today we're a city which has a population of 125,000 people, and I think that's a double count of a couple people, but that's what we say, 16 square miles, and we are the center of a metropolitan area of over 1,100,000 people, which again is one of the most affluent metropolitan areas in America.

...That metropolitan area is made up of 33 different towns. Every one of these towns has a fire department, a police department, yes, a mayor, a school system. There is absolutely no form of regional government or cooperation, for that matter.

So just to give you some raw statistics, the city's population has declined as the middle class continues to flock to the suburbs. From 1980 to 1998 the population declined 3.6 percent while the U.S. population grew 19.3 percent. It has a high unemployment rate, 6.7 percent unemployment last year, about double the unemployment in the suburbs.

The poverty rate is, as you would imagine, very high, 35.2 percent, which is about double that of other central cities, not just the suburbs, but other central cities in America. So here we have, as I said again, the richest State in America with not just one, but three of the poorest cities in America. The people in the surrounding towns, they don't want any part of Hartford. So this is the problem. This is the challenge. This is the challenge for us in Hartford. I think it's the challenge for many, many cities in America.

...So as a business leader, I think that I'm very mindful of the fact, as I say, that our viability as a company is tied to the viability of the community in which we live and operate. First of all, we sell our products and services to people who live in these communities. More importantly, really, is we employ area residents.

Remember I said we have a 6.7 percent unemployment rate in Hartford. But I have jobs going begging. I have jobs going begging because the products of Hartford's public schools can't read and write. Now, I can teach people to use our computers, operate our systems, and do our work. I'm not

qualified to teach them to read and write.

And this is a sad fact, but it is a fact that I think is particularly acute in the case of Hartford, but I believe you'll find it in a number of other urban centers in America. That was one of the biggest problems that came out of President Clinton's New Markets Initiative, is, sure there are people, sure they want to work, but they don't have even the basic skills to enter the job force. And this is a big challenge.

...We do more than just try to provide financial support. We try to help these communities in our city to learn how to manage their properties, learn how to sustain themselves. There are a number of projects we're involved in. There's a comprehensive neighborhood revitalization centered around Trinity College, sort of a central hub of education, health, family support, and economic development activities. It's grown to about a \$300-million effort, which again is I think a good example of a partnership between public and private investment funds. We have a \$1-million investment in this project and we're glad to see that that investment has been used as a catalyst to generate a great deal more investment.

So there are a number of projects, but they really are all fighting an uphill battle because of the lack of some form of regional government. So I think that we would strongly second Secretary Cuomo's drive to try to help areas across the country, each with a different set of problems, to tackle this problem, to try to provide some form of better coordination and better regional government.

I think businesses are looking for smart investments. There's a lot of money out there chasing good investment opportunities. So we need to have programs that can provide a catalyst, can provide some seed capital, can provide some support, some guarantees, to attract private capital. But I think it has to be very important that these programs do have sunsets and that we don't create just another form of dependency.

...Because the suburbs have not yet arrived at the point of enlightened self-interest, we must make regional government a priority, somehow or other, to share the tax burden, the investments in higher education, in schools, and in regional support services. Our home cities can be places of great riches and vibrancy, and through a private-public-nonprofit partnership I firmly believe that we can help them evolve into globally competitive regions that thrive and grow.

I believe it's worth the effort. I believe it's worth our investment, because it is our future.

## **Honorable Parris N. Glendening, Governor of the State of Maryland and Vice Chairman of the National Governors' Association,**

*outlined the anti-sprawl program he initiated in Maryland, describing how it is aimed at reducing the overconsumption of suburban resources and encouraging investment in older communities. Glendening argued in support of a similar orientation for Federal activities, making the point that Federal policies are one of the causes of the current and costly pattern of metropolitan development.*

...In the last few years there's been a very significant awakening about sprawl, about the cost of sprawl from so many different perspectives, and about the fact that we simply must do something about it.

I was pleased that during the last round of the "state of the State" messages 37 governors made some type of clear statement about sprawl, about smart growth. I was also very pleased that since that time a number of States have enacted significant changes, probably the most dramatic being in Georgia with Governor Barnes and the new regional authority in the Atlanta area.

I think without any hesitation what we've got to recognize is that we simply cannot go on the way we are and expect to maintain a quality of life in the future. It's the loss of the environment, it's the abandonment of the existing communities, it's the huge debt that we are building up as we try to build the infrastructure of sprawl. In many ways, it's also the loss of community as we spread out with lower and lower densities.

...In Maryland we've taken an approach that says let's try to affect the bottom line. Let's make it more cost effective to invest in existing communities than it is to go out and tear up one more forest or pave over one more farm. Right now the bottom line works in favor of sprawl. It is curious, but the way we collect who pays for what and with the public money subsidizing so much of the infrastructure it is much easier to go out there and build out there somewhere than it is to go through either re-use or redevelopment or infill development. I believe that it is essential that we change those rules, so that, in addition to by zoning trying to protect open space and keep development going in certain patterns, that we really make bottom line decisionmaking redirected into existing areas. That's for the buyers, that's for the investors, that's for the public sector.

...We must remember that government policies, including Federal Government policies, helped open up the suburbs and helped contribute to the significant expansion that we today call sprawl. Just two policies, for example, the interstate highway system combined in almost the exact same time period with the GI home loan bill, both good noble programs, both major tools through which billions and billions of dollars were used to invest to open up land for sprawl.

If that's the case then surely we can do the same type of thing and use government policies to redirect investment into existing areas. I won't go through the details now, but I will tell you we have our book of the tools in our toolbox for smart growth, and they're everything from homeownership loan programs and priority funding for schools and a variety of things like this that seem to be working.

In fact, I was pleased that this last year, for the first time in the history of the State since statistics have been kept, we actually preserved in permanent open space more acres than was developed in the State. This is at a time when our economy is booming, it's the strongest economy we've ever had.

...I know the second you say the Federal Government has a role in stopping sprawl everyone gets really nervous, and it's as if all of a sudden we're going to have a Federal zoning commission or something like that. No one is even talking about that whatsoever. But the Federal Government does have the resources and does have such a significant impact, whether it's about where a road is located or about where investments are made or about conditions of loans or anything of that type, that we really ought to be partners in trying to work this through.

...In the State of Maryland the State pays 50 percent of school construction. We have changed the rules. The rules used to be that, in terms of selecting which schools we're going to help pay for, the number one priority was schools to accommodate overcrowding resulting from new growth. We have turned that around and, of the seven priority areas, the number one priority now is for existing schools in existing communities, and the whole idea being we want young families to be able to look around and say, "Well, my best school is right here in Silver Spring or Hyattsville," wherever it might be, and do not have to move out there somewhere. The national administration has been very helpful for the first time in terms of trying to get school construction programs through. We think that they ought to be targeted and prioritized in terms of existing communities as well.

I think the Federal Government ought to have a similar threshold question that we use (for location of government facilities). We have a sub-cabinet for smart growth and any location of any of our major facilities goes through a threshold question: Does this contribute to the vitalization, revitalization of existing communities, or does it contribute to sprawl? If it contributes to sprawl, then we do not fund it, whether it's a State project or State support for a local project. I would like to see, in terms of location of post offices and courthouses and other Federal facilities, that same type of threshold question.

We are using HUD funding for a number of our projects, but we have prioritized them in terms of our participation in them only in what we call priority growth areas or smart growth areas, whether these are low interest, no interest loans for rehab programs for homeownership, for "live where you work." I think for a number of departments to do similar things would be very, very helpful. Quite candidly, I'm not sure we should be giving loans and grants to projects that essentially lead to further sprawl.

...Some departments at the Federal level have been very, very innovative. I'm pleased, for example, under Secretary Slater one of the things that we have been able to do is to open a child care center on the Baltimore light rail line. It is very, very interesting because parents going to and from work are able just to stop right there. It's at the station itself. You literally don't even go outside of the station and it's right there, so on your way to work or coming home or whatever your child is right there.

...I believe that the Clinton-Gore administration has in fact addressed many of these issues. They're personally involved. I know the Vice President in particular has been out front about what we need to do with the sprawl issue. He has also been very aggressive in terms of trying to mobilize some resources from the Department of Agriculture in particular to help preserve the existing farmland and open space.

...If you have air pollution in a major metropolitan area and it becomes a non-attainment area, then you cannot get permits generally for major new buildings or investments in those areas. So the alternative is that you take the jobs further out someplace where it is cleaner air. Somehow or other, whether it is

credits in terms of pollution or further investment to reduce the amount of pollution or something like that, we can't have a non-attainment area policy that forces development outwards in the interest of having clean air, because everyone gets in their car and drives to the jobs and you end up with dirtier air.

...If one thing were to come out of this conference and subsequent discussions, though, I would like it to be to start addressing in the public's mind that the Federal Government does have a legitimate role in helping to be a partner in fighting sprawl. There's this almost knee-jerk reaction that says the Feds should not be involved in these type of issues. I always tell people, this is one of the most conservative policies you've ever seen, because the most wasteful policy we have is this constant reinforcement of sprawl. You can't keep building the water and sewer lines and the schools and the roads and everything else to accommodate sprawl. It makes no sense and these are our tax dollars. Therefore, if you want a good fiscally responsible, fiscally conservative approach, I believe that the Federal Government should be a partner, not contribute to sprawl, and help us redirect the economic engine back into existing areas.

**Angela Blackwell, President, PolicyLink,** *urged an orientation toward neighborhood development that linked people in the poorest areas to the broader region. Blackwell suggested that regional equity impact statements be developed to make it possible to assess the equity impacts of major regional investments.*

I have heard so much today that reinforces the things that I think are most important. The one thing that I think will help deal with the equity challenge is to really focus on strategies that are people- and place-based.

We talked some about the policies that actually gave us sprawl. One of the things that's interesting about those policies is they were people- and place-based strategies. We didn't just invest in building housing in the suburbs. We also invested in human capital, making sure that people were educated and could make the kind of incomes that would allow them to be able to live in those houses.

Similarly, we invested in strategies that began to really put some of our best schools in those areas, so we were building the workforce for the futures. Those same strategies disadvantaged people who were left behind in the most profound way in our inner cities and in some rural communities.

As we think about how to fix it, I think we have to be just as deliberate about putting together people- and place-based strategies. A lot is emerging, which we're spending a lot of time trying to find and package and disseminate, that's coming up from the communities about what some of those people- and place-based strategies are.

For example, neighborhood reinvestment—but neighborhood reinvestment that's tied outside of just the geographic area where poor people are living, but investment in the neighborhood that ties people to the region, and figuring out ways to be able to link people in the poorest areas to the broader region.

When you think about this question of participation and voice, what we really are faced with are people who are living in isolation, marginalized from where the action is, where the resources are. I think of it that people are actually marginalized from the place where equity is possible, which turns out to be the region. They're isolated from the means for achieving equity, which means they're isolated from the economy. They're isolated from the tools for achieving equity, which has to do with technology. And they're isolated from the process, which turns out to be voice and democratic participation.

I think that communities all over the country are developing strategies to deal with each one of those, and we have to be very conscious about how to apply them.

One of the things I think would be useful, particularly, as Myron Orfield points out, given that the inner-ring suburbs are having exactly the same problems that we associate with inner cities, is regional equity impact statements. We would actually ask, when we're making investments whether they're in transportation or technology or housing or workforce development, what are the impacts on the various components of the region? We would ask about whether or not we are creating inequity or we're contributing to equity, and from that analysis try to develop our broader policy at every level—Federal, State, and locally.

**Brent Coles, Mayor of Boise, Idaho and Vice President of the U.S. Conference of Mayors,** *explained how he and other leaders in the Boise area joined together to form The Treasure Valley Partnership. Coles linked the importance of action to maintain strong metropolitan regions to a study, conducted for the U.S. Conference of Mayors, that details the contribution of metropolitan regions to the U.S. economy.*

I appreciate the opportunity to join with local elected officials and leaders, Federal agencies, business partners, as we bridge the divide. I think that's an excellent topic and an excellent opportunity, and one that I'm joined by locally elected officials in our Treasure Valley area who came all the way here to Washington, D.C., to work together and I hope demonstrate some of the things that we've done.

Over here there are two County Commissioners from two different counties, Ada and Canyon County, Frank Walker and Tod Lakey, and then the Mayor of Eagle is here with us, Rick Isguire.

We've had help doing this. We've had folks, for example, today with us the Executive Director of the Congress for a New Urbanism, Shelley Poticha, is right over here. She helped us as we put together a partnership to bridge the divide. We spent two and a half days off in a ski lodge somewhere and the newspaper made hay with the fact that we were taking taxpayers' money and going up to a ski lodge, although it was in, I think, June of the year, so there wasn't any skiing going on.

But we went up there and we had to lay down a whole lot of animosities and political bickering that had gone on over the years and decades and say to ourselves, "we're going to work together and we're going to do something for the communities and for our region and we're going to do what's best for our constituents, the taxpayers and families who live in our communities and work together."

So we set up a whole lot of goals. It doesn't matter whether you're a large metro economy or you're a smaller rural economy or metro area. The impacts are the same if you're not working together.

Recently in a study we did, that is the U.S. Conference of Mayors, working closely with Standard and Poor's-DRI, we found that between 1992 and 1998 city-county metro economies contributed 89 percent—or more than \$2 trillion—of the growth in the Nation's economy over that period of time. So we are the economies now and on into the future.

I want to thank Secretary Cuomo. He has been a great party—a great partner with the cities and counties.

But he's been a great region with the cities and counties. I know at the U.S. Conference of Mayors it's meeting after meeting. It's our summer meetings, our winter meetings, our leadership conferences. Our ally in the Nation's capital has been Secretary Cuomo.

He's a great visionary. I appreciate what he said about leaving no neighborhood behind. Again, it doesn't matter whether you're in a rural area or a large metro economy. There are neighborhoods out there who are being left behind in this time of prosperity and it's our responsibility as leaders elected and appointed to take the leadership position to do something to make sure that no neighborhood is left behind, because if we leave neighborhoods behind, we're leaving families behind.

## **The Treasure Valley Partnership\***

The Treasure Valley Partnership is a proactive coalition that allows neighboring area leaders to unite to discuss regional issues. Many complex issues have arisen as a result of the area's tremendous population growth. In response, Boise Mayor Brent Coles proposed to the other local elected officials in the area that they come together for a 2-day retreat on the issues of growth and development facing the Valley.

At the end of the retreat the participants signed the Treasure Valley Partnership Agreement that set out the following eight basic principles:

- ◇ To be a part of one region.
- ◇ To maintain individual community identities.
- ◇ To work together as a region.
- ◇ To benefit from growth while simultaneously protecting the region.
- ◇ To develop tools to face challenges.
- ◇ To provide community and cultural opportunities for residents.
- ◇ To strengthen established cooperative activities in areas such as transportation, parks, water supply and quality, air quality, public safety, emergency management, and disaster preparedness.
- ◇ To continue the dialogue to further regional progress.

The Partnership encourages dialogue among all parts of the region, and allows participation of industry representatives, business people, schools, media, labor groups, religious institutions, elected officials, and civic organizations.

The Partnership has established four immediate goals:

- ◇ Create coherent regional growth and development patterns.
- ◇ Link use and transportation.
- ◇ Reinforce community identities and sense of place.
- ◇ Protect and enhance open space and recreational opportunities.

\* The Treasure Valley Partnership was a recipient of an award from the Joint Center for Sustainable Communities for outstanding city/county collaborations presented at a White House ceremony held in conjunction with the "Bridging the Divide" conference. A list of the other award recipients is contained in Appendix E.

**Lester Thurow, Professor of Management and Economics, Massachusetts Institute of Technology,** *elaborated on the implications of the Third Industrial Revolution for America's metropolitan regions. Thurow described the successful regions as beehives of complicated and productive activity and said that in the global economy the three keys to success are skills, skills, and skills.*

What I want to argue this morning is you're going to have to worry about building cities and metropolitan areas in a very different environment. Everybody in this room knows about the First Industrial Revolution, the steam engine and all of that, and it was a revolution. What the historian says is with the advent of the steam engine in the First Industrial Revolution 8,000 years of agriculture as the dominant human activity was over and if you wanted to be rich you had to play the industrial game.

When the steam engine was invented in 1801, or perfected, 98 percent of Americans made their living on the farm. In the year 2000, 2 percent of Americans will make their living on the farm.

Lesser known, but if you've ever taken any course in economic history you've studied what is called the Second Industrial Revolution, which occurred in the 1880s and the 1890s. The Second Industrial Revolution was based on one great idea. It was a German idea. When the Germans invented their chemical engineering industry, they invented the concept of systematic industrial research and development based on science.

You just didn't wait for good things to happen technologically. You systematically invested in making them happen. Of course, that forever speeded up technical change.

The great invention was electricity. With electricity and the things that went with it, the telegraph, the telephone, the radio, the whole set of other things, for the first time in history we created a national American economy.

...What I want to argue to you today is historians looking back 50 years from now, 100 years from now, are going to talk about the period of time that you and I live in as the Third Industrial Revolution. This is a revolution based on big changes in interactions between six technologies. You can divide them in slightly different ways, but the way I like to divide them is microelectronics, computers, telecommunication, designer materials, robotics, and biotechnologies. What counts is not that there are just big jumps forward in each of these six technologies, but their interaction.

