The Michigan Farmland and Agricultural Development Task Force published its report in 1994 intending to bolster the state’s agricultural industry. In the process, it set off a vibrant debate over land-use policy in Michigan. Analysts and pundits alike have derided urban sprawl, or suburban land development, as “a plague on the land” and a “monster” to be tamed. Studies from universities have cautioned about food shortages unless the pace of land development is curtailed. Suburban land development is pictured as a great social bulldozer, plowing under farmland, destroying the pastoral beauty of rural landscapes, and degrading the environment.

“Taming” suburban sprawl, however, is easier said than done. In part, this is because a broad-based understanding of “sprawl” does not exist. When asked to define sprawl, an official representing farmers in Michigan said “the fragmentation of farmland.” When the same question was asked of an editorial writer at one of Michigan’s largest newspapers, sprawl was defined as “when commercial development follows residential development out to rural areas.” Planners define sprawl even more specifically as low-density residential development that is automobile dependent and characterized by strip or leapfrog commercial development. Without a consensus definition on sprawl, developing policy recommendations is problematic at best.

Despite the ambiguity over its definition, two issues continually crop up and appear to drive the public debate over the pace of suburban development, particularly in the Midwest: a general fear that the nation is running out of land, and the belief that land development is threatening the agricultural industry. Despite the dire images perpetuated in the popular press, the evidence on land-use trends in Michigan and elsewhere casts serious doubt on these and other concerns about the costs of suburban-land development.

“To save our farms, we must save our cities.” Nobody has linked the future of rural and urban areas more succinctly than Jack Laurie, Michigan Farm Bureau president, speaking to the House Bi-Partisan Urban Caucus in January 1998.

Many decry the impact of urban sprawl on the natural geography - polluted air and water, vanishing farmlands, shrinking forests and open spaces.

However, urban sprawl’s effect on the human geography of urban areas has been even greater. Sprawl has accelerated the decline of central cities and older, built-out suburbs, increased economic segregation (even as racial barriers are slowly lowered), and widened fiscal disparities among local governments.

One Man, One Acre

The indices of urban sprawl and its social costs are particularly acute in Michigan. Between 1960 and 1990 Michigan’s ten expanding urbanized areas consumed land at six times the population growth rate. Michigan suburbanized more land (about 545,000 acres) for less population growth (another 630,000 suburban residents) than any state in the nation. Except in the greater Detroit area, Michigan suburbs average 1,000 to 1,600 persons per square mile – well below the national suburban average of 2,100 persons per square mile.

Michigan’s six-to-one ratio of land-to-population growth reflects both very low-density development of the urban fringe and hollowing out of the urban core. Almost all of Michigan’s central cities have lost residents since past population peaks, most notably Detroit (-46%), Benton Harbor (-38%), Saginaw (-34%), Bay City and Flint (-32%), and Jackson (-30%). Since 1950 only Ann Arbor (+62%), Holland (+110%), and Midland (+179%), successfully annexing new subdivisions, are still growing.

RUSK on Sprawl, continued on page 5

STALEY on Sprawl, continued on page 4
Land Use as if Community Matters
by Rex LaMore

Defining Community

For decades, scholarly practitioners working in community development have debated the definition of “community.” Some maintain that community can best be understood as a set of shared social, cultural or physical attributes, a community of kind. Examples of this concept of community include the women’s movement, our many racial and ethnic enclaves, our religious communities, and even our political parties. Other community development practitioner scholars argue that the essential nature of community is the community of place, a geographically defined area in which humans live, work and play. This would include our tenements, neighborhoods, work sites, cities, nations and, it could be reasonably argued, the entire planet. As society seeks to understand and create viable livable communities, our comprehension of the essential nature of community will certainly guide our efforts to create these successful human environs.

In this edition of the Community News & Views we examine various key issues surrounding the community of place, as understood by our use of the land. We have intentionally chosen to focus on uses of land, because decisions regarding the nature of land use will arguably determine the character of our democracy and the quality of life in our communities well into the next millennium. The ethical dilemmas presented by the development of land use policy are complex and far-reaching, and challenge many of our core assumptions as a democracy and a free market economy.