...For all human history the wealthiest person in the world has owned natural resources. Sometimes they got them by being a military general, but what they owned was land, gold, and for the last hundred years it's been oil. With no exception, for the last hundred years, starting with John D. Rockefeller and ending up with the Sultan of Brunei in 1996, the wealthiest person in the world owned oil.

But in 1997 it's Bill Gates. The question, of course, is what does he own? He doesn't own any land, he doesn't own any gold, he doesn't own any oil, he doesn't own any buildings, he doesn't own any machinery. He doesn't even really own patents.

What he does is control a knowledge process and that makes him the wealthiest person in the world and his firm, Microsoft, the most valuable firm in the world, and that's a revolution. For the first time in human history, you don't get wealthy by owning natural resources.

...What the historian of the Third Industrial Revolution may very well say is with the advent of the Third Industrial Revolution 5,000 years of conventional retailing came to an end. For 5,000 years since the ancient Egyptians, people have gone to local neighborhood stores to buy the necessities of life, and that ancient Egyptian store looks remarkably like today's stores—clerk, shelves, goods, take them home. We've done the same thing for 5,000 years.

...If shopping were the way we describe it in an economics textbook, 90 percent of shopping is going to disappear, because what we say in the economics textbook is you go shopping to get what you want at the cheapest possible price. Electronic is always going to be cheaper. You don't need the people, you don't need the land, you don't need the location. But of course that textbook's wrong. Shopping isn't getting what you want at the cheapest possible price.

...We complain about congestion, but we love it. We love it. Today's the time of the year when it's of course Christmas shopping. You don't go Christmas shopping to get the cheapest Christmas presents. You go Christmas shopping for the light, the noise, the heat, the sound, the dust, the elbows in the ribs, which are all part of the Christmas experience, right?

...That's why in conventional retailing people are talking about entertainment shopping. As we speak, people are building new bookstores, but they're not the old bookstores: coffee bar, human chat rooms, fireplace, lounge chairs. You know you're paying 20 percent more for the book, but you're having fun.

...Now, one of the things the third industrial revolution is doing is converting national economies into global economies with these technologies. I honestly believe if we come back 30 years from now nobody's going to talk about working in America, because nobody will work in America. We're all going to work in a global economy.

...There's a 90 percent probability if you have a laptop computer that I know that it has Intel and Microsoft inside, the viewing screen came from Japan, the SDRAM came from Korea, and the whole thing was assembled in Taiwan, with different names being stamped on the computer as it pops off the assembly line, because they're all essentially the same inside. Now, what is that, an American computer, a Japanese computer, a Korean computer, or a Taiwanese computer? Of course, the answer is it's a global computer.

...Now, the problem is national governments, much less local governments, are completely going to lose their ability to control the system. Governments are used to thinking of themselves as air traffic controllers, controlling the flight paths of the economies. They're going to lose that capability. Governments at all levels have to start thinking about themselves as platform builders. Can I build the platform upon which my citizens can successfully compete in this global economy? They still have a very important role to play, but it's a very different role to play in a global economy than it was in a national economy.

...If you want to be successful, that good platform builder—and everybody in this room in some sense is in the platform building business—you have to say, what are the ingredients of the platform and who at different levels in every society is going to build that platform?

Ingredient number one is the education and skills of the workforce. Ingredient number two is the infrastructure to play the game—transportation, telecommunication, whatever networks. And number three is are you doing the leading edge research and development that leads to the new breakthroughs and the new developments in these industries that are moving so rapidly.

...You know, in real estate they say the three principles are location, location, location. In a global economy the three principles are skills, skills, and skills. If you don't have world class—and by that I don't mean good American, I mean world class—if you don't have world class skills, forget about your region. It isn't going to make it. You need other things, too, but without those skills there is no such thing as making it in this world

...Americans are very good at telling themselves stories which are true but false. The story we tell ourselves is 60 percent of American high school students go to college. That's true, but false. It's false because we don't tell you that only 75 percent graduate from high school, and so you don't multiply 60 times 100; you multiply 60 times 75. And we don't tell you that 40 percent of those people that go to college either flunk out or drop out the first year and never complete anything, including a 2-year course.

In the end, 25, 26 percent of us graduate from college, either 2- or 4-year programs, and that's about what happens in Germany and Japan. Of course, it's not a great surprise. One-third of us that have an education equal to or better than those in the rest of the world, who made out like bandits in the 1990s, and the two-thirds of us who have skills below those of the rest of the world have slowly slipped in the 1990s.

There's an education problem. There are only two countries in the world that have local school boards, in the industrial world, and those two countries have the worst school systems in the industrial world, Canada and the United States. Clinton doesn't run schools. Governors don't run schools. Mayors don't run schools. School boards run schools.

There are 6,000 of them in the United States. If school boards are the right place to run schools, don't you think that one of these 6,000 districts could pass a French baccalaureate? We've run 6,000 experiments and every single one has failed, for a very simple reason: how do you flunk your neighborhood kids and get elected to the school board?

...But it's the number one problem in the United States. Every other problem is trivial compared to what happens to the American high school graduate and his or her earnings possibilities in the future.

The second thing you have to do is worry about infrastructure: do you have world class infrastructure? Now, this doesn't mean the governments have to build all the infrastructure, but they have to make sure that it happens. We know what that infrastructure is: do you have a competitive transportation system, do you have a competitive telecommunications system?

...Everywhere else in the world they're building high speed trains. When they built the high speed train between London and Paris, 80 percent of the people abandoned the airplane, so you don't have to build airports.

But of course we can't do it in America. We haven't done it in America. We tell all kinds of stories about why we can't do it in America: we can't use eminent domain to get the land because if you acquired the piece of land to go from Boston to New York you'd have to tear houses down in Connecticut and that's impossible. And if you stop a lot of times it isn't a high speed train.

But there are only two possibilities: the rest of the world is stupid when they build their high speed trains or America is stupid when it does not build its high speed trains. There are no other possibilities, and I think the problem is we know what the answer is. When it comes to inter-urban transportation, we aren't in the game.

...A hell of a lot of complaints about congestion aren't really complaints, and that's one of the reasons why you can't solve the congestion problems on the roads. People love sitting in traffic jams. They also love complaining about them. But if they really hated them they wouldn't do it. They would stagger their hours. There are millions of things you could do to prevent that congestion, because most of the day that road isn't congested, and we don't do them because I love listening to my radio or the audiobook or whatever it is in my nice compartment and I don't in fact dislike the congestion that I complain about, because, as I said, Americans are very good at telling themselves things which are true but false. When it comes to congestion, there's nothing more true than that.

...Basically, research and development is a national government function. Local governments are not going to make significant contributions to that.

Local governments, however, can build the skills so you can deploy that knowledge. See, think about Silicon Valley. What is Silicon Valley? Why is it where it is and what is it? If you take any conventional measure of economic location, nobody would be in Silicon Valley. It's expensive, it's congested. Houses cost a fortune. The traffic system is lousy. And everybody wants to be there.

Now, how do you put those two things together? The answer of course is it's the beehive and you make honey in a beehive. A single bee can't make honey. You make honey in beehives, where you have a lot of different functions, different bees doing different things.

...So you have to think of that. How do you make your region into an attractive beehive? What are the characteristics that make it an attractive beehive? I always get a chuckle every time I see these location lists of the best cities to locate, because they give me some small, medium-sized city where there's no congestion, no pollution, which is dull and is not going to be a beehive because people aren't looking at the right things.



## Engaging the Issues: A Public-Private Dialogue

The challenge of linking the control of suburban sprawl with central-city revitalization and the role of the Federal Government in that effort were the core issues in the Public-Private Dialogue at the “Bridging the Divide” conference on December 13. The panel for the dialogue featured two dozen leaders from Federal, State, and local governments, community development practitioners, private sector retailers and high technology executives, and representatives from advocacy groups and nonprofit organizations.

*“Right now, the economic bottom line works in favor of sprawl. With public money subsidizing so much of the infrastructure, it is much easier to go out and build than to pursue redevelopment or infill development.”*

—Governor Parris Glendening

“We simply cannot go on developing the way we are and expect to maintain a quality of life in the future,” said Maryland Governor Parris Glendening, whose State has pioneered a smart growth agenda. He declared that “the loss of the environment, the abandonment of existing communities, the huge debt to build the infrastructure of sprawl, and the loss of community as we spread out with lower densities” are among the high costs of unchecked sprawl. He added that, like Maryland, a growing number of States have begun to act to promote smart growth.

Opening dialogue panelists strongly agreed that the Federal Government has an important and legitimate role to play as a partner in containing sprawl and promoting investment in already developed communities, especially center cities and inner-ring suburbs. Recommendations for Federal actions to promote smart growth fell into the following categories:

- ◇ Target Federal investments to support investment in existing communities.
- ◇ Coordinate Federal policy and funding to better serve communities and regions.
- ◇ Encourage regional partnerships and alliances to include low-income people and community-based organizations.
- ◇ Promote a mix of place-based and people-based strategies.
- ◇ Build the political case for smart growth.
- ◇ Take a long-term view.

## Defining Sprawl

Richard Moe, President of the National Trust for Historic Preservation, began the dialogue by explaining how sprawl takes many forms, from strip malls to random residential developments. “Basically, it’s unmanaged growth going in all directions from our major metropolitan areas, which are heavily automobile dependent, not particularly cohesive in terms of walkable communities, and usually not very well planned.”

A combination of economic, social, and political forces conspired to encourage and underwrite sprawl, panelists said. Former Albuquerque Mayor David Rusk noted that corrosive conditions in central cities and older suburbs, including high crime rates, poorly performing schools, declining property values, deteriorating neighborhoods, and high tax rates, “push” middle-class people to the outer reaches of metropolitan areas. Conversely, Rusk noted, suburbs attract residents with the “pull” factors of better schools, safer neighborhoods, lower tax rates, and appreciating property values. Rusk said the Nation’s suburban development patterns have been a primary cause of concentrated poverty in central cities, disproportionately affecting minorities.

Tulsa Mayor Susan Savage joined with other panelists in identifying Federal policies that have promoted development in outlying areas, to the detriment of center cities, including interstate highway construction and generous home mortgage loans for veterans after World War II. “We built mega-highway systems that allow people to get in and out of our borders in absolutely no time at all,” Savage said. State and national building and fire codes have not made it economically feasible for older areas to revitalize, she added. “We’re trying to shift the equation to provide incentives to developers to redevelop in the urban core,” Savage said. “It’s too easy to move outside the inner city.”

“One of the illusions in our development patterns is that all these problems stop neatly at the central-city borders,” commented Minnesota State Representative Myron Orfield. “Nothing could be further from the truth.” Hundreds of inner-ring and older suburbs now suffer from disinvestment, population loss, above average unemployment, declining property values, ailing schools, and other challenges that used to be considered inner-city problems. “Older bedroom communities are in trouble, even in a time of economic boom,” Orfield said. “They don’t have the amenities of central cities to build resurgence around.” Orfield noted that about 25 percent of the U.S. population lives in older suburban communities.

Prince Georges County, Maryland, adjacent to Washington, D.C., “is uniquely challenged with both a troubled inner-ring older community and enormous undeveloped land,” said County Executive Wayne Curry. “In that

*“Poor white people almost never live in poor neighborhoods. Poor Hispanics and poor blacks almost always do.”*

—David Rusk

*“In many ways, older suburbs are more fragile ultimately than the central cities they surround.”*

—Myron Orfield

sense we are a unique crucible, because we're actually battling with our demographics on both sides of this economic development challenge."

## Changing Economy: Changing Times

Panelists engaged in a lively discussion on how advances in technology and the changing nature of work and commerce in today's economy might actually remedy some of the problems of sprawl that the previous industrial economy helped to create.

*"As a company, we are looking at much more flexible labor and workforce models than we've ever looked at before."*

—Peter Joyce, Cisco Systems

"With telework and flex-work, we can stimulate home-office work and cut down on the number of trips and cut down the environmental impacts of sprawl and the costs of infrastructure," said George Vradenburg, Senior Vice President for Strategic Policy at America Online. Vradenburg added that cities, with their amenities, entertainment, and diverse populations, are in a strong position to benefit from the new digital economy and reverse the old patterns of urban disinvestment. "Our workers are young and they like urban centers," Vradenburg said. "Urban centers provide a social mix that suburban centers don't." Peter Joyce, Workforce Development Manager at Cisco Systems, echoed Vradenburg's optimism. "Connectivity allows people to work in all kinds of locations," Joyce said.

The new economy is also a major force behind the emergence of new models of regional cooperation, participants said. Regional commentator Neal R. Peirce noted that pressure for regional coordination used to come primarily from institutions concerned about efficient government. Now, he says, better coordination of public services and regulations, growth, and economic development across a region is vital to ensure its economic competitiveness. "If we had had this discussion three decades ago, we mostly would have talked about government and how government will arrange things better," said Peirce. "Most of the conversation this afternoon, even in a HUD-sponsored conference, has not been about what government should do, although that clearly plays a role," he added.

"Notwithstanding the fact that our business is global, regions are very, very important to us," Vradenburg confirmed. "Our long-term economic health is dependent on the co-location of specialized vendors and a skilled workforce, heavy dense networks for venture capital, and professional networks that will exchange ideas and continue to innovate."

An emerging back-to-the-city movement is stimulating urban reinvestment in many communities, panelists noted. That reinvestment, together with improving urban economic and social conditions, offer many cities the opportunity to attract back middle-income residents and become a viable alternative to suburbs. Representatives from two of the Nation's leading

retail and grocery chains explained how their companies are opening many new stores in central cities to capitalize on the untapped consumer markets there. “We are moving back into the city because that’s where the people are,” said Doug Meissner, Operational Vice President for Kmart Corporation. “We just approved a store in Harlem. The density is 150,000 people in one mile. It’s pretty obvious that there is not that kind of density out in the wheat fields. While the income levels may be lower, the spending power is huge.”

Rich Savner from Pathmark Supermarkets, a regional supermarket chain primarily servicing New York, New Jersey, and Philadelphia, told the audience that Pathmark’s grocery store in Harlem has become one of the company’s highest performing outlets. Savner pointed out that inner-city development today is often undertaken in partnership with community-based organizations. “You just don’t go into a community and say, we’re going to provide a supermarket for you and you’re going to love it,” he said. “You’re going to become a partner with the community.”

*“If we want to use the baseball analogy, the Harlem store is not only a home run for Pathmark, it’s been a grand slam.”*

—Rich Savner,  
Pathmark  
Supermarkets

## Gaining Political Momentum

Governor Glendening led the discussion of new and emerging State initiatives to control unchecked growth and promote reinvestment in existing communities. In 1997 Maryland adopted one of the country’s first smart growth laws. It dictates that State funds for roads, schools, and other public investments will only be provided to projects in areas that are designated as a priority for growth. In addition to controlling sprawl, Maryland’s law is designed to protect the Chesapeake Bay and other natural resources and to promote reinvestment in existing communities such as Baltimore. The idea, said Governor Glendening, is to “make it more cost effective to invest in existing communities than it is to go out and tear up one more forest or pave over one more farm.”

*Last year, for the first time since the State started compiling these statistics, more open space acres were conserved in Maryland than were developed.*

Governor Glendening also told the audience that as a political issue, sprawl and its consequences are gaining traction. “During the last round of the state of the State messages, 37 governors made some type of clear statement about sprawl and smart growth,” he said. “A number of States have enacted significant changes, probably the most dramatic being in Georgia with Governor Barnes and the new regional authority in the Atlanta area.”

Robert Weiner, County Councilman from New Castle County, Delaware, said that his State, too, has begun to promote alternatives to sprawl growth through a unified development code created collaboratively among Delaware’s cities, three counties, and State government. The code includes user fees and impact fees “that are encouraging growth where it should be and discouraging growth where it ought not to be,” Weiner said. “We now

make sure that schools, transportation, and other infrastructure is in place before development is approved. And we have an integrated mass-transit system where we partner with our corporations, providing 24-hour shuttles to and from our technology corridors.”

## Outlining A Federal Role

Many panelists offered recommendations for how the Federal Government could help States, cities, and regions check sprawl and promote reinvestment in already developed communities. The first task, they said, is to recognize that the Federal Government has a legitimate role in these issues. “The second you say the Federal Government has a role in stopping sprawl, everyone gets really nervous,” Governor Glendening said. “It’s as if all of a sudden we’re going to have a Federal zoning commission. No one is even talking about that whatsoever.”

*“The idea that we can cookie-cut here in Washington and define almost anything that’s going to really work across America is almost ludicrous.”*

—Representative Paul Kanjorski

“There are significant policies that the Federal Government is adopting every day that have tremendous impact on sprawl,” said Pennsylvania Representative Paul Kanjorski, a member of the Banking, Financial Services, and Community Affairs Committee. Kanjorski urged that any Federal initiatives to address growth issues be highly flexible. “In the Mississippi Delta, where 56 percent of your sophomores drop out of school, you have an educational problem. In Hazard, Kentucky, when your wage level is below \$8 an hour, you have an investment problem and perhaps a skill problem. When you go to inner cities like Newark and industry hasn’t come into town for years, you’ve got different problems.”

Recommendations for Federal actions to promote smart growth fell into the following categories:

### ◇ **Target Federal investments to support investment in existing communities.**

Many panelists urged that the Federal Government work to increase its investments in existing communities. Panelists expressed support for the Clinton-Gore Administration’s proposed New Markets Initiatives, which would create a continuum of capital access and technical assistance support for businesses—from micro-entrepreneurs to very large-scale firms—that locate in low- and moderate-income areas, including both inner cities and distressed rural communities. Multiple agencies, including HUD, the Small Business Administration, and the U.S. Treasury, would operate components of the initiative.

Several suggestions revolved around ways the U.S. tax code might be modified to promote smart growth. Recommendations included a tax credit

for urban reinvestment, modeled on the existing historic preservation tax credit. Urban developer Richard Baron urged Congress to give a mortgage tax credit—not just a deduction—to people who buy homes in designated areas of central cities and suburbs where disinvestment has occurred. Congress has provided housing tax credit for private investments in multifamily housing for the poor since the late 1980s. The low-income housing tax credit has helped to finance more than one million units.

Representative Kanjorski presented an idea for remedying the problem many older communities face when newer neighboring townships have much lower income tax rates. “Maybe we ought to find a way to let people take a tax credit for that differential until, over a period of time, local tax rates become more uniform,” he said.

◇ **Coordinate Federal policy and funding to better serve communities and regions.**

Because the Federal system is organized by functional areas, such as health, housing, and energy, coordinating among agencies and departments to serve regions is cumbersome. “Part of the problem is the form of government itself,” Representative Kanjorski noted. The government is “compartmentalized and departmentalized,” he said. “We’re all on a task force and we’re supposed to meet every 3 months and discuss how we’re going to attack this issue. But God forbid if one agency or one department or one bureau is going to give up some of their jurisdiction or their budget or the size of the personnel that they reign over.” Representative Kanjorski urged that lawmakers “go back and examine how that can be put together to effectively work well.”

Governor Glendening recommended that the Federal Government establish a sub-cabinet for smart growth, as Maryland has done. The cabinet would decide about the location of Federal facilities, such as courthouses and post offices. “When considering these matters, we ask a threshold question,” Governor Glendening said. “Does this contribute to the revitalization of existing communities or does it contribute to sprawl? If it contributes to sprawl, we do not fund it.”

Governor Glendening led panelists in pointing out a contradiction in Federal environmental policies as they relate to sprawl. “If you have air pollution in a major metropolitan area and it becomes a non-attainment area, you cannot get permits for major new buildings or investments in those areas,” he said. “So you take jobs further out where the air is cleaner.” Governor Glendening urged Federal policymakers to review this policy not only because it discriminates against re-investment in cities, but also “because everyone gets in their car and drives to the jobs and you end up with dirtier air,” he said.

*Asking the Federal Government to be a partner in regional initiatives “is really challenging us to do some things that we have not traditionally done.”*

—Keith Laughlin,  
Council on  
Environmental Quality

One potential role for the Federal Government, said Keith Laughlin of the White House Council on Environmental Quality, “is bridging some of the traditional divide between Federal agencies when we are working with communities.”

Richard Baron, President of McCormack, Baron, and Associates, a development firm in St. Louis, Missouri, that works exclusively in center cities, urged Federal policymakers to devise a coordinated strategy for urban reinvestment. The strategy, he said, needs to be multifaceted and involve not only Federal dollars, but also State and philanthropic funds as well. “We can multiply Federal dollars two and three times in the communities simply going to the business community and the philanthropic community and asking them to partner in these efforts,” he said.

◇ **Encourage regional partnerships and alliances to include low-income people and community-based organizations.**

New metropolitan partnerships and alliances are sprouting up across U.S. regions to promote more coordinated development and competitiveness strategies, panelists noted. The coalitions typically involve the business community, metropolitan organizations, and State, city, and county governments. They deal with issues ranging from transportation and environment to growth management and economic development. Federal agencies and departments have traditionally not been intimately involved in these coalitions, but that is beginning to change. “We’re working in a number of areas around the country, including Atlanta, Baltimore, Portland, Pittsburgh, and Seattle,” said Gene Conti, Assistant Secretary for Transportation Policy at the Department of Transportation. His department is helping regional organizations undertake transportation planning, stay in conformity, and re-energize their local communities. A key role for regional coalitions, Conti added, is to promote public involvement. “We would have had a different outcome, frankly, if we had listened to some of those people back in those days,” he said.

*“We want everybody at the table as early as possible when designing transportation projects. We found in our experience building the interstate system, we weren’t very sensitive to communities and to public involvement.”*

—Gene Conti, U.S.  
Department of  
Transportation

A major challenge, panelists said, is figuring out how to meaningfully involve poor urban residents and community organizations in these emerging regional compacts. “Sprawl is leaving us a residue of people that are being thrown away,” said Governor Glendening. “We’ve got to come to grips with sprawl as a country in terms of finances and in terms of environment, but more important than anything, in terms of the people that are so lost here.”

The National Neighborhood Coalition has launched an initiative to identify what neighborhood groups, faith-based organizations, and community development corporations are doing to affect growth patterns in their regions. “We not only want to learn from one another, but to figure out what’s working and what’s not,” said Tom Shellabarger, a policy adviser for the Catholic Bishops of the United States and co-chair of the National Neighborhood Coalition.

Greg Galluzzo, Director of the Gamaliel Foundation, urged regional alliances to consider faith-based communities as a vital resource. “Churches and religious denominations are natural allies in working on sprawl because their constituency crosses urban boundaries,” he said. “They also cross racial lines.”

◇ **Promote a mix of place-based and people-based strategies.**

The key issues in today’s regional debates are no longer only growth, transportation, business development, and the environment, participants said. Increasingly, regional discussions also focus on human capital issues, especially workforce development, education, and child care. With labor shortages in many suburban communities and untapped labor in central cities, there is growing interest today in initiatives that try to help disadvantaged workers and welfare recipients prepare for, find, and keep suburban jobs.

Angela Blackwell, President of PolicyLink, urged the Federal Government to use a combination of people- and place-based strategies in addressing sprawl. She urged policymakers to develop “regional equity impact statements” to measure the effect of investments in transportation, technology, housing, workforce development, and other programs on various components of the region. “We need to determine whether or not we are creating inequity,” she said. Faith Mitchell, Research Director at the National Research Council, echoed Blackwell’s sentiments. “How do you open up a whole region to everybody?” she asked. “We have to pay a lot of attention to regional issues as they relate to minority people and the places. These can’t be ignored any more because they are such a dominant part of the picture in the future.”

*“We want to link community groups into this discussion [about growth]. So often, people who are making the decisions leave out the very people who are going to be impacted most.”*

—Tom Shellabarger,  
Co-Chair, National  
Neighborhood Coalition

*“We have to be deliberate about figuring out ways to link people in the poorest areas to the broader region.”*

—Angela Blackwell,  
PolicyLink

*“By building capacity in community organizations, we hope to make a difference in smart growth.”*

—Roland Anglin,  
SEEDCO

Community empowerment strategies have traditionally stressed that economies can be built locally and place-based, said Roland Anglin, Senior Vice President at the Structured Employment Economic Development Corporation (SEEDCO). That, however, is changing. Because today’s economies are increasingly regional and global, “for empowerment to take place you have to build community capacity to take advantage of the new economies.” Anglin said his organization encourages community organizations to figure out where the employers are in a region and then to match up skills in the community. It also helps when groups use computers to train workers.

Harry Holzer, chief economist of the U.S. Department of Labor, said the Federal Government is committed to policies that create incentives for employers to locate in underdeveloped areas and ensure that residents have the skills to succeed in those jobs. He cited a range of programs, including the proposed New Markets Initiative, residential mobility programs such as Moving to Opportunity, Bridges to Work, and Youth Opportunity Areas, transportation-to-work initiatives, and job placement programs. “No matter where people are located they should have good access to skill development,” Holzer said. “Workforce development needs to go hand-in-hand with economic development in poor communities.” Holzer urged a comprehensive approach with initiatives around education and job training, transportation, child care, and transitional work experience.

◇ **Build the political case for smart growth.**

Panelists urged Federal policymakers to get out in front and take a lead role in building the regional case for better growth management. “People understand more and more that congestion on roadways is not about lack of highway capacity,” said Myron Orfield. “In fact, the areas of the country that are adding highway capacity the fastest are often seeing the least good results in terms of congestion.” Orfield said the Federal Government should stress the need for a holistic approach to growth, focusing on policies to keep the core of the region healthy by keeping its tax rates down and services high, putting more affordable housing in suburbs where new jobs are proliferating, and adopting multi-modal transit platforms.

“Environmental and economic growth objectives are not necessarily at odds,” said Rick Farrell, Associate Administrator of Environmental Protection Agency’s Office of Policy, Economics, and Innovation. In building a case for smart growth, Farrell stressed the importance of pointing out the negative impacts of unplanned growth on air quality and water quality. “Vehicle-miles traveled have doubled over the last 20 years, a lot of it because of patterns of development,” he said. “We’re going to see air

quality in the next 10 years go down, reversing the pattern of the last 30 years.” Farrell added that regional growth patterns have also started to have direct negative impact on water quality.

◇ **Take a long-term view.**

Representative Kanjorski urged his fellow Federal lawmakers to take a long-term view in addressing sprawl and promoting reinvestment in existing communities.” Everything we’re talking about here today took us a great deal longer than 10 or 20 years to get into and it’s going to take at least that long to get out or at least to deal with it in a responsible fashion,” he said. “It’s absolutely necessary that we stop thinking in fads. We have to start looking at where we really want the country to go and ask each region to help us plan that from the local, State level up through the Federal Government.”

“Any American region has enough talent within it in its universities, in its great corporations, in its citizen groups, and so on to run a medium-sized country,” Neal Peirce said to conclude the dialogue. “Regionalism will grow as more groups within individual regions are held responsible for it, invited to the table, and asked to be part of the debate and the decisionmaking. Some of these will be tough conversations. But more and more people will begin to see that the new economy stands for the potential for more win-win and less win-lose games.”

*“Regionalism will grow as more groups within individual regions are held responsible for it, invited to the table, and asked to be part of the debate and the decisionmaking.”*

—Neal Peirce,  
journalist

# Competitiveness: Economic Development and Workforce Strategies

## Focus

In most metropolitan areas the jobless are concentrated in the core and job creation is occurring on the periphery. As a result the economy of the region as a whole suffers because human capital is underutilized; employers have trouble filling jobs; dependency burdens public budgets; past investments lie fallow in central cities; and suburban jurisdictions must make costly and redundant new investments.

What is clear is that jurisdictions within a metropolitan area are not in a zero-sum game. The nature of today's regions creates a win-win game, and if you don't play you will be a loser. A metropolitan region cannot be strong without a strong core. Growth on the fringe cannot be controlled without a strong attraction at the middle. The unemployed and underemployed need to reach the jobs in the suburbs and the suburban employers need them.

## Issues

- ◇ What Federal policies are in place and how can they be strengthened to bring economic development and job growth to central cities where untapped labor resources are located?
- ◇ What can be done to overcome the geographic mismatch between workers and jobs?
- ◇ Are smart growth policies and economic development competitive or complementary?
- ◇ How can we make our Nation's workforce development system more strongly encourage regional solutions?
- ◇ What are the priorities for Federal action to strengthen the competitiveness of metropolitan regions?

Facilitator and HUD Assistant Secretary for Community Planning and Development Cardell Cooper opened this session by recalling his days as a mayor and county official in Essex County, New Jersey, “as one who over the years had to try to figure out how you really make the match between cities and suburbs, as they say, the ‘urbs’ versus the ‘burbs.’”

“How do you come down the middle,” asked Cooper, “in terms of making sure that regional economies, as they grow and develop, are benefiting both sides?”

The first speaker to offer an answer to this question was Cliff Kellogg from the U.S. Department of Treasury. Kellogg described the involvement of the Department of Treasury in the Clinton-Gore Administration’s initiatives for increasing economic activity in areas that are not sharing fully in the Nation’s economic prosperity. “At the Treasury,” he said, “we are especially concerned with flows of capital and flows of business expertise as ways in which we can spread this economic prosperity more broadly to those who are not fully participating.”

*“At Treasury, as Secretary Sommers has said, we all believe that although it takes a village to raise a child, it takes capital to build a village.”*

—Cliff Kellogg

He outlined the Department’s activities in the areas of debt capital, equity capital, and the delivery of business expertise. He then described the following six components of the Clinton-Gore Administration’s New Markets Initiative: a tax credit for investors in a variety of community development investment vehicles; America’s Private Investment Companies (APIC); the new market venture capital program; the prime program for investment in microenterprises; an expansion of the CDFI program; and Business Link, a business mentoring program.

Cooper turned next to Ed Lipkin, President of EBL&S, asking him to explain how one might tap into markets in the urban cores around the country where there is “a low level of private investment and a whole host of problems.”

*“There’s a generation of retail executives that have no idea what it is like to operate in the inner city, so the only way this program is going to be truly fostered is through retail success.”*

—Ed Lipkin

Lipkin mentioned safety and education as two areas in which the involvement of the Federal Government is most critical. “The retailer,” he said, “needs a safe environment to work in. They also need a community that is stable, and if it can be made to grow again, it’s better for everyone.”

Lipkin went on to say that, “The real issue is the neighborhoods, and I think that’s where the development community as well as the retailers have to focus.”

*"I am convinced that one of the biggest issues in these communities and at the Federal level as well, and the State level, is connecting the dots. As we start making investments and we realize that we're not leveraging the other resources that are out there, we're not maximizing our impact."*

—Peter Joyce

*"We are concentrating on connecting with the Department of Education, because never before in our society do we need the skills of basic reading, writing, and math the way we need it today. If you don't have these basic skills, you will not count."*

—Ted Mastroianni

Peter Joyce of Cisco Systems discussed his experience in getting the workforce ready for the new millennium, focusing especially on Cisco's activities in Empowerment Zones.

Joyce explained that Cisco is concerned about its workforce of 24,000 but is also concerned about the skills of the those who work for Cisco's retailers, customers, and end users. "Our capital," he said, "is invested in ensuring that there's a virtual village."

Cisco has established training academies in 12 of the 15 Empowerment Zones, "training folks with the skills they need for this new economy."

"In many of these communities," said Joyce, "we are starting from scratch. They don't have hardware to really put this thing up and running real fast, and so we've worked with partnerships with other companies to provide equipment at cost." Joyce discussed the importance of "connecting the dots," that is, leveraging other resources that are "out there" but not being tapped.

Ted Mastroianni, Assistant Secretary for Employment and Training at the U.S. Department of Labor, picked up on the subject of workforce preparation. He described the structure and purpose of the Workforce Investment Act, calling it "revolutionary," especially in its links to the private sector. "We are working very closely with the private sector, which is establishing the criteria and perhaps even the curriculum for training."

"We also are encouraging States," said Mastroianni, "to look at a regional approach, not only within their State, but interstate. DOL is working to link training with job creation in central cities to make sure that new jobs are filled by the local residents who need them most." He described a project currently underway involving the State of Maryland, the State of Virginia, the District of Columbia, and the high tech industry of northern Virginia, which will train inner-city residents for private sector jobs.

James Riccio, Senior Research Associate with the Manpower Demonstration Research Corporation, continued the discussion of workforce issues. Riccio described two initiatives (both of which are supported by HUD funding) that are presented in the paper he prepared for the "Bridging the Divide" conference, *Combating Concentrated Joblessness in the Inner City*.

The first, Jobs Plus, is a place-based employment program targeted toward public housing developments where most of the occupants are not working. "It drew its inspiration," said Riccio, "from the goal of wanting the inner cities to create mixed-income working communities."

Riccio explained that a place-based program provides “an opportunity to draw on assets that may be in the social environment of these poor communities in a way that isn’t so in a simply people-based program.”

The place-based approach, said Riccio, “offers an opportunity to rationalize how we deliver services across agencies and take advantage of the fact that different institutions have different resources and different kinds of expertise.”

## **Combating Concentrated Joblessness in the Inner City**

***A Paper Prepared for the Bridging the Divide Conference by James Riccio  
Senior Research Associate, Manpower Demonstration Research Corporation***

In recent years joblessness and poverty have become substantially more concentrated in inner-city areas, and there is a growing concern that such concentrations harm not only the quality of life for people living in central cities, but also the vitality of neighboring areas.

In this paper Riccio argues that public policies aimed simply at helping individuals and families without taking into account where they live may not be sufficient. He describes two HUD-supported initiatives that take direct aim at reducing concentrated joblessness through place-based activity.

*“If the conditions of poor neighborhoods add to the difficulties residents who live in them have in advancing economically, and if those conditions help foster a greater prevalence of social problems, public policies aimed simply at helping individuals and families without taking into account where they live may not be sufficient.”*

—James Riccio

The approach of the initiative is four-pronged: connect people in public housing with education and training services; change the rules relating to income and rent to increase the incentive for work; organize community support; and carry out a saturation approach.

The saturation approach, said Riccio, means that “you go after the entire housing development. Everybody, even if people are working but need to advance their skills, everyone really is a potential participant.”