Concepts in Urban Land Use

In the cover feature of this edition of CN & V, we highlight two very different points of view on the limited nature of land and the choices faced in determining its future uses. Noted analysts Samuel Staley and David Rusk offer their perspectives on how urban sprawl affects Michigan. Following these general overviews are three thematic clusters on issues commonly identified with urban land use, namely affordable housing, brownfield redevelopment, and transportation.

Our treatment of affordable housing includes a discussion of the concept of “Smart Growth” as it relates to affordable housing policy, by John Metzger, and an overview by Judith Transue of the funding strategies employed by community based housing development organizations in Michigan. Our intention in this section is to emphasize that, in order to achieve equity in land use policy, we must consider the impacts of decisions not only in terms of fairness to the current landowners but also future landowners, particularly as they might impact upon the availability of affordable housing.

In our discussion of brownfields, we recognize that on the one hand some of our communities are concerned with sprawl, while on the other hand many neighborhoods in our state are concerned with abandonment. To some extent we might consider these phenomena to be two sides of the same coin. Included here is a summary of Michigan’s policy efforts to promote brownfield redevelopment, abridged from Richard Hula’s recent policy brief on the subject, and an introduction to the “Smart Choices” decision-making model for selecting among alternative uses of land, by Cynthia Fridgen and Michael Thomas.

Our discussion of transportation issues seeks to reflect on the reality that how we get between the places of where we live and work (to the extent they are spatially separated) will certainly affect the nature of our communities. We include recent analysis by the Surface Transportation Policy Project that points to the ineffectiveness of building additional traffic lanes to combat congestion, as well as a synopsis of the recently approved “TEA-21” federal transportation spending legislation.

Finally, in the tradition of a land-grant institution concerned with the application of knowledge to solve problems, we present a case study in which we seek to demonstrate the synthesis of various concepts in a real-world environment. Tom Bulten and Carol Townsend provide a summary of how land use concerns and transportation issues are affecting the greater Grand Rapids community, and describe a process by which citizens can develop and analyze policy options for promoting more unified, sustainable communities throughout the region.
Into the Future

The Center for Urban Affairs, Community and Economic Development Program continues in its commitment to developing the scholarly understanding of how vibrant, desirable communities are established and sustained over time. As we as a society seek to further understand the complex interrelated nature of successful and viable communities, our decisions related to the uses of the land upon which we live, work and play will shape the character of our community of place. We hope that the diverse set of issues and activities highlighted in this edition of Community News & Views help to further your conception of community.

The 12th Annual Summer Institute sponsored by the Michigan Partnership for Economic Development Assistance Will be held on July 8, 1999 at the Kellogg Center in East Lansing.

The theme of this year’s conference is “Creating Sustainable Communities: The Role of Community Based Organizations.”

Featured presenters will include Scott Bernstein of the Center for Neighborhood Technology and Maureen Hart of Hart Environmental Data.
Neither the nation nor Michigan is facing a land availability “crisis.” If the nation developed at 50-acres an hour (the pace cited by Vice President Gore) since 1992, just 4.9% of the nation’s land area would have been developed in 1998. Although 9.8% of Michigan’s land area was developed in 1992, just 11.2% of Michigan’s land area would have been developed by 1998 if the pace of development continued at “10 acres an hour” reported by Michigan’s task force.

Yet, as in the rest of the nation, the rates of land conversion in Michigan are probably slowing. The rate of farmland loss in Michigan, a barometer of open space, has moderated from 17.5% during the 1960s to 2.8% in the 1990s, mirroring national trends.

More importantly, even Michigan’s major urban counties continue to include significant amounts of open space and farmland. On average, farm, rural, and forest uses make up more than half the land area in Michigan’s urban and suburban counties. One third of Washtenaw County’s land is devoted to cropland and 17.8% to forest despite the presence of Ann Arbor and the University of Michigan.