In a companion program, the Neighborhood Jobs Initiative, which is still in the formative stage, the same kinds of approaches are being applied to poor communities with concentrated poverty and joblessness.

*“Overall, then, it would seem that the quality of life in metropolitan regions is tied in part to the fate of the central cities in those regions. As Jargowsky notes, ‘it seems doubtful that a suburban ring can long prosper around a dying urban core.’ It follows, then, that if one cares about the metropolitan region as a whole, one should care, too, about reducing concentrated joblessness and poverty in inner-city neighborhoods.”*

—James Riccio

Riccio offered several recommendations for Federal action, including: research and development on social programs; better coordination among Federal agencies; and stimulus for local collaborations.

The final panelist, Marcus Weiss, who prepared the paper *Regional Workforce Development Networks* for the “Bridging the Divide” conference, described how networks involving community-based organizations (CBOs) can produce employment and economic development outcomes that benefit the populations they serve.

## **Regional Workforce Development Networks**

***A Paper Prepared for the Bridging the Divide Conference by  
Marcus Weiss  
President, Economic Development Assistance Corporation***

Metropolitan development patterns have created a mismatch in many communities between where job opportunities are expanding most rapidly—the suburbs—and where residents who most need those jobs live—in central cities. In this paper Weiss describes how community-based organizations have developed and operate in networks spanning metropolitan regions to carry out workforce development programs.

While explaining the various community-based typologies with which the Federal Government must learn to work, Weiss outlines the positive role that the Federal Government can—and sometimes does now—play in supporting and encouraging regional workforce development networks and incentivizing cross-boundary collaborations.

Weiss described three different types of networks that make it possible for CBOs to link with other institutions in their regions. In some cases there is a focal CBO in the center of the network linking with regional employers, community colleges, manufacturers, government agencies, other CBOs, and labor unions to establish formal regional partnerships. Another network model is best described as a web in which a number of CBOs have developed relationships for a number of purposes not limited to employment and economic development. The third model involves an intermediary institution such as a port authority, the Local Initiatives Support Corporation, or the Enterprise Foundation that can link employers to the various CBOs in the region.

Weiss described several cases in which such networks have produced substantial benefits for both businesses and CBOs. In Milwaukee, Eton's Navy Controls Division worked with the Northwest Side Community Development Corporation (CDC) on a variety of initiatives that resulted in well-trained workers for Eton, support for neighborhood improvement efforts, and a wider circle of collaboration involving supplier companies and minority-supplier and small-business-vendor linkage programs.

In Houston, the Enron Corporation has played a central role in the Empowerment Zone program in partnership with several CDCs. The activities involve job information and assistance, a business support center, equity capital, and technical assistance provided by Enron executives.

Introducing the open discussion, Cooper said that he had concluded from his experience both in local government and the Federal Government that "it takes as much energy to take the boulder out of the road as it does to put the boulder in the road," and that it was especially important to demystify the investment process.

Session reporter Rochelle Stanfield described this session as a wide-ranging discussion of the role of the Federal Government in encouraging business location and employee availability in disadvantaged areas of metropolitan regions. Stanfield said that panelists and discussants agreed that the Federal Government has come a long way in recognizing the role of the private sector—both business and nonprofit community-based organizations. But they suggested that Federal agencies still have farther to go in working effectively both across agencies and with non-governmental entities. She summarized the recommendations gathered from the session in regards to the following four general areas: collaboration, coordination, devolution, and public education.

**Collaboration.** Considerable strides have been made in developing informal collaborative links. What is still needed, however, is the establishment of formal, sustained networks of Federal, State, and local bodies, businesses, and the nonprofit sector at the regional level. In developing these networks, it is important to include a wide variety of institutions that already operate in regions and communities, such as private foundations, faith-based organizations, unions, and universities.

**Coordination.** In order to transform the intended collaboration that often stops with a few meetings per year into practical, on-the-ground networking, discussants suggested the Federal Government could fund permanent staff at the regional and community level to coordinate the day-to-day work of the networks. There is a premium on making these funds as

*"Business leaders, too, have learned that it is in their best interest to engage with the public, community, and philanthropic sectors to create core urban and regional settings that can attract and retain world class companies while drawing newcomers and sustaining a high quality of life for all citizens."*

—Marcus Weiss

flexible as possible. Private foundations and community-based organizations are among the institutions that could provide the staff.

**Devolution.** States play a crucial and pivotal role in distributing workforce development funds under such large programs as Temporary Assistance for Needy Families (administered by the Health and Human Services Department) and the Workforce Investment Act (administered by the Department of Labor). States could use this money more creatively by providing bonus points and other incentives for adopting regional approaches.

**Public Education.** Although HUD and other Federal agencies have made strides in spreading the word about their programs, more public education is still required to acquaint the business and the nonprofit world with the wide array of assistance provided to facilitate economic and workforce development, collaboration, and coordination. Technology provides increasingly creative ways to provide this information, including satellite briefings and “virtual tours” of examples of best practices. Education is a two-way street, however, and Federal agencies—including HUD—must find better ways to solicit the needs, wants, and opinions of its constituents.



# Housing and Community Development

## Focus

The lack of affordable housing near the areas of high job creation in metropolitan regions retards economic growth and is a barrier to employment for many. The lack of affordable housing for low- and moderate-income families and the concentration of what is available in core areas of metropolitan areas has become more pronounced over time, constraining opportunity for millions and creating heavy service burdens for the jurisdictions least able to bear them. Nothing is more basic to the shape of a metropolitan area than where people live and how their housing affects their lives and their possibilities for a better life.

## Issues

- ◇ What is the Federal Government's response to the problems of racial and income concentration, and affordable housing?
- ◇ What are the economic benefits for metropolitan regions as a whole resulting from the wider availability of affordable housing outside the central city?
- ◇ Are smart growth and affordable housing compatible?
- ◇ What Federal housing and community development policies and programs are needed to make metropolitan regions more competitive?

In his opening comments, facilitator and HUD Assistant Secretary for Public and Indian Housing Harold Lucas recalled Secretary Cuomo's opening remarks about the interrelationships among development in urban, suburban, and rural areas. Lucas declared his hope that the discussion would arrive at conclusions that could help shape Federal policy affecting these developments.

The session began with presentations from a panel reflecting a variety of perspectives on housing and community development in metropolitan regions. Barbara Sard, Director of Housing Policy for the Center on Budget and Policy Priorities, opened with a set of very specific proposals that would strengthen the regional character of HUD's programs. She suggested that State and local consolidated plans should contain a regional analysis focused on the housing needs of the region's low-income population, including the identification of priority areas for future housing.

Sard also recommended that proposals submitted to HUD for discretionary awards contain a regional analysis of needs for housing, jobs, and transportation and that a preference be given to agencies that operate on a regional basis. She recommended that steps be taken to encourage the regional administration of the Section 8 housing voucher program and urged full funding and implementation of the regional opportunity counseling program.

Neal Peirce, urban affairs syndicated columnist, posed the question, "How do we get a more even spread of affordable housing across the city of today, which is the metropolitan region?" The answer, he said, must go beyond traditional government programs. Rapid growth in the suburbs is creating jobs in areas where the cost of housing is beyond the means of those who can fill the jobs. "People cannot afford to live in practical proximity to where they are working."

Peirce continued by pointing out that "Unless the business community is out there fighting for housing opportunities for its workers, even those at the bottom of the pay scale, it can't count on a workforce." He described the impressive work of the Silicon Valley Manufacturing Group to generate affordable housing in a region of very high housing costs.

"One of the most important things to understand," said William Fulton, Editor and Publisher of *California Planning & Development Report*, "is that the question of density and infill is a very different question in different parts of the country."

*"I would recommend that HUD include in its criteria in awarding discretionary funds the requirement that there be presented a regional analysis of the interrelated needs for housing, jobs, and transportation and, if possible, prefer agencies that operate on a regional basis in making its funding awards."*

—Barbara Sard

*"The most interesting model in the country that I'm aware of is that of the Silicon Valley Manufacturing Group, which has been into these questions of smart growth and housing affordability for a number of years now."*

—Neal Peirce

## **Making Regionalism Work for Everyone**

***A Paper Prepared for the Bridging the Divide Conference by Neal Peirce***

***Urban Affairs Syndicated Columnist***

In a collection of columns he selected for the “Bridging the Divide” conference, Neal Peirce tells the big story of regionalism across the Nation as seen through the eyes of local leaders and decisionmakers.

The columns span topics ranging from conserving farmland to improving traffic flows. In addition to providing insightful coverage of State and local happenings, Peirce keeps us abreast of major nationwide activities that could affect our metropolitan future.

In his paper, *Density: Perception, Reality, and Policy Issues*, prepared for the “Bridging the Divide” conference, Fulton observed that in California “urban centers are becoming denser, reviving older neighborhoods and creating new urban amenities in dozens of locations formerly regarded as suburban. But these areas struggle with the question of how to maximize the benefits of this new and more ‘urban’ form of growth.” In rustbelt metropolises it is also the case that “densities in urban neighborhoods have become a vital part of any revitalization strategy” and increasing density of these “core communities ought to be viewed as necessary and something to be encouraged.”

Fulton discussed the myths related to density and especially the bias against more dense residential development, which upon closer analysis appears to relate more to design than density.

Darrell Williams, County Commissioner, Mecklenburg County, North Carolina, provided an “in-the-trenches” view of density and related issues. “I need all the inspiration I can get at this conference,” he said, “because when I leave here and get off the plane, I go straight into a meeting that deals with density. And that is one of the major issues we are facing in Charlotte and Mecklenburg County because we have a serious affordable housing crisis.”

*“We need a serious marketing campaign to help the public understand that when we talk about affordable housing, we’re not talking about public housing.”*

—Darrell Williams

Williams went on to suggest the following two avenues for action to make it easier to implement affordable housing strategies in metropolitan regions: public education programs that would combat the misinformation and misleading arguments made against affordable housing development; and dissemination of good models of successful affordable housing strategies by HUD.

## **Density: Perception, Reality, and Policy Issues**

***A Paper Prepared for the Bridging the Divide Conference by  
William Fulton  
Editor and Publisher, California Planning and Development  
Report***

In this paper William Fulton steps away from the emotional arguments surrounding the density debate and offers a valuable framework for moving toward more objective assessments about growth, including where it should occur and how much should be permitted.

Fulton's prescription would have policymakers define density much more precisely than now and apply that definition consistently. Objective information, he contends, would also go a long way toward enabling us to assess clearly the real pros and cons of higher and lower density in various situations, especially the actual impact on crime and traffic in suburban settings, without the exaggeration that typically accompanies such debates.

*"There is little question that higher densities can revive central cities and older neighborhoods badly in need of greater human activity, and can also—by redirecting growth into these areas—reduce suburban sprawl and environmental degradation on the fringe. From the Northeast to California, policymakers, developers, and citizen groups are grappling with the question of how to create stronger centers in both urban and suburban locations while at the same time retaining the human scale and community-level qualities that most residents value in a particular 'place.' "*

—William Fulton

Dr. Faith Mitchell, Director of the Division on Social and Economic Studies of the National Research Council, discussed the Council's report, *Governance and Opportunity in Metropolitan America*. This report, issued by the Committee on Improving the Future of U.S. Cities Through Improved Metropolitan Area Governance, assesses the causes and consequences of inequality of opportunity in metropolitan areas.

According to the report, "With the exception of education, every measure of change indicates that the relative status of central-city residents has consistently declined over the last three decades. Relative to their suburban counterparts, central-city residents now have lower incomes, higher poverty rates, and lower employment rates than they did 10, 20, and 30 years ago."

*“The committee said that in order to deal with the pattern that we have now of concentrated poverty in center cities, you’re going to need affordable housing in suburban areas. One thing they recommended was changes in zoning practices that limit the availability of low- and moderate-cost housing in suburban areas. And there was a lot of interest in programs that help get people to where the suburban jobs are utilizing mass transit and other kinds of transportation solutions.”*

—Dr. Faith Mitchell

The report goes on to say, “In the committee’s view, the costs associated with extreme disparity threatens the future well-being of society. A rough estimate is that, when comparing metropolitan areas that have very high levels of segregation to those that have low levels, the segregation of blacks results in a 3- to 6-percent decline in productivity.”

With respect to housing specifically, Mitchell reported the committee’s view that affordable housing in the suburbs was essential to the reduction of concentrated poverty in inner cities and that basic changes in zoning practices were needed to achieve this objective. She also reported that the committee strongly supported transportation programs that connected central-city workers with suburban jobs.

Professor Arthur Nelson from the Georgia Institute of Technology presented portions of the analysis and findings from his paper prepared for the “Bridging the Divide” conference, *Smart Growth=Central City Vitality and Higher Quality of Life*. In that paper Nelson compares Atlanta, Georgia, where a largely laissez-faire attitude concerning growth has reigned, to Portland, Oregon, which has the strongest and oldest urban growth boundary. What he found was that, by almost all measures, conditions in Portland are superior to those in Atlanta.

## **Smart Growth=Central City Vitality and Higher Quality of Life**

***A Paper Prepared for the Bridging the Divide Conference by Arthur C. Nelson  
Professor, Georgia Institute of Technology***

In this paper Professor Arthur C. Nelson compares key indicators between Oregon and Georgia and their largest metropolitan areas, Portland and Atlanta. Across nearly every dimension of economic development, housing, and quality of life over the past two decades, Dr. Nelson concludes that Oregon’s approach to smart growth, which hinges on urban containment, has led to better outcomes than Georgia’s laissez-faire attitude.

Professor Nelson concludes his paper with a challenge for metropolitan areas around the Nation to follow Oregon’s and metropolitan Portland’s lead in pursuing smart growth planning founded on urban containment.

“The Portland area,” he said, “actually outpaced Atlanta in income growth over a 10-year period from the mid-80s to the mid-90s.” The central city of Portland is absorbing a share of the housing growth in the region four times greater than Atlanta’s growth. Commenting on the reported housing cost increases in Portland, Nelson noted the following: on average Portlanders spend a smaller share of their income on housing than do Atlantans; housing and neighborhood quality are increasing more rapidly in Portland; and, given the outcomes on other measures, Portlanders are buying more with their housing dollar.

Turning to the open discussion of the session, Harold Lucas suggested paying attention to incentives for job creation in the central city as well as affordable housing in the suburbs and transportation of central-city workers to suburban jobs. He said that one measure that would increase the prospects for investment in central-city neighborhoods was a comprehensive plan that would provide businesses and financial institutions with precise descriptions of the neighborhoods into which they were investing funds.

The discussion dealt with the issues raised by the presenters with special attention given to the following: housing costs and smart growth; the importance of HUD’s housing programs; the need to track and determine the effectiveness of HUD spending in a communities; organization for regional decisionmaking; the State role in encouraging better patterns of metropolitan development; the damaging consequences of local fiscal disparities; and coordination among Federal agencies.

In her summary, session reporter and Manager of the CitiStates Group Farley Peters highlighted several areas, including the specific recommendations for strengthening the regional elements of HUD programs; the importance of getting businesses involved in support of affordable housing; the value of educating the public on the benefits of affordable housing; the need for more and better data and analysis on issues such as the impacts of smart growth and the meaning and importance of density in urban development; and the focus and capacity for consideration of policies for regions and the place of the Federal Government in those considerations.

*“Smart growth strategies founded on urban containment can make central cities more prosperous. Initially, the outward expansion of development stops at a boundary and begins a wave back toward the center. Developers learn how to produce products differently. Ultimately, new development becomes more evenly distributed. For central cities, investments in revitalization should be more fruitful when urban sprawl is contained.”*

—Arthur Nelson

# Transportation and Environment

## Focus

Transportation and environment are central to understanding the challenge of making regions work for everyone. Transportation, especially the dominance of the automobile, is both cause and effect in the typical pattern of metropolitan development. The decline of central cities and the costly spread development of the suburbs are linked directly to the use of the automobile and the lack of transportation alternatives. In turn, significant environmental costs are generated in terms of degraded air and water quality, excessive consumption of land, and the deterioration of natural habitat.

Transportation, the movement of people and freight, is important for a variety of other reasons. For example, connecting people in the core of metropolitan areas to the jobs in the suburbs requires transportation systems that work differently than most do now; and congestion in some metropolitan areas is so severe that it is choking off economic growth.

## Issues

- ◇ To what degree have Federal policies caused the current pattern of metropolitan development?
- ◇ What is needed to meet the transportation needs of central-city residents, especially those seeking work in the suburbs?
- ◇ What are the “carrots and sticks” that the Environmental Protection Agency (EPA) and the Department of Transportation (DOT) have and need to foster revitalization in the center and encourage smart growth?
- ◇ What is the potential of brownfields economic development as a strategy to reduce the need for new infrastructure and combat pollution?
- ◇ Are environmental, transportation, and economic development objectives necessarily in conflict?
- ◇ What Federal policy and program changes are needed in the areas of transportation and environment to make metropolitan areas more livable, sustainable, and equitable?

In her direction-setting opening comments, facilitator and HUD Assistant Secretary for Policy Development and Research Susan Wachter suggested that transportation and the environment might be the key to the topics being addressed in the conference's other breakout sessions. "If we don't solve the transportation/environment nexus, and how it relates to our land settlement patterns," Wachter said, "then we cannot solve either the environmental problems associated with sprawl or the social problems that are surrounding the issues of concentration of poverty at the center."

To establish that broader context for the discussion, Professor Robert Burchell from the Center for Urban Policy Research at Rutgers University presented a summary of his paper, *The State of the Cities and Sprawl*. In his presentation of findings on cost comparisons between sprawl and smart growth, Burchell reported that if one-third of the country's future growth was directed toward the central cities and inner suburbs and developed with modest changes consistent with smart growth (slightly higher density, more mixed use, traffic-calming techniques, and greater variety in housing types), the country would save approximately \$250 billion over the next 25 years—about \$10,000 per household.

*"Sprawl doesn't work. Traffic congestion, separation of populations, lack of sense of community, ugliness of landscape, all of these things are things that can be improved upon."*

—Robert Burchell

## **The State of the Cities and Sprawl**

***A Paper Prepared for the Bridging the Divide Conference by  
Robert W. Burchell  
Professor, Center for Urban Policy Research at Rutgers  
University***

In this paper Robert Burchell presents a compelling analysis of how the Nation could save a minimum of \$250 billion dollars over the next 25 years by promoting redevelopment in cities and by encouraging new growth to happen in already existing communities.

The \$250 billion in savings reflects only a small portion of what sprawl actually costs us. As we approach the new millennium, Dr. Burchell believes cities and their suburbs have a unique opportunity to forge a common agenda to reduce the cost of sprawl and improve conditions in our urban centers.

The savings come from reduced costs for land; roads, sewers, and other infrastructure; housing; and public services. Burchell further emphasized that redirecting one-third of future growth to existing communities could have a

*“...massive development of outer areas and nondevelopment of inner areas clearly contribute to situations where economic segregation, the inability to pursue available jobs, and the desertion of inner-city commercial and industrial areas take place. This is compounded by the fact that local public policies often make it easier for nonresidential uses to move to the outer locations of metropolitan areas but much more difficult for less-expensive residential uses to accomplish the same objective.”*

—Robert Burchell

significant positive impact—potentially doubling or tripling population and job growth in central-city and inner-suburban areas.

In the discussion that followed Burchell’s remarks, topics addressed included accommodating higher land development costs per unit in the city, factoring in infrastructure costs where existing infrastructure was insufficient to accommodate infill, accounting for savings from flood damage reduction, and separating costs by those bearing the costs (i.e. individuals, local government, etc.). Burchell acknowledged that the cost elements may vary significantly by locality, but emphasized that all of his studies, regardless of where they were conducted, found the costs of sprawl higher than the costs of smart growth. Wachter reminded everyone that Burchell’s studies do not include important environmental and social costs, which would make the results even more significant.

Burchell also offered an overview of the extent and distribution of sprawl in the U.S.: “Sprawl refers to a particular type of suburban growth—it is development that expands in an unlimited and noncontiguous (leapfrog) way, outward from the solidly built-up core of a metropolitan area.” Nationally, by his estimate, sprawl is happening in less than one-quarter of all counties; but it is happening almost anywhere growth is occurring, even in areas where the net growth is zero. Moreover, those counties experiencing sprawl are expected to capture 55–60 percent of future population growth over the next 25 years.

Geoffrey Anderson, from the U.S. Environmental Protection Agency (EPA), itemized some of the environmental costs of sprawl, including loss of open space, decreased air quality, proliferation of brownfields, and diminished water quality. He pointed out that although in the aggregate there is still considerable open space nationwide, the losses are most significant in metropolitan regions, where most people live. In connection with air pollution, Anderson pointed out that, while population increased by 27 percent from 1970 to 1990, vehicle-miles traveled (vmts) doubled, and that while pollution from cars and other mobile sources may be decreasing overall, it still accounts for more than 50 percent of air pollution in some regions.

Anderson emphasized that although EPA and other agencies have funding to help redevelop brownfields, the key to their elimination is directing private capital toward redevelopment. As an example of a positive intersection between economic development and environmental protection, Anderson presented the case of the 138-acre Atlantic Steel brownfields project in midtown Atlanta.

In this case EPA had permitting powers for redevelopment of a brownfield site because of Atlanta's air quality violations. EPA was able to approve improvements to the site by demonstrating that the alternative—having the development take place outside of the city—would have worsened air quality by increasing vmts and would have resulted in conversion of more open space. The Atlantic Steel project is part of a larger EPA effort to give regions environmental credits for doing infill and other smart growth projects instead of sprawled development of greenfields.

## **Expectations, Development, and Transportation Investment**

***A Paper Prepared for the Bridging the Divide Conference by Richard Voith  
Economics Adviser, Federal Reserve Bank of Philadelphia***

In this paper Richard Voith argues that suburban growth is fueled in part by the expectation that transportation investments will be made to serve new development. "Highway transportation policy in the U.S.," he writes, "might be described as one of accommodating increased demand wherever it occurs to the greatest extent possible..."

Therefore, even in instances where transportation investment follows development, the anticipation that the needs of new development will be met is a strong incentive for sprawl. In turn, the significant differential in transportation spending between the outer suburbs and urban cores has a strong effect on their relative attractiveness as places to live, work, and invest.

A significant proportion of transportation infrastructure financing is derived from "user fees," primarily the gas tax. However, the amount spent in a specific locality, especially for capacity expansion projects, will be drawn largely from outside that locality through State and Federal funding. Such infusions of outside capital represent a significant advantage for such communities, usually suburban, relative to other communities in their region, usually at the core.

*"Improving and extending transportation systems has the effect of increasing the supply of land that is viable for residential and commercial development. There is a negative side as well: as the supply of land suitable for development increases, communities with static transportation systems—that is, older, fully developed communities—will become relatively less attractive and tend to experience declining population, declining economic activity, and lower land values, all other things equal."*

—Richard Voith

Follow-up discussion centered on the extent to which auto-related air pollution is really a critical factor in promoting more compact development.

*“At DOT we are trying to get people to think a little more broadly, changing the language from, ‘I came here to build a bridge’ to ‘I came here to build a community.’ They can do the same thing but they need to think about the purpose of transportation in the larger scheme.”*

—Al Eisenberg

*“Transportation, as it relates to land use and community-level and regional-level quality of life effects, is the most impenetrable, most incomprehensible thing to everyone in the world, and no citizens understand it or feel empowered to comment upon it, and few local officials fully understand how the money works, and what affects what, and what’s the cause of what, and what you can spend the money on.”*

—Roy Kienitz

Some participants argued that sprawled development is actually less destructive to air quality than compact development. Others noted that improvements in technology are continuing to make auto emissions less important. Some pointed out that decisionmakers never base development decisions on mobile emission and that its importance varies by region.

The consensus seemed to be that air quality and vehicle emissions should not be the “driving issue” for smart growth, but that they are important pieces of a complex web of issues that need to be addressed. In fact, the ability to address this web without isolating each interconnected piece was mentioned as one of the real benefits of smart growth.

Al Eisenberg, Deputy Assistant Secretary for Policy at the Department of Transportation (DOT), followed with a discussion of the role of transportation in smart growth. He discussed how transportation policy is slowly evolving from its historical focus on concrete, asphalt, and steel toward a community-building perspective. DOT is encouraging people to think more about how transportation fits into the larger picture and how it relates to land use, community development, and quality of life.

“TEA-21,” Eisenberg said, “provides flexibility needed to bring people together to make spending decisions that are creative and enhance the quality of neighborhood life. It provides encouragement for realistic planning, links transportation to air quality, and enables spending on non-automotive forms of transportation.”

“Nevertheless,” said Eisenberg, “no amount of flexibility and encouragement will result in decisions that support smart growth, unless linkages between transportation and land use are made at the local and State level—where project decisions are made. DOT is developing more creative partnerships and improved customer assistance, and is encouraging States to report in detail on the expenditure of transportation dollars to make transportation decisions more supportive of smart growth.

Roy Kienitz, Director of the Surface Transportation Policy Project, discussed how many of the problems associated with Federal transportation spending, such as project and institutional bias and perception of unlimited dollars, have been eliminated. The current challenge, he said, is to get people to understand the interrelation of transportation, land use, and quality of life and incorporate that understanding into their daily lives. An essential part of this is transparency—making it clear what dollars are available to a community, how they can be used, how they can be accessed, and what the impacts of spending the money in certain ways could be.

Janet Oakley, from the American Association of State Highway and Transportation Officials, rounded out the panel of speakers. She warned against the demonization of highways, arguing that instead of a bias against highways or for transit we need a bias for mobility and a transportation system that provides for it.

Multi-modal transportation, Oakley said, is critical. In addition to considering the needs of commuters, the needs of commerce, such as freight transport, must be considered. Too often, she said, freight is ignored in smart growth dialogues. Oakley also noted that charges that too much Federal transportation spending goes to new construction or capacity expansion ignore the fact that Federal funds constitute only 20 percent of the total that is spent on roads and highways and that much of the remaining 80 percent (State and local spending) is devoted to preservation.

Susan Wachter then turned the discussion toward suggestions on Federal policy changes that would improve local efforts for regional cooperation and smart growth. The suggestions fell into several areas. A number of them involved measures that would link transportation and environment programs more closely and more beneficially to development decisions, such as coordinating planning for DOT spending and HUD's community development program; creating a demonstration program for communities especially committed to this objective; encouraging strategies similar to that carried out in Maryland, which identifies areas targeted for future growth and prohibits public investment in other areas. There also were a variety of suggestions for improving the performance of TEA-21 and the brownfields program.

Lenneal Henderson, the reporter for the transportation and environment priority issues discussion, summarized the recommendations under five headings: a need for better coordination on environmental, transportation, and other regional initiatives—the “connecting the dots” recommendation; more incentives from the Federal Government for the preservation of existing transportation infrastructure relative to new construction; more research on links between transportation, environmental, and land-use outcomes; stronger support for regional organizations to facilitate better coordination among the different levels of government and the various players that are involved in managing growth; and better citizen education and formal education programs in the area of transportation-environment-development links and options.

*“I think what we need is not a bias for transit, not a bias against highways, not a bias for inner-city passenger rail and a bias against commuter airlines. I think what we need is a bias for mobility, and a system that values and treasures the mobility that we have. We need all kinds of solutions that are multi-modal-based.”*

—Janet Oakley

## Growth Patterns: Benefits and Costs

### Focus

It is the view of most observers that the typical pattern of development in America's metropolitan areas displays a physical configuration that is costly; a social arrangement that divides the population by race, ethnicity, and class; and an economic structure that fails to make efficient use of human capital, infrastructure investment, and private investment opportunities. If this is true what should be done?

Answering that question requires a willingness to confront the tough issues related to racial, ethnic, and economic inequality, and the capacity to understand the dynamics that have produced today's metropolitan regions and their problems.

### Issues

- ◇ To what degree and in what ways is the pattern of metropolitan development a result of public policy decisions?
- ◇ How should central-city interests fit into metropolitan smart growth policies?
- ◇ How does the concentration of minority and low-income populations harm metropolitan areas as a whole?
- ◇ Who pays for the costs of sprawl?
- ◇ What should the Federal Government do (or stop doing) to improve the equity and efficiency of metropolitan development?

“A metropolitan region cannot be strong, as you know, without a strong core. The core of a metropolitan region cannot be strong if development on the fringe is uncontrolled.” With these words, HUD Assistant Secretary for Fair Housing and Equal Opportunity Eva M. Plaza established the theme for the priority-issues session on growth patterns.

Plaza, who served as the facilitator, went on to say, “So revitalizing the central cities and the inner suburbs and combating suburban sprawl are complementary parts of a common agenda of making regions work for everyone.”

Opening speaker William Klein, Director of Research for the American Planning Association, described a project that the APA has had underway since 1994 and that assists States in modernizing their planning statutes. “This is necessary,” he said, “because at least 40 States are entering the new millennium with zoning and planning statutes adopted in the first half of the last century.” Not surprisingly, they embody archaic approaches for dealing with current conditions and objectives of development in metropolitan regions.

Now in its last phase, the project will produce a guidebook and a clearinghouse for those places that want to modernize. Klein also mentioned a new APA report, *Planning Communities for the 21st Century*, which offers a status report on States and their progress towards statute reform. APA is also at work on a land base classification system that will make it possible for planners to collect and use comparable land use data. The APA Web site contains information on these projects at [www.planning.org](http://www.planning.org).

Professor Arthur Nelson of the Georgia Institute of Technology then offered a comparison between the growth management policies of Portland, Oregon, which has been pursuing “smart growth” on a metropolitan basis for over 20 years, and Atlanta, Georgia, where traditional zoning and planning practices are employed by individual jurisdictions in a strongly pro-growth environment (Nelson also spoke in the regional decisionmaking session where his remarks and his paper, *Smart Growth=Central City Vitality and Quality of Life*, are summarized).

Nelson contrasted the comprehensiveness and predictability of the Portland approach with Atlanta’s and said that by most measures of growth the two metropolitan regions are comparable, but by most measures of quality of growth Portland clearly is superior.

*“Despite reasonable similarities between them, the smart-growth approach of Oregon makes it and its principal metropolitan area, Portland, better prepared to accommodate and realize economic development than the laissez-faire attitude represented by Georgia and its principal metropolitan area, Atlanta.”*

—Arthur Nelson

*“New urbanism calls for limiting the amount of development that occurs at the urban fringe and implementing new land use regulations to guide more compact development.”*

—Shelley Poticha

Shelley Poticha, Executive Director of the Congress for New Urbanism, discussed six sets of strategies for improving development patterns in metropolitan regions: reinvesting in cities; not funding sprawl; distributing fair housing equitably; integrating transportation and land use decisions; improving the size and location of schools; and improving the location of Federal facilities.

Poticha described a program that the Congress for New Urbanism is launching and that will look at “dead and dying shopping malls around the country as a resource for redevelopment and reinvestment.” She recommended that Federal facilities be looked at “as a way of jump starting reinvestment in cities and doing a better job of setting an example about how we can grow in better ways.”

## **Bridging the Divide: Smart Solutions to Sprawl**

***A Paper Prepared for the Bridging the Divide Conference by Shelley Poticha, Executive Director and Chris Hudson, Deputy Director, Congress for New Urbanism***

In this paper Poticha and Hudson link the smart growth and new urbanism movements with the traditional urbanism issues in metropolitan regions. Combined, they see a strong and expanding consensus on the need to move in concert on the suburban growth management and urban core reinvestment agendas.

They urge communities to build with diversity in mind, reforming local zoning codes to broaden the range of housing choices available in suburban communities. They support more education for elected officials about the benefits of building whole neighborhoods, not merely subdivisions. And they call on States to eliminate public subsidies that support sprawl and instead create more incentives for urban reinvestment.

David Rusk, a consultant for CitiStates Group, offered to second all of Poticha’s recommendations and focused on the subject of fair share low- and moderate-income housing in metropolitan regions. Drawing from the paper he prepared for “Bridging the Divide,” *How Concentrated Poverty Hinders Regional Progress*, Rusk explained how relatively minor changes

in the distribution of affordable housing in metropolitan regions would produce major changes in racial and economic concentrations.

He offered as a model the mandatory inclusionary zoning rule adopted 25 years ago in Montgomery County, Maryland. According to this zoning rule, at least 15 percent of all developments that contain 50 or more units must be made affordable to households within the lowest one-third of the income scale in the county. The rule also states that the public housing authority has the right to purchase at least one-third of the units.

## **How Concentrated Poverty Hinders Regional Progress**

***A Paper Prepared for the Bridging the Divide Conference by David Rusk  
Consultant, CitiStates Group***

In this paper David Rusk, noted urban affairs researcher, writer, and speaker, describes the causes and consequences of concentrated poverty, noting sprawl and race as the two factors which most characterize America's metropolitan development patterns over the past four to five decades.

Rusk argues for the adoption of mandatory, mixed-income housing ordinances, such as that which has been in place in Montgomery County, Maryland, for 25 years as a means of reducing the concentration of poverty.

*"If you are poor and white, the chances are three out of four that your child will be surrounded by middle-class children at school. If you are poor and black, the odds are three out of four that your child will be surrounded by other poor children at school. The socioeconomic background of a child's family and of a child's classmates are the strongest influences shaping school outcomes."*

—David Rusk

Rusk explained how, if this law had been applied in the Philadelphia metropolitan area between 1970 and 1996, the following results could have been achieved: 38,000 affordable housing units would have been available directly, with another 19,000 available through public housing authorities. Every public housing authority in the region would have been able to knock down high-density public housing projects and rebuild them as townhouse communities. The dispersal of public housing households throughout the region would have reduced the poverty rates in all of the census tracts with rates of 40 percent or higher to below 30 percent.

Rusk acknowledged that dealing with the issue of concentrated poverty through housing policy is politically difficult, but said that the smart growth movement offered a promising vehicle for addressing the problem on a regional basis. He underlined the challenges creating affordable housing regionwide. "The convergence of race and poverty is the most combustible

*"We cannot end poverty completely, but it is within our ability to eliminate the concentration of poverty."*

—David Rusk

issue on the local scene. You've got to be working to build the kind of political coalitions that can break that jurisdictional log jam at the legislative level and get the authority that you do need."