Beyond these regional and statewide land-use concerns, many people believe suburbanization threatens the health of the agricultural industry. Ironically, the agricultural industry may well be a victim of its own success.

Productivity improvements have dramatically reduced the need for land to grow food. Less than one-fifth of agriculture’s productivity is attributed to land, and this percentage is declining. About two-thirds of agriculture’s productivity is derived from capital and technology. Technology is likely to drive future agricultural yields as growing food in nutrient-rich solutions (hydroponics) becomes even more commercially viable and less land intensive.

Not surprisingly, perhaps, just 26% of the nation’s lost farmland resulted from urbanization from 1945 to 1992, according to Ohio State University agricultural economist Luther Tweeten. Shifts in the resource needs of the agricultural industry explained the remainder.

So, is urban sprawl much ado about nothing? Not quite. Sprawl’s emergence on the national political scene suggests real grassroots concern about the quality and pace of suburban development. While these concerns may reflect poor information about the state of scarce resources in some cases (e.g., fears about impending food shortages), in other cases they reflect issues that might warrant changes in public policy.

The loss of public and private open space in suburban areas, for example, may well be real and reflected in the fact more than 70% of open space and land conservation issues on state and local ballots passed in the Fall of 1998. These concerns led to a ballot initiative for a publicly funded purchase of development rights program in Washtenaw County. The fact that voters rejected the initiative does not diminish these concerns, just the choice of policy tools.

Addressing quality of life and aesthetic issues can be addressed through a number of different mechanisms. On the one hand, local policymakers could adopt overt constraints on development, or impose top-down growth controls and regional plans: Portland, Oregon has adopted a regional plan that mandates higher densities and mixed uses while emphasizing mass transit over auto-mobility. Ultimately, this approach implies that local residents are unified toward a common goal and willingly accept the limits on housing choice and mobility the plan implies. This approach is unlikely to be successful in the Midwest where home rule and low-density residential living are widely accepted.

Alternatively, local communities can embrace the dynamism of local real-estate markets and rationalize local infrastructure policies to ensure the full costs (and benefits) of development are realized. For example, low-density residential housing is often encouraged—sometimes mandated—by local zoning codes. Cluster-housing concepts—where homes are put on smaller lots to preserve larger tracts of open space in common areas—are difficult to get through local planning processes because of cumbersome review procedures and local resistance to change.

Local governments often subsidize new development as well, failing to price new public services at their full costs. Often this occurs by failing to charge new development for the full capital costs of tapping into existing systems, extending infrastructure free to new development, or subsidizing current operating costs through general funds.

Rising incomes are enabling more and more families to exercise choices over housing and community. This is a natural evolution of the American city in an environment characterized by relatively abundant land. Local policymakers should be wary of attempts to impose controls on development when harnessing natural trends in real-estate markets and pricing public services appropriately achieve similar goals more efficiently and effectively.

Sam Staley, Ph. D., directs the Urban Futures Program for Reason Public Policy Institute (RPPI) in Los Angeles and is an adjunct scholar with the Mackinac Center for Public Policy in Midland. He is the author of “Urban Sprawl and the Michigan Landscape: A Market-Oriented Approach published by the Mackinac Center and RPPI’s recent study The Sprawling of America: In Defense of the Dynamic City.
Segregation and Concentrated Poverty

Race and sprawl – the two factors that have shaped post-World War II America’s urban areas – are linked through racially-skewed concentrations of poverty in many neighborhoods of central cities and (more recently) older, blue-collar suburbs.

On average, Michigan’s eleven metropolitan housing markets in 1990 had the highest indices of racial segregation among the fifty states. Greater Detroit recorded no progress; on a 0-100 scale (where 100 indicates total apartheid), from 1970 to 1990 metro Detroit’s residential segregation index for African Americans “improved” from 88.4 to 87.6. Other metro areas made modest progress, like Battle Creek (72 to 63), Lansing-East Lansing (65 to 57), and, more significantly, Kalamazoo (71 to 53).