*"One of the things that lets us engage in this regional game or that will let us engage in it and sustain it over the long haul is the trust that everyone will be treated okay. In other words, we don't simply ask questions about what the rules are and how to tweak them. In a technical way, we ask questions like who makes the rules, who benefits, and who loses."*

—Xavier de Souza Briggs

In response to the remarks by the opening speakers, Xavier de Souza Briggs, HUD Deputy Assistant Secretary for Policy Development and Research, discussed why it is so difficult to take action and deal with issues related to metropolitan development. He offered five reasons: lack of authority; conflict with local authority; conflicting advice; fragmentation among organizations involved; and lack of a delivery system.

Briggs recalled the three ingredients for future success as suggested by Lester Thurow in his speech earlier in the conference: skills investment, infrastructure investment, and R&D investment. Briggs suggested that a fourth ingredient might be adding "just enough rules and rule brokering institutions that people will want to play the game and feel confident as they do so."

He asked the remaining panelists to respond to these observations and the remarks of the opening speakers.

Mayor Susan Savage of Tulsa, Oklahoma, offered to respond, speaking "as a practitioner." She stressed the importance of coordination and the need for incentives. "From the local government's perspective," she said, "which Federal agency is going to do what at what period of time becomes the most challenging question."

"The support I don't want," Savage continued, "is from the State government," which, in her view, "is probably more fragmented than the Federal Government." She argued that incentives and targets are more effective than detailed prescriptions from the Federal Government in areas such as housing and environmental protection.

The next panelist, Harriet Tregoning from the U.S. Environmental Protection Agency (EPA), followed up on Mayor Savage's comments on incentives, observing that, "Compared to growth management efforts of previous decades, we're talking a lot more about incentives, about setting goals, about collaborating, and a lot less about prohibitions and restrictions and regulating."

Tregoning said that she saw signs in three areas that people were seriously reassessing the capacity of metropolitan regions, as they were currently configured, to deliver the American dream: ballot initiatives to slow open-space loss; the response of housing markets to congestion; and demographics likely leading to a reduction in the demand for the traditional suburban house.

EPA, Tregoning said, has come to realize that “we stand to gain tremendously or lose tremendously based on how development rolls out across the country. Development patterns have an enormous impact on environmental quality—air, water quality, our ability to clean up and redevelop brownfields, habitat, and open space.” This realization, said Tregoning, means that EPA and others can generate environmental benefits by encouraging actions in areas (such as housing, economic development, and transportation) that respond to people’s needs.

She offered as an example brownfield projects that produce infill development but do not worsen air quality to the degree that a similar project in a remote suburban location might.

A business perspective on metropolitan growth patterns, and particularly on central-city revitalization, was offered by Tony Jablonski. Jablonski, Deputy Vice President for Real Estate Development for Kmart, described Kmart’s experience with investments in urban cores.

“Most of our retail units do have a high need for population density,” he said, “and we’re going into the urban markets of the United States—Newark, for example, Broadway, One Penn Plaza, Manhattan. We’ve had tremendous success. We’re committed to urban retailing in the United States.”

Much of the discussion following the opening remarks and comments by the panelists focused on the politics and process of changing the patterns of metropolitan growth and the issue of affordable housing. For example Catherine Briggs, Program Manager of the Bureau of Planning for the City of Portland, Oregon, pointed out the fact that smart growth solves some problems but causes others. She noted the need for an environment supportive of low-income households dispersed throughout suburban communities. One action she suggested that could encourage the dispersal of affordable housing was the possibility of creating regional pools of HOME funds not limited by jurisdiction.

Briggs asked, “Do good regulations bring us good development or will developers take the lead when they see they can make money doing this? What I see,” she said, “is that the places with the strictest regulations get the

*“What’s different about the conversation that’s going on all across the country in regions everywhere about growth, about development, about a basis for us to cooperate, is that it’s much broader than it used to be. There are so many more interests engaged.”*

—Harriet Tregoning

*“Smart growth solves some problems; it raises others. We are now dealing with issues of dispersed poverty, dispersed minority communities, and people are being dispersed to neighborhoods where there are no support structures. People are losing their communities. Until smart growth figures out what to do about this issue, I think that we’re going to run into problems.”*

—Catherine Briggs

best looking developments, are the most in demand, and are the places where the developers want to be, even if they have to deal with the tree ordinance that won't let them cut down anything bigger than 4 inches in diameter.”

Bruce Adams, President of A Greater Washington and the reporter for this session, provided a summary of the presentations and discussion. He said that the discussion reflected an emerging consensus on the proposition that existing metropolitan patterns of development are not working; that the traditional Federal approach is not helping; and that developing new relationships among Federal, State, and local governments and moving from policy to implementation is a work in progress.

Adams reported that the discussion on a Federal agenda for regions arrived at several basic conclusions, the first being that there should be more focus on regions. “The traditional agency-to-locality focus,” he said, “the single issue approach of Federal programs, the block grant process, all need to be more responsive to the concerns of the communities.” To do this requires greater flexibility, recognition that one size does not fit all, less prescriptive approaches, and more interagency coordination.

“No one,” he said, “wants the Federal Government to dictate the conversation,” but “we do seek to develop the flexibility to respond to regional needs.”

Over and over again, the discussion turned to the importance of affordable housing throughout a metropolitan region and approaches to achieving this objective. In this regard, one function for the Federal Government that emerged from the discussion, said Adams, was support for institutional capacity-building at the metropolitan level, “bringing in skills that aren't in the region, identifying best practices to share, building new skills at the regional level, helping to educate the public, the media, elected officials, community leaders on the importance of the issue.”



## Regional Coalition Building and Decisionmaking

### Focus

There is widespread agreement that more effective cooperation across jurisdictional lines is needed in order to deal with the challenges confronting the Nation's metropolitan regions. The task is to find the political and institutional means of putting this agreement into action.

One prerequisite for succeeding at that task is defining the mutual interests involved in joint city/suburb/county strategies to address sprawl and the structural decline of cities and older suburbs. Another is to recognize the necessity of wide involvement in such efforts that goes beyond local governments to include the business community, civic and community organizations, and faith-based institutions, as well as State governments and the Federal Government.

### Issues

- ◇ What are the priority problems/objectives that require regional cooperation?
- ◇ How can the Federal Government work with regional institutions to address these problems and objectives?
- ◇ How can support be built for regional action?
- ◇ What types of information and analysis are needed to make the case for regional cooperation, particularly cooperation that supports revitalization of the center?
- ◇ How does effective regional cooperation contribute to regional competitiveness?
- ◇ What can the Federal Government do to operate in a more unified manner in metropolitan regions?

At the outset of this session, facilitator and HUD Deputy Secretary Saul Ramirez asked the speakers and other participants to “focus on the political and institutional needs of putting into action the widespread agreement that effective regional cooperation is needed and essential to our future success as a Nation,” and proposed a set of questions to set the tone and direction for the discussion.

The seven scheduled speakers responded from diverse perspectives, affirming the essential role of the Federal Government in ensuring equity and fairness in metropolitan regions. They also elaborated upon the specific elements of a Federal agenda and held a general discussion on what is needed in order to reach an agreement on strategic actions that will guarantee the strength and competitiveness of regions.

### **The Boundless 21st Century**

***A Paper Prepared for the Bridging the Divide Conference by Robert H. McNulty  
President, Partners for Livable Communities***

In this paper McNulty traces the evolution of regionalism from a minor concern dominated by governmental entities, in the 1970s, to a central national issue, in which non-governmental sectors and institutions are taking increasing leadership today. Business leaders, he says, see regionalism as an antidote to the limitations imposed by local political structures.

For environmentalists, regionalism has become a way to craft more effective conservation strategies. Social activists, too, now recognize that disparity between rich and poor can be meaningfully attacked only at the regional level. Government still plays a major role in this new regional movement, too.

*“As suburbs expand and central-city populations contract, regions have become more socially fragmented. This phenomenon has raised important new concerns about equity.”*

—Robert McNulty

Bill Dodge, the Executive Director of the National Association of Regional Councils, observed that there is very little that goes on in the public arena today that does not have strong regional implications. He offered an overview of the importance of regional decisionmaking and action, and noted that there has been “an enormous explosion of regional organizations” of all types.

*“...if we’re going to deal with the problems and distress in the inner-city areas or inner-ring suburbs, we somehow or other are going to have to have inside strategies for doing revitalization and outside strategies to share the wealth of the region.”*

—Bill Dodge

Dodge suggested the following three roles for the Federal Government: an educator from the bully pulpit; a national data collector; and a resource coordinator.

Robert McNulty, President of Partners for Livable Communities, focused on the non-government sectors, declaring that he wanted to make the case “that they’re more qualified than the government in fostering regional collaboration, and that the government may be the least empowered entity to take leadership on regional cross-boundary cooperation.” He focused particularly on the activities and capacities of philanthropic institutions.

In contrast Myron Orfield, Minnesota State Legislator and founder of the Metropolitan Area Research Council, argued that government action is needed to deal effectively with the most important underlying structural problems in metropolitan regions. He described the foundations for cooperation among different kinds of communities in metropolitan regions in three interrelated areas: fiscal equity, land use planning, and infrastructure investment. Orfield underlined the importance of Metropolitan Planning Organizations as regional governments and the value of expanding their role.

## **Metropatterns and Metropolicy**

***A Paper Prepared for the Bridging the Divide Conference by Myron Orfield***

***Member, Minnesota State Legislature***

***President, Metropolitan Area Research Council***

In this paper Orfield shows how the problems of urban poverty, racial segregation, fiscal stress, sprawling development, and environmental degradation negatively affect all metropolitan localities and their residents. In the end, he says, an effective response requires a series of interrelated regional strategies. Orfield recommends a three-pronged strategy focused on greater fiscal equity, smart growth, and structural reform of metropolitan organizations.

Orfield would like to see Metropolitan Planning Organizations evolve into elected bodies that weigh the effects of their decisions on the social health of the older parts of the region and the fiscal and environmental health of the developing areas much more explicitly. Orfield is a Democratic State legislator in Minnesota and the author of *Metropolitics: A Regional Agenda for Community and Stability*.

*“...we can’t dull ourselves with a kind of anesthesia into abandoning the process of reform in this country and hope that somehow some sort of gentle cooperative planning, isolated from the real world, is going to make much of a difference.”*

—Myron Orfield

Betty Weiss, Executive Director of the National Neighborhood Coalition, argued that, “In order for regional growth and development to be truly healthy, we need to bring neighborhoods into the process. All neighborhoods,” continued Weiss, “need to begin to share more equally in the benefits, as well as the burdens of growth. For too long lower-income neighborhoods and communities of color have been left behind.”

Weiss described a project, “Neighborhoods, Regions, and Smart Growth,” being carried out by the National Neighborhood Coalition, and urged the Federal Government to be alert to the potential downside effects of smart growth policies on certain neighborhoods and to expand the attention given to low-income neighborhoods in livability initiatives.

Tools and techniques to produce better decisions for action in metropolitan regions was the subject of Scott Bernstein’s remarks. Bernstein, President of the Center for Neighborhood Technology, said that there are principles that can be distilled from successful experience in the private sector that can be applied to regional decisionmaking to “make it possible to think about how to learn to take advantage of the places that we care about; how to learn to do better in places; how to learn to sustain; how to learn to do it together.”

*“I think the community development organizations need to expand their vision of what they do beyond the context of neighborhoods and communities, and think about their work in terms of how regions impact what’s happening in neighborhoods, and how neighborhoods impact regional livability issues.”*

—Betty Weiss

**Learning to Do It Together—  
A Review of New Tools for Regional  
Decisionmaking, Information Access, and  
Improved Democracy**

***A Paper Prepared for the Bridging the Divide Conference by  
Scott Bernstein  
President, Center for Neighborhood Technology***

In this paper Bernstein links an analysis of urban assets with an overview and discussion of ways in which regions can quickly and effectively generate and put to use information and analysis needed to make informed decisions. He offers a taxonomy of efforts to develop regional strategies and presents new tools for enhanced participation and improved democracy. He describes the Partnership for Regional Livability, a locally initiated cooperative effort involving Federal participation, to illustrate the potential for use of these tools in the issue areas of workforce development, clean air attainment, transportation planning, and capital access for communities of persistent poverty.

*“Our challenge is to create environments that help people to raise their consciousness, work through choices, and come to resolution. What we are really talking about, then, is creating favorable environments for rapid learning and adaptation.”*

—Scott Bernstein

Bernstein offered several striking examples of how the effective use of data and analysis and innovative decision support techniques made possible decisions that were valuable to a community, and he urged the Federal Government to be more active in the development and dissemination of these approaches.

*“When I took office I started going out, trying to know the different players, and I would invite mayors from the area into our town. Almost every time they told me, ‘This is the first time I’ve been in the mayor’s office in the City of Chattanooga.’”*

—Mayor Jon Kinsey

Mayor Jon Kinsey of Chattanooga, Tennessee, and Mayor Alan Cohen of Ithaca, New York, provided the views of local elected officials on regional cooperation. Kinsey related his experience upon entering office and discovering that, despite Chattanooga’s reputation for regional cooperation, there was a surprising lack of communication among the local governments in the area. When he found that the smaller jurisdictions did not have a vote on the Metropolitan Planning Organization, he worked to change that arrangement and succeeded. He cited collaboration in his region on a mag-lev high speed rail project as an example of cooperation that is in the interest of all of the communities, and he argued that the Federal Government should require that all State and local aid have a regional focus.

Mayor Cohen echoed that view, saying that Federal agencies should be looking for regional cooperation opportunities. In addition, Cohen underlined the importance of data. “We need to come up with data,” he said, “that we can share with one another on a local level to convince local leaders that it’s in all our best interests to cooperate. And if HUD can come up with that data for us, that’s one of the best things that could happen.” Cohen also suggested the possibility of tying Federal funding to regional planning.

*“On the local level we need to acknowledge things like history and the mistakes that were made in the past; acknowledge turf; acknowledge the desire for autonomy.”*

—Mayor Alan Cohen

The open discussion covered a wide range of subjects, including: visioning as a technique for gaining consensus on regional issues; leadership training for local officials and others working on regional cooperation; and the characteristics of regions in which successful collaboration and reforms have been carried out.

Gail Christopher, Director of the Alliance for Redesigning Government, served as the reporter for the session. Christopher distilled from the presentations and discussion several key roles for the Federal Government in fostering regional cooperation, including the responsibility to ensure equity and fairness; the use of the bully pulpit to increase awareness of the importance of regions and leadership on regional cooperation; and support for the development of the capacity to undertake effective regional collaboration.

Christopher’s summary highlighted a number of specific suggestions, including the possibility of tying Federal funding to regional planning requirements; the generation and distribution of regional data; training for

leadership teams made up of representatives of all sectors within a region; cooperation across Federal agency lines; and the enforcement and expansion of Metropolitan Planning Organization requirements that contribute to more inclusive and effective regional actions.

## Conclusions: The Next Steps

HUD Secretary Andrew Cuomo offered to convene the “Bridging the Divide” conference in response to a survey, conducted by the U.S. Conference of Mayors and the National Association of Counties, that reported virtual unanimity among local government leaders from central cities, counties, and suburban jurisdictions that their most important problems cannot be addressed without effective regional cooperation.

In his keynote speech Secretary Cuomo stated that attempts to revitalize the urban core and control sprawl in the suburbs must be linked and addressed through the regional “template” if they are to succeed.

From that starting point participants in “Bridging the Divide” had the opportunity to consider both broad policy concerns and the specifics of proposals for action to deal with the problems of America’s metropolitan regions in light of the broad support for cooperative action.

Through a process involving background papers, speeches by prominent public and private leaders, leadership dialogues, and priority-issue discussions, the conference participants moved toward agreement on steps that should be taken to make America’s metropolitan regions work for everyone and what role the Federal Government should have in that process.

In the papers prepared for the conference leading experts on metropolitan America offered a background and foundation of information and analysis for considering how best to develop and implement strategies that link the objectives of livability, sustainability, and equity. Although these papers reflected a diversity of perspectives, they nevertheless offered broad support for several basic propositions, including:

- ◇ Metropolitan regions as a whole are weakened by the marked and increasing separations among urban residents by race and income.
- ◇ Efforts to address the needs of the urban core or the urban fringe are not likely to succeed unless they are undertaken in concert.
- ◇ Better and more widely available information and analysis about metropolitan conditions and trends and their consequences is needed to support effective decisionmaking and action.
- ◇ Federal Government initiatives to bridge the divide must be part of broader efforts that involve a wide range of interests and institutions, both public and private.

Conference speakers addressed this common agenda from a variety of perspectives.

- ◇ **HUD Secretary Andrew Cuomo** argued strongly that the regional template must be used to deal with urban problems effectively. He stressed the importance of confronting directly and

honestly the influence of racial, cultural, and class differences on patterns of metropolitan development.

- ◇ **Senator Carl Levin** affirmed the urgency of the problems arising from the Nation's metropolitan development patterns and urged that they be addressed in ways that are politically feasible and sensitive to the preferences of the American people.
- ◇ **EPA Administrator Carol Browner** offered the brownfields program as an example of how environmental protection could be linked effectively with urban reinvestment and suburban sprawl control.
- ◇ **Aetna Chairman and CEO Richard Huber** described problems in Hartford, Connecticut, the location of Aetna's headquarters, as a basis for his support of Federal incentives for private investment in central cities.
- ◇ **Maryland Governor Parris Glendening** argued that government policies have been a significant cause of urban disinvestment and suburban sprawl. Government, he stressed, should now have to meet the test of encouraging sustainable and equitable development.
- ◇ **PolicyLink President Angela Blackwell** recommended metropolitan strategies that are both people- and place-based, and suggested the use of regional equity impact statements.
- ◇ **Mayor Brent Coles** offered the Treasure Valley Partnership in the Boise region as the kind of inclusive multi-jurisdictional collaboration that is needed for effective regional action.
- ◇ **MIT Professor Lester Thurow** challenged metropolitan regions and their leaders in a sweeping discussion of the influence of technology on economic development. He argued that the platforms for successful regions must have a skilled workforce at their core.

In the Public-Private Dialogue government, business, and community leaders expressed a wide range of views but reached agreement on the following set of general propositions:

- ◇ Target Federal investments to support investment in existing communities as is done through the New Markets Initiative.
- ◇ Coordinate Federal policy and funding to better serve communities and regions both in Washington, D.C., as is being done through the White House Task Force on Livable Communities, and in individual metropolitan regions, as is being done through the Partnership on Regional Livability.
- ◇ Promote a mix of place- and people-based strategies, such as the HUD-funded projects that provide training and employment services to public housing residents.
- ◇ Encourage regional partnerships and alliances to include low-income people and community-based organizations, as would be done through HUD's proposed Regional Connections.

- ◇ Build the political case for smart growth, an objective made more feasible through the use of new tools such as the model State and local planning and development statutes developed in the American Planning Association's Growing Smart project.
- ◇ Take a long-term view that requires the development and deployment of better and more user-friendly data, such as that provided through Community 2020.

In the five priority-issue workshops participants developed the detailed implications of applying a regional approach to the challenges of sprawl and urban disinvestment in metropolitan regions.

- ◇ ***Competitiveness: Economic Development and Workforce.*** The Federal Government has come a long way in recognizing the role of the private sector in promoting strong communities, but Federal agencies can and should do much more to work effectively across agencies and with non-governmental entities in four general areas: collaboration, coordination, devolution, and public education.

Consistent with this recommendation, the U.S. Department of Labor is carrying out demonstrations that employ public-private partnerships, which provide training and employment services for unemployed inner-city residents and result in their placement in suburban, high-tech jobs. To encourage self-sufficiency for low-income persons, HUD is supporting several demonstrations. Bridges to Work, being carried out by Public Private Ventures, Inc., provides comprehensive services through broad regional coalitions that lead to suburban employment for inner-city residents. Jobs Plus, conducted by the Manpower Demonstration Research Corporation, focuses on public housing developments and uses a place-based saturation model to assist able-bodied welfare recipients in moving to work.

Conference participants expressed support for the Administration's New Markets Initiative and the newly created America's Private Investment Companies, which will provide capital to large scale businesses in low- and moderate-income areas. With the new initiatives, combined with the Economic Development Initiative/Community Empowerment Fund and the Section 108 loan guarantee program, there now exists a powerful set of tools for leveraging urban core private investment to complement the traditional purposes of the Community Development Block Grant (CDBG).

- ◇ ***Housing and Community Development.*** Steps should be taken to strengthen the regional character of Federal programs. Plans and proposals submitted to HUD should contain a regional analysis that links housing needs to other factors, such as jobs and transportation. More equitable distribution of affordable housing across metropolitan areas is a critical need to break up concentrations of urban poverty and to ensure suburban areas have an adequate workforce. Federal support should be provided for public education to combat misinformation and misleading arguments made against affordable housing. HUD should disseminate good models of successful affordable housing strategies.

Work currently underway by the American Planning Association, with HUD support, will produce detailed case studies of promising approaches to developing affordable housing that makes it possible for low- and moderate-income persons to live closer to suburban jobs. HUD has undertaken other initiatives as well to increase housing mobility, such as Moving to Opportunity for Fair Housing, a 10-year demonstration to develop more effective mobility strategies for recipients of tenant-based housing assistance in metropolitan areas throughout the Nation. Best practices models for dispersing affordable housing more widely in metropolitan regions is contained in HUD-funded research reports, “Regional Housing Opportunities for Lower Income Households” and “New American Neighborhoods.”

- ◇ ***Transportation and Environment.*** Growing environmental degradation in suburbs and high concentrations of poverty in central cities can never be effectively addressed until policymakers tackle America’s overall patterns of metropolitan development. The costs of sprawl and the large savings that could be achieved by encouraging even modest smart growth strategies provide compelling reasons for action. The importance of TEA-21 and the flexibility it provides make it central to any meaningful strategy for metropolitan regions. Better coordination and policy changes for Federal programs are needed in order to more fully recognize the interrelationships among transportation, land use, and quality of life in metropolitan regions.

The U.S. Department of Transportation is offering strong encouragement to Metropolitan Planning Organizations as they continue to develop their role as a central means of coordinating the major determinants of metropolitan development in directions that best serve the quality-of-life needs of the residents of all areas of metropolitan regions. The success of the brownfields program can be achieved through linking the objectives of both urban core revitalization and urban fringe environmental protection. It also represents an important achievement in Federal interagency coordination.

- ◇ ***Growth Patterns: Benefits and Costs.*** Policies at all levels of government must realize that existing metropolitan patterns of development are producing disinvestment in the urban core and unsustainable development in suburban areas. Past Federal policies have partly supported these patterns of development. What is required now are changes in these policies and new relationships among Federal, State, and local governments. Efforts are under way to help States and localities modernize their planning statutes. Ambitious smart growth programs being undertaken by States and localities around the country are making it more clear what will work. One issue at the core of the challenge of metropolitan America is the need to achieve a more widespread distribution of affordable housing, an issue addressed in all of the priority issue discussions.

One route to changing current metropolitan patterns of development is being pursued through Growing Smart, a very ambitious effort to modernize State and local statutes for planning and development management being carried out by the American Planning Association (APA) with support from a number of foundations and Federal agencies, including HUD. Statutes based on model legislation developed in this project have already been enacted in several States, with more States likely to act in the near future. In another HUD-funded project the APA is updating

the 30-year old land use classification system that will greatly increase the ability of planners and others to develop an accurate picture of current land uses and trends.

- ◇ ***Regional Coalition Building and Decisionmaking.*** The Federal Government must ensure equity and fairness in metropolitan regions. A Federal agenda to promote better regional decisionmaking and to strengthen regions' economic competitiveness should include both the use of the bully pulpit to increase awareness and provide national leadership, and the direction and redirection of resources to build capacity for regional cooperation at all levels of governance, including State, local, community, and neighborhood. Federal funding should be tied to regional planning requirements, and the Federal Government should equip local decisionmakers with robust regional data.

The Joint Center for Sustainable Communities provides a network of information and technical assistance in support of local intergovernmental partnerships. Through its awards program, made possible by HUD funding, "best practices" examples of city-county cooperation are spotlighted nationally. The awards, presented in conjunction with the "Bridging the Divide" conference, honored regions with partnerships as broad as comprehensive regional growth management and as specific as individual redevelopment projects.

A workbook produced with HUD funding presents the results of the Fall 1999 "Crossing the Line" conference organized by Partners for Livable Communities. The workbook presents best practices experience in developing and carrying out regional strategies from around the country.

Data analysis and best practices information will be provided in the State of the Regions report, produced by the National Association of Regional Council and co-sponsored by HUD. In addition, HUD is developing economic factor analyses for many of the Nation's major metropolitan regions—these will provide databases and analysis that will help regions define strategies to further their economic competitive advantage. HUD is also expanding the Community 2020 data and analysis package to provide a more powerful GIS tool for regional analysis.

HUD's proposed Regional Connections program, if approved by Congress, will provide funding for partnerships of local communities to achieve objectives that require working across political boundaries.

Throughout "Bridging the Divide," speakers and other participants stressed the importance of the Federal role in making America's regions work for everyone. With respect to that role, however, they also stressed several caveats relating to how Federal involvement in metropolitan regions can be most effective:

- ◇ The Federal Government must be flexible enough to adjust its involvement to fit local needs and institutions.
- ◇ The Federal Government must bridge its own divides among the various departments and agencies in order to participate as an effective partner in metropolitan regions.

Several HUD and Administration-wide initiatives, ongoing or proposed, reflect a commitment to be actively involved in regional efforts to achieve livability, sustainability, and equity in ways that are supportive and effective, not intrusive or disruptive, such as:

- ◇ Through the Partnerships for Regional Livability, a number of Federal agencies are participating in major initiatives launched locally in four metropolitan regions, with the support of a group of foundations. The expectation is that these partnerships will produce worthwhile results in the participating regions and produce useful knowledge about what the Federal Government can do to support regional collaborations.
- ◇ The White House Task Force on Livable Communities and its first administration-wide initiative, Community Partnerships, includes 17 Federal agencies that are working together on policies, programs, and activities to promote and support livable communities and sustainable development at the State, regional, and local levels.
- ◇ HUD's Regional Connections proposal, which, if funded by Congress, will provide competitive funding to partnerships for local governments to develop and implement new, locally driven initiatives that create smarter growth strategies across jurisdictional lines.

Although shaping the Federal role was the focus of "Bridging the Divide," that discussion necessarily required developing a better understanding of the roles being filled by other public and private institutions in metropolitan regions:

- ◇ **City and county officials**, recognizing the importance of metropolitan regions, are initiating collaborations across jurisdictional lines to address a wide variety of priority problems and objectives.
- ◇ **State governments**, which have authority and resources critical to positive development in metropolitan regions, are beginning to respond to the views of the public with broad and ambitious programs to constrain sprawl and encourage investment in the urban core.
- ◇ **The private sector**, which has a substantial stake in the health of metropolitan regions, is involved in regional initiatives in areas such as education, worker training, affordable housing, transportation improvement, inner-city investment, and cooperative regional marketing.
- ◇ **Community organizations**, realizing that the success of individual neighborhoods and local communities is tied to their broader regions, are developing links and networks to advance the social and economic interests of their residents.
- ◇ **Philanthropic organizations**, convinced that effective action at the regional level is necessary to achieve important public objectives, are supporting efforts around the country to strengthen regional citizenship and governance.

“Bridging the Divide” confirmed that the regional “template” must be, and is being, applied around the country in attempts to solve the problems of cities and suburbs. Longstanding political and economic boundaries are falling away, and leaders from the public and private sector are crossing old lines to create new and productive alliances. In the economy of the new global era, regions are the basic building block. In this new environment, the old politics that once pitted cities against suburbs no longer dominate. Ensuring the economic and social health of all parts of a metropolitan area is now essential if a region is to prosper and offer a good quality of life to all of its citizens.

HUD’s “Bridging the Divide” Web site is accessible at <http://www.huduser.org/bridging/index.html>



# Appendix A

## List of Speakers/Panelists

**Bruce Adams**

A Greater Washington

**Geoffrey Anderson**

U. S. Environmental  
Protection Agency

**Roland V. Anglin**

Structured Economic  
Development Corporation  
(SEEDCO)

**Richard Baron**

McCormack, Baron &  
Associates, Inc.

**Mayor Kenneth Barr**

City of Fort Worth

**Michael S. Barr**

U. S. Department of the  
Treasury

**Scott Bernstein**

Center for Neighborhood  
Technology

**Judith Binder**

General Services  
Administration

**Angela Glover Blackwell**

PolicyLink

**Alvin Brown**

Office of the Vice President  
Community Empowerment  
Board

**Carol Browner**

U. S. Environmental  
Protection Agency

**Robert W. Burchell**

Rutgers University

**Gail C. Christopher**

National Academy of Public  
Administration

**George Cloutier**

American Management  
Services

**Mayor Alan J. Cohen**

City of Ithaca

**Mayor H. Brent Coles**

City of Boise

**Eugene Conti**

U. S. Department of  
Transportation

**Cardell Cooper**

U. S. Department of Housing  
and Urban Development

**Secretary Andrew Cuomo**

U. S. Department of Housing  
and Urban Development

**Wayne Curry**

Prince George's County

**Michael Deich**

Office of Management and  
Budget

**William R. Dodge**

National Association of  
Regional Councils

**Al Eisenberg**

U. S. Department of  
Transportation

**Richard T. Farrell**

U.S. Environmental  
Protection Agency

**William Fulton**

California Planning and  
Development Report

**Gregory A. Galluzzo**

Gamaliel Foundation

**David Garrison**

U. S. Department of Health  
and Human Services

**James Gibson**

D.C. Agenda Project

**Governor Parris N.**

**Glendening**

State of Maryland

**Ellen Goldberg**

Fannie Mae

**Javier Gonzales**

Large Urban Counties  
Caucus, Santa Fe County

**Charlotte (Chuckie)**

**Holstein**

Forging Our Community's  
United Strength

**Harold Holzer**

U. S. Department of Labor

**Richard Huber**

AETNA

**Chris Hudson**

Congress for New Urbanism

**Anthony Jablonski**

Kmart

**Larry Keller**

Kmart

**Cliff Kellogg**

U. S. Department of the  
Treasury

**Roy Kienitz**

Surface Transportation Policy  
Project

**Mayor Jon Kinsey**

City of Chattanooga

**William R. Klein**

American Planning  
Association

**Chris Larsen**

E-Loan

**Keith Laughlin**

White House Task Force on  
Livable Communities

**Senator Carl Levin**

United States Senate

**Hillary Levitt Altman**

General Services  
Administration

**Edward Lipkin**

EBL&S Development  
Corporation

**Harold Lucas**

U. S. Department of Housing  
and Urban Development

**Ted Mastroianni**

U. S. Department of Labor

**Robert H. McNulty**

Partners for Livable  
Communities

**Doug Meissner**

Kmart

**Faith Mitchell, Ph.D.**

National Research Council

**Richard Moe**

National Trust for Historic  
Preservation

**Mayor Marc H. Morial**

City of New Orleans

**Richard Y. Nelson, Jr.**

National Association of  
Housing and Redevelopment  
Officials

**Janet P. Oakley**

American Association of  
State Highway &  
Transportation Officials

**Myron Orfield**

Minnesota State Legislature

**Robert Peck**

General Services  
Administration

**Neal Peirce**

The CitiStates Group

**Farley Peters**

The CitiStates Group

**Eva M. Plaza**

U. S. Department of Housing  
and Urban Development

**Shelley Poticha**

Congress for New Urbanism

**Saul Ramirez**

U. S. Department of Housing  
and Urban Development

**Claude Ramsey**

Hamilton County Government

**Steve Redburn**

U.S. Office of Management  
and Budget

**James A. Riccio**

Manpower Demonstration  
Research Corporation

**David Rusk**

CitiStates Group

**Mayor Susan Savage**

City of Tulsa

**Rich Savner**

Pathmark Stores, Inc.