However, during those two decades rising regional poverty rates combined with high levels of segregation to produce the rapid growth of poverty-impacted neighborhoods in all metro areas. In metro Detroit, for example, where 90% of all poor blacks (but only 30% of poor whites) lived in poverty-impacted neighborhoods, the number of census tracts with poverty rates higher than 20% leaped from 164 in 1970 to 305 by 1990; the number of tracts with poverty rates greater than 40% multiplied six-fold (24 to 151).

The dynamic Grand Rapids economy has maintained a relatively low and stable poverty rate (roughly 8 percent). However, with a high index of racial segregation (72) and racially skewed concentrated poverty (79% of poor blacks but only 27% of poor whites live in poor neighborhoods), in the Grand Rapids area poverty tracts increased from 12 to 22 (including four high-poverty tracts).

Push vs. Pull Factors

High crime rates, poor schools, physical deterioration, and falling property values (actual or feared) are “push factors” that propel many middle class residents out of poverty-impacted neighborhoods towards low-poverty communities farther out. Suburban “pull factors” – safer neighborhoods, better schools, newer homes – are substantially reflections of their low poverty rates.

Even widely disparate local tax rates reflect primarily differences in socioeconomic structure. A national study, for example, shows that every 1% increase in the local poverty rate triggers an average 5.5% increase in the cost of police protection per resident.

Subsidizing Sprawl

Some argue that these social and economic patterns simply reflect “natural” market forces and consumer preferences. However, the land development and housing industry are shaped by public policy and public expenditures.

A few examples. Since the mid-1950s the federal government has spent eight times as much money to build sprawl-inducing highways than density-supporting mass transit. The federal tax code provides eleven times the tax breaks for home owners (mostly suburban) than it offers to apartment owners (mostly city-based). Michigan is one of only two states that still tax farmland at its potential subdivided value rather than its actual use as farmland – an incentive to sell off lots to meet rising tax obligations.

Many Michiganders are organizing to “change the rules of the game” in Lansing. The Farm Bureau and the Urban Mayors Association are forging a unique political partnership. Church-based groups like Detroit’s M.O.S.E.S. are bridging racial and city-suburban splits. Business groups and foundations are supporting regional reform initiatives.

Regional Reform Models

Many successful models can be adapted to Michigan’s conditions. Anti-sprawl policies range from Oregon’s state-mandated urban growth boundaries to Maryland’s “Smart Growth” policies that target state infrastructure funds on established urban areas.

By state law (e.g. Connecticut, Massachusetts, and New Jersey) or local ordinance (e.g. Fairfax County, Virginia; Santa Fe, New Mexico) more communities are requiring creation of mixed-income housing in new developments to reverse economic segregation.

Pennsylvania’s $100 million, 10-year bond fund for purchasing agricultural development rights (enacted in 1987) was trumped last November by New Jersey voter approval of almost $1 billion for ten years.

Last February over ninety Michiganders visited Montgomery County, Maryland. The county government’s mixed-income housing policies have successfully integrated low- and moderate income households into up-scale neighborhoods by requiring private homebuilders to include 10,000 affordable housing units into new subdivisions. With one-third of the county permanently protected as farmland, Montgomery County’s farm income tops $275 million annually. That makes this suburban county of 825,000 residents Maryland’s top agricultural producer – and it would be Michigan’s top agricultural county as well.

Revitalized cities and older suburbs, well-planned new communities, racially and economically mixed neighborhoods, a vigorous agricultural industry, ample parklands and open spaces – Michiganders can have it all if they develop the political will to change the rules of the game.

David Rusk is a former mayor of Albuquerque and state legislator in New Mexico. Author of Cities Without Suburbs (1993) and Inside Game/Outside Game (1999), he has served as a consultant to a dozen communities and statewide organizations in Michigan.
“Smart growth” is the latest trend in land use planning. Smart growth policies restrict public spending to already built-up and developed areas, use tax incentives and other subsidies to encourage homeownership and business investment in urban communities, and purchase the development rights to unprotected agricultural and rural lands that are in the path of development. The Maryland Smart Growth and Neighborhood Conservation Initiative is a national prototype for this approach, requiring localities to define “priority funding areas” where the state government will target infrastructure investments, development grants, and the construction of public facilities. By refusing to allocate public investments to support development outside of urbanized areas, smart growth policies curb outward suburban sprawl.

The Clinton-Gore administration has proposed a $50 million HUD “regional connections” initiative to assist smart growth planning. Already, the U. S. Environmental Protection Agency has awarded a smart growth grant to the city of Pittsburgh to redevelop a contaminated slag site into a middle class residential neighborhood.

Smart growth policies reflect a shift from the regulatory emphasis of growth management programs in states such as Oregon, which mandates planning goals upon localities and requires them to enforce growth boundaries. Instead, state government investments are conditioned on local compliance with flexible smart growth criteria, with additional monies spent to protect undeveloped land and avoid regulatory conflict over property rights. Also, smart growth policies have not yet focused on the need for low-income housing, unlike previous strategies such as the inclusionary zoning program of Montgomery County, Maryland, and the New Jersey Fair Housing Act. For example, the new homeownership subsidies in the Maryland smart growth program are not limited to lower income homebuyers. Also, the President’s Council on Sustainable Development, a smart growth forum and clearinghouse that includes HUD and other cabinet agencies, does not include specific measures of low-income housing affordability among its numerous social and economic indicators of sustainability. Instead, the Council defines a decrease in homelessness and a more equitable distribution of income as measures of progress toward sustainability.

Michigan communities could benefit more from smart growth planning if it is used to expand the supply of affordable low-income housing. The state is experiencing another cycle of outward suburbanization that undermines efforts to rebuild and sustain neighborhoods in cities such as Detroit. Since 1994, local planners in Michigan have approved more housing units than in any other state in the northeast and midwest. Eighty-three per cent of these new housing units authorized by building permits were detached one-unit homes (see chart, right). This pattern of low-density suburbanization is encouraged by local land use regulations, and federal housing, tax, and financial policies that favor single-family over multifamily housing. The middle class housing boom is fueling rapid growth in housing prices across Michigan, while federal low-income housing subsidies are being reduced.

Since 1996, nearly 5,000 federally-subsidized and privately-owned apartments have been removed from the supply of affordable low-income housing in Michigan, as the owners of these buildings have either prepaid their mortgages or opted out of their expiring federal subsidy contracts. According to the National Housing Trust, this has led to huge rent increases, amounting to 86 per cent at Riverside Place Apartments in Detroit, 69 per cent at Rosewood Manor Apartments in Roseville, 68 per cent at Algonac Manor Apartments in Algonac, 52 per cent at Grosvenor North Apartments in Pontiac, and 44 per cent at Clinton River Apartments in Mount Clemens. According to HUD, another 32,000 apartments across Michigan with expiring rental assistance contracts may lose their subsidies over the next five years. Also, low-rent public housing apartments in Detroit have been demolished for redevelopment, resulting in a net loss of these units in a city where more than 23,000 households are on the waiting list for federal housing assistance. According to HUD, there are 51,000 low-income renters in Detroit (with incomes less than 50 per cent of the area median) who pay over half of their income for rent, or live in severely substandard housing. Another 40,000 of these renters live in the surrounding suburbs. Federal welfare reform has exacerbated this low-income housing crisis. A preliminary survey of welfare recipients in Michigan found that some faced immediate eviction upon termination of their public assistance benefits.

Can land use planning resolve the ongoing failure of our politics and economics to adequately meet low-income housing needs? Unless smart growth focuses on these problems, it will be a weak instrument for redistributing the benefits of economic expansion in Michigan to all segments of our growing population.