**Bill Sequino**

ICMA

**Thomas Shellabarger**

National Neighborhood  
Coalition

**Rochelle Stanfield**

Consultant

**Lester Thurow**

Massachusetts Institute of  
Technology/Sloan

**Harriett Tregoning**

U. S. Environmental  
Protection Agency

**Richard Voith**

Federal Reserve Bank of  
Philadelphia

**George Vradenburg**

American Online

**Susan Wachter**

U.S. Department of Housing  
and Urban Development

**Robert S. (Bob) Weiner**

New Castle County,  
Delaware

**Betty Weiss**

National Neighborhood  
Coalition

**Marcus Weiss**

Economic Development  
Assistance Consortium

**Darrel J. Williams**

Mecklenburg County Board  
of Commissioners

---

## Appendix B

### Federal Participants Represented at the Bridging the Divide Conference

Departments:

Department of Agriculture, Office of Community Development  
Department of Commerce, Census Bureau  
Department of Health and Human Services  
Department of Housing and Urban Development  
Department of Justice, Office of Justice Programs  
Department of Labor  
Department of Treasury, Community Development Policy  
Department of Transportation, Office of Transportation Policy

Environmental Protection Agency

Farm Credit Administration

General Services Administration Center for Urban Development and Livability

Government Services Administration

President's Council on Environmental Quality and Sustainable Development

U.S. Army Corps of Engineers Directorate of Civil Works

U.S. House of Representatives

U.S. Office of Management and Budget

U.S. Senate

White House Task Force on Livable Communities

## Appendix C

### Organizations Represented at the Bridging the Divide Conference

#### A

A Greater Washington; Ada County ([www.adaweb.net](http://www.adaweb.net)); Aetna Incorporated; Akila Concepts, Incorporated, Charlotte's House; Allies Building Community, Inc. (A.B.C.); America Online, Inc.; American Association of State Highway and Transportation Officials; American Institute of Architects; American Management Services ([www.amserv.com](http://www.amserv.com)); American Planning Association ([www.planning.org](http://www.planning.org)); Ameritech; Analytical Insights and Solutions; Asian Americans for Equality ([www.aafe.org](http://www.aafe.org)); Aspen Systems; Association of Community Organizations for Reform Now (ACORN); Athena Alliance ([www.athenaalliance.org](http://www.athenaalliance.org))

#### B

Baltimore Metropolitan Council Economic Research and Information Systems; Bank of America, Community Development Banking; Basic Technologies International Corporation ([www.btintl.com](http://www.btintl.com)); Berks County Community Development; Bethel New Life, Inc. ([www.bethelnewlife.org](http://www.bethelnewlife.org)); Bloustein School of Planning, Rutgers University National Center for Neighborhood and Brownfields Redevelopment; Bracy Williams and Company; British Embassy, Economic Division; Buffalo Area Construction Training Consortium

#### C

California Planning and Development Report; Camden Housing Authority ([camdenhousing.org](http://camdenhousing.org)); Center for Community Change ([www.communitychange.org](http://www.communitychange.org)); Center for National Policy, Community Studies ([cnponcine.org](http://cnponcine.org)); Center for Neighborhood Technology; Center on Budget and Policy Priorities ([www.cbpp.org](http://www.cbpp.org)); Chattanooga-Hamilton Regional Planning Commission; Chicago Housing Authority; Chicago Metropolis 2020; Christmas in April USA; Cisco Systems; CitiStates Group ([www.citistates.com](http://www.citistates.com)); Citizens Planning and Housing Association (CPHA); City Mark; City of Boise; City of Bridgeport Community Development Agency; City of Buffalo Community Development; City of Chattanooga ([webmaster@mail.chattnaooga.gov](mailto:webmaster@mail.chattnaooga.gov)); City of Chicago; City of Detroit Planning and Development ([www.ci.detroit.mi.us](http://www.ci.detroit.mi.us)); City of East Orange Policy, Planning and Development; City of Elizabeth Department of Neighborhood Services ([www.elizabethnj.org](http://www.elizabethnj.org)); City of Fort Worth ([ci.fort\\_worth.tx.us](http://ci.fort_worth.tx.us)); City of Ithaca; City of Manassas Department of Social Services; City of Minneapolis; City of New Orleans Government Relations Group ([www.arentfox.com](http://www.arentfox.com)); City of Overland Park Planning and Development Services; City of Portland Bureau of Planning; City of Rocky Mount Planning and Development; City of San Bernardino Municipal Water Department; City of Seattle Strategic Planning Office; City of Toledo ([www.ci.toledo.oh.us](http://www.ci.toledo.oh.us)); City of Tulsa; City of Westminster Police Department; Cleveland State University College of Urban Studies ([www.urban.csuohio.edu](http://www.urban.csuohio.edu)); Cleveland State University The Urban Center; Committee for Economic Development Special Projects and Communications ([www.ced.org](http://www.ced.org)); Communities In Schools, Inc. ([www.cisnet.org](http://www.cisnet.org)); Community Initiatives Human Services; Concern, Inc.; Congress Abstract Corporation; Congress for New Urbanism; Congressional Quarterly Incorporated CQ Weekly Report ([www.cq.com](http://www.cq.com)); Cook County Office of the County Board President; Corporation for Enterprise Development; Council of State Community Development Agencies (C.O.S.C.D.A—[www.coscda.org](http://www.coscda.org)); Council of State Governments ([www.csg.org](http://www.csg.org)); Council for Urban Economic Development ([cued.org](http://cued.org)); County of Benks Community and Economic Development ([www.benks.net](http://www.benks.net)); County of Orange District Attorney's Office ([oc.ca.gov/da/](http://oc.ca.gov/da/))

#### D

D.C. Agenda Project; D. Edward Wells, Federal Credit Union/ National Federation of Community Development Credit Unions; Delaware Valley Regional Planning Commission Regional Planning ([www.dvrpc.org](http://www.dvrpc.org)); Diversified Senior Funding

**E**

EBL&S Development Corporation; Economic Development Administration Commerce; Economic Development Assistance Consortium; Elon College Political Science/Public Administration Department; Enterprise Foundation ([www.enterprisefoundation.org](http://www.enterprisefoundation.org)); Evans Group

**F**

Fairfax County Department of Housing and Community Development; Fannie Mae; Federal Reserve Bank of Philadelphia Research Department; Flood Control District of Maricopa County ([www.fcd.maricopa.gov](http://www.fcd.maricopa.gov)); Food Marketing Institute ([www.fmi.org](http://www.fmi.org)); Forging Our Community's United Strength (F.O.C.U.S.) Greater Syracuse

**G**

Gamaliel Foundation; Genesee Transportation Council Metropolitan Planning Organization; Georgia Institute of Technology; Greater Las Vegas Association of REALTORS®; Greater Washington Urban League Housing and Community Development; Greensboro Multi-Family Hub Housing Department

**H**

Habitat For Humanity International; Hagler Bailly Consulting ([www.haglerbailly.com](http://www.haglerbailly.com)); Hamilton County Government ([www.hamiltontn.gov](http://www.hamiltontn.gov)); Harris County Community Development ([hchcda.co.harris.tx.us](http://hchcda.co.harris.tx.us)); Helen Bader Foundation, Inc.; Hennepin County, Minneapolis; Hoeberichts and Associates; Housing Action Resource Trust; Housing Assistance Council Research and Information Division ([www.ruralhome.org](http://www.ruralhome.org)); Housing Authority of Fulton County ([www.jafc.org](http://www.jafc.org))

**I**

I CAN! America Housing and Homeless Resource Center; ICF Consulting Housing and Community Development Group; International City/County Management Association ([www.icma.org](http://www.icma.org)); International Downtown Association ([www.ida.downtown.org](http://www.ida.downtown.org))

**J**

Jackson Terrace Associates; Jesuit Conference Office of Social and International Ministries; Jewish Council for Public Affairs ([www.jewishpublicaffairs.org](http://www.jewishpublicaffairs.org)); John D. and Catherine T. MacArthur Foundation Civic Affairs; Johns Hopkins University Institute for Policy Studies ([www.jhu.edu/~ips1](http://www.jhu.edu/~ips1)); Johnson County Government

**K**

Kean University Gateway Institute for Regional Development ([www.kean.edu/~gateway](http://www.kean.edu/~gateway)); Kmart

**L**

Leon N. Weiner & Associates, Inc.; Local Initiatives Support Corporation ([liscnet.org](http://liscnet.org)); Lower Colorado River Authority Regional Development

**M**

Manpower Demonstration Research Corporation ([www.mdrc.org](http://www.mdrc.org)); Maryland Association of REALTORS®; Maryland Department of Housing; Massachusetts Institute of Technology; McCormack, Baron & Associates, Inc.; Mecklenburg County Board of Commissioners; Metropolitan Washington Council of Governments, Environmental Programs ([www.mwcog.org](http://www.mwcog.org)); Miami-Dade Housing Agency, Housing Development Division; Minnesota State Legislature; MW Financial, Inc. ([www.E-Telecon.Exchange](http://www.E-Telecon.Exchange))

**N**

National Association for County, Community, and Economic Development (NACCED—[www.nacced.org](http://www.nacced.org)); National Academy of Public Administration Alliance for Redesigning Government ([www.alliance.napawash.org](http://www.alliance.napawash.org)); National Academy of Public Administration Center for the Economy and the Environment; National Alliance to End Homelessness ([endhomelessness.com](http://endhomelessness.com)); National Association of Community Action Agencies Housing and Community Economic Development ([www.nacaa.org](http://www.nacaa.org)); National Association of Counties ([www.naco.org](http://www.naco.org)); National Association of County and City Health Officials Office of Environmental Health ([www.wacclto.org](http://www.wacclto.org)); National Association of Home Builders Research Center ([www.nahbrc.org](http://www.nahbrc.org)); National Association of Housing and Redevelopment Officials ([nahro@nahro.org](mailto:nahro@nahro.org)); National Association of Industrial and Office Properties State Local Affairs ([www.naiop.org](http://www.naiop.org)); National Association of Local Government Environmental Professionals ([www.nalgep.org](http://www.nalgep.org)); National Association of REALTORS®; National Association of Regional Councils; National Coalition for Homeless Veterans ([www.nchv.org](http://www.nchv.org)); National Council of La Raza TACS ([nclr.org](http://nclr.org)); National League of Cities Center for Research and Program Development ([www.nlc.org](http://www.nlc.org)); National Low Income Housing Coalition ([www.nlihc.org](http://www.nlihc.org)); National Neighborhood Coalition ([www.neighborhood@coalition.org](http://www.neighborhood@coalition.org)); National Research Council Division on Social and Economic Studies ([www.national\\_academics.org](http://www.national_academics.org)); National Trust for Historic Preservation Public Policy ([www.nthp.org](http://www.nthp.org)); National Congress for Community Economic Development (NCCED—[www.ncced.org](http://www.ncced.org)); Nevada Business Services; New Castle County, Delaware; New Jersey Institute for Social Justice, Inc.; New Jersey Institute of Technology School of Architecture; New York City Office of the Comptroller Economically Targeted Investments ([www.comptroller.nyc.ny.us](http://www.comptroller.nyc.ny.us)); New York State Office of Children and Families Services; New York State Senate Minority Office of Senator Martin Connor, Minority Leader; Northeast-Midwest Institute ([www.nemw.org](http://www.nemw.org)); Northern Cambria Community Development; Northern Virginia Association of REALTORS®

**O**

Office of Grants Management and Development Resource Development and Planning; Office of the Governor-State of Illinois ([www.state.il.us](http://www.state.il.us)); Office of the State Comptroller NYS Common Retirement Fund; Office of the Vice President National Partnership for Reinventing Government ([npr.gov](http://npr.gov)); Ohio-Kentucky-Indiana Regional Council of Governments Board of Trustees ([www.oki.org](http://www.oki.org))

**P**

Partners for Livable Communities ([www.livable.com](http://www.livable.com)); Pathmark Stores, Inc. ([www.pathmark.com](http://www.pathmark.com)); PB Farradyne ([www.pbfi.com](http://www.pbfi.com)); Peter's Group/Consulting ([freeyellow.xoom.8080/members7/petersgroup](http://freeyellow.xoom.8080/members7/petersgroup)); PolicyLink; Polk County Government; Pratt Institute -PICCED; Prince George's County; Progress Investment Associates, Inc.; Project Renewal, Inc. ([www.projectrenewal.org](http://www.projectrenewal.org)); Public Strategies Group ([www.prgrp](http://www.prgrp)); Public/Private Ventures ([www.ppv.org](http://www.ppv.org))

**R**

Rails-to-Trails Conservancy Program and Policies ([www.railtrails.org](http://www.railtrails.org)); Rick Levin and Associates ([www.ricklevin.com](http://www.ricklevin.com)); Rutgers University

**S**

Session Law Offices ([www.warnersession.com](http://www.warnersession.com)); South Central Assembly for Effective Governance; South Florida Regional Planning Council ([www.sfrpc.com](http://www.sfrpc.com)); State of Connecticut Department of Economic and Community Development ([www.state.ct.us/ecd](http://www.state.ct.us/ecd)); State of Maryland; Structured Economic Development Corporation; Summit County, Ohio Development; Surface Transportation Policy Project; Sustainable Racine ([www.sustainable\\_racine.com](http://www.sustainable_racine.com))

**T**

Treasure Valley Partnership City of Eagle, Idaho; Trust for Public Land National Programs ([www.tpl.org](http://www.tpl.org))

**U**

University of Baltimore; University of California, Berkeley Department of City and Regional Planning; University of Florida College of Law; University of Illinois, Chicago Office of the Dean; University of Maryland, Baltimore County Policy Sciences Graduate Program; Urban Planning Consultant

**V**

Virginia Department of Housing and Community Development Community Revitalization and Development Office

**W**

Warren County Planning Department; Washington Area Housing Partnership; Wayne County Commission

**Y**

YMCA of the USA ([ymca.net](http://ymca.net))

## Appendix D

### List of Papers/Authors

**NOTE:** The following papers are available from the authors pending future publication of the “Bridging the Divide” proceedings.

**Learning to Do It Together—A Review of New Tools for Regional Decisionmaking, Information Access, and Improved Democracy**

Scott Bernstein, President, Center for Neighborhood Technology.

**The State of the Cities and Sprawl**

Robert W. Burchell, Professor, Center for Urban Policy Research at Rutgers University.

**Density: Perception, Reality, and Policy Issues**

William Fulton, Editor and Publisher, *California Planning and Development Report*.

**The Boundless 21st Century City**

Robert H. McNulty, President, Partners for Livable Communities.

**Smart Growth=Central City Vitality and Higher Quality of Life**

Arthur C. Nelson, Professor, Georgia Institute of Technology.

**Metropatterns and Metropolicy**

Myron Orfield, Member, Minnesota State Legislature and President, Metropolitan Area Research Council.

**Making Regionalism Work for Everyone**

Neal Peirce, Urban Affairs Syndicated Columnist.

**Bridging the Divide: Smart Solutions to Sprawl**

Shelley Poticha, Executive Director, and Chris Hudson, Deputy Director, Congress for New Urbanism.

**Combating Concentrated Joblessness in the Inner City**

James A. Riccio, Senior Research Associate, Manpower Demonstration Research Corporation.

**How Concentrated Poverty Hinders Regional Progress**

David Rusk, Consultant, CitiStates Group.

**Expectations, Development, and Transportation Investment**

Richard Voith, Economics Adviser, Federal Reserve Bank of Philadelphia.

**Regional Workforce Development Networks**

Marcus Weiss, President, Economic Development Assistance Corporation.

---

## Appendix E

### List of Award Recipients From The Joint Center for Sustainable Communities

The Joint Center for Sustainable Communities is a collaboration between the U.S. Conference of Mayors and the National Association of Counties (NACo). Established in December 1996, the overall goal of the Joint Center is to provide local elected officials with assistance in using the policies and tools necessary for creating sustainable communities.

The Joint Center receives funding from the following six Federal agencies: the U.S. Department of Housing and Urban Development; the U.S. Department of Agriculture; the U.S. Department of Commerce; the U.S. Department of Energy; the U.S. Environmental Protection Agency; and the Federal Emergency Management Agency.

The winners of the Joint Center for Sustainable Communities' First Annual Awards Program are exemplary examples of how local elected officials are working to solve problems that cities and counties struggle with every day, such as containing urban sprawl, preserving prime farmland, developing a 21st century workforce, increasing affordable housing, reducing traffic congestion, and cleaning up the environment.

Five of the award winners (identified with an asterisk in the list below) were also awarded the first annual HUD Secretary's Awards for City/County Cooperation. "The experts agree," said HUD Secretary Andrew Cuomo, "that the next century will be a century of regions, and strong regions are the key to economic success. These innovative programs understand that, and I congratulate them for their vision."

For more information on the Joint Center, award winners, and the award selection process, please visit one of the following URLs:

[www.naco.org/programs/comm\\_dev/center/index.cfm](http://www.naco.org/programs/comm_dev/center/index.cfm)

or

[www.usmayors.org/sustainable](http://www.usmayors.org/sustainable)

### Large Community Award Winners

#### **Innovative Reuse of an Air Force Base**

\*The City/County of Denver and the City of Aurora, Colorado.  
Lowry Redevelopment Project: A Sustainable Community.

#### **Curbing Sprawl Through Reuse of Existing Public and Private Infrastructure**

\*The City of Chattanooga and Hamilton County, Tennessee.  
Eastgate Town Center: A Community Solution.

### **Urban Revitalization Approach to Regional Flood Control Management**

The City of Tempe and Maricopa County, Arizona.  
Rio Salado Project.

### **Brownfields Redevelopment**

The City of Cincinnati and Hamilton County, Ohio.  
A Port Authority Takes on Brownfields Redevelopment.

### **Regional Growth Management**

Ada and Canyon Counties, along with the Cities of Boise, Meridian, Garden, Nampa, Caldwell, Eagle, Star, and Kuna, Idaho.  
Treasure Valley Partnership.

### **One-Stop Environmental Inspection for Business**

The City of Santa Rosa and Sonoma County, California.  
Sonoma Green Business Program.

### **Regional Wastewater Management**

The Cities of San Bernardino and Colton, California.  
Rapid Infiltration/Extraction Wastewater Treatment Facility.

### **Reclaiming an Urban Park**

The Cities of Kettering, Oakwood, and Dayton, Ohio.  
Make a Difference in Hills and Dales Park.

### **Workforce Development**

Washington and Multnomah Counties and the City of Portland, Oregon.  
The Oregon Way to a World Class Workforce.

## **Mid-Sized Community Award Winners**

### **Joint Land Use Planning**

\*Yuma City and County, Arizona.  
Joint Land Use Plan.

### **Regional Growth Management Strategy**

\*Lancaster County and City, Pennsylvania.  
Lancaster County Growth Management Strategy.

### **Brownfields Redevelopment**

The Cities of Youngstown, Struthers, and Campbell, Ohio.  
Mahoning River Corridor of Opportunity.

**Reducing Domestic Violence**

The City of Westminster and Orange County, California.  
Family Protection Unit.

**Small/Rural Community Award Winners**

**Development of an Eco-Industrial Park**

\*Northampton County and the Town of Cape Charles, Virginia.  
The Northampton County Sustainable Development Initiative.

**Regional Revitalization Strategy**

Prince George's County and the Towns of Bladensburg, Colmar Manor, and Cottage City, Maryland.  
Port Towns Revitalization Initiative.