**New Privately-Owned Housing Units Authorized by Building Permits in Michigan, 1980-1998**

John Metzger, Ph. D., is a professor of Urban and Regional Planning at Michigan State University.
Financing Strategies for Low-Income Housing
by Judith Transue

Increasingly, housing for low-income people is being developed by non-profit community-based housing groups. Non-profits arose in the 1960’s and 70’s out of the concerns of people in urban communities about housing and quality of life in their neighborhoods. Without strong financial incentives, for-profit developers do not take on the task of building affordable housing. Some of the financial incentives which existed during the 1970’s and early 1980’s were eliminated by the mid-1980’s, reducing the private sector’s interest in affordable housing development. Gradually, non-profits are beginning to fill the gap. Many began with the renovation of a single house in their neighborhood and gradually grew into larger projects.

At present, there are hundreds of non-profit organizations in Michigan at all stages of development. Some have already developed several hundred units of housing; others are still working on their first house. The development strategies that follow are appropriate for different stages of an organization’s growth.

The first thing any community-based organization must determine is its primary goal for neighborhood based revitalization. Is its mission to increase affordable housing units, or to increase home ownership? Although housing production and home ownership are not mutually exclusive, each will lead to a different housing strategy. Groups which are focused on increasing the number of housing units available to neighborhood residents might concentrate on building or rehabilitating multi-family rental housing. Groups concentrating on home ownership will instead work to develop a single family lease or purchase program, and often combine it with a homebuyers assistance program.

Non-profit developers utilize many strategies for multifamily development. Some non-profits choose a single source of funding for a project, such as HUD’s 202 program for elderly housing or HUD’s 811 program for housing for the disabled. These programs provide all of the funding for a project as a capital grant, and allow for a modest management fee. These programs are highly competitive, however, and only a few of the applications which are submitted are funded. The non-profit must decide if it has the expertise internally to develop a 202 or 811 application or whether it needs to hire a consultant to prepare the application. If a consultant is chosen, it is important to remember that although this is a cost which can be written into the grant application, if the grant is not received, the consultant fee will have to be paid out of other agency funds.

On the other hand, many non-profits prefer a multi-source funding strategy, since it minimizes the impact on the project if one source does not materialize. This strategy may involve exploring and pursuing financing from both grant and loan sources. Possible sources for grants include: the city’s Community Development Block Grant funds; HOME funds; the Federal Home Loan Bank; programs through the Michigan State Housing Development Authority (MSHDA); foundations; and, in some cases, donations. Loan sources may include MSHDA and local banks. Some non-profits may also seek to access equity funds through the use of the Low Income Housing Tax Credit program. This program can provide needed equity in a project and reduce the amount of funds borrowed, allowing for lower rents to residents. However, the Tax Credit application process is difficult and generally requires a consultant for the first application. There are also some costs, such as a professional market study and an environmental assessment, which must be incurred in order to submit the application. The Credit program, administered by MSHDA, is also highly competitive at the present time. However, some technical assistance is often available through organizations like the Michigan Capital Fund in Lansing.

Using a multi-source funding strategy makes a project less vulnerable if any one source fails to be obtained—other sources may be able to be increased. But this strategy is also more complex and means that the non-profit must prepare several applications, each with different requirements and different deadlines.

Many groups that decide to attempt a multi-family project for the first time choose to pursue a joint venture with a more experienced non-profit or a for-profit developer. Some advantages of joint ventures are that the less experienced non-profit may walk through the process as an apprentice to build skills in financing development. The caveat is that the non-profit must carefully negotiate its share of the ownership of the project and any developer fee, and retain its vision for the project.

Non-profit groups may find themselves accessing several sources of funding to build or rehabilitate single family homes for purchase by first-time homebuyers also. Generally, some subsidy is needed in these projects from CDBG, HOME or Federal home Loan Bank sources, since the cost of new construction or rehabilitation is higher than the amount for which the house will be sold in order to make it affordable to a low income home buyer.

Although the arena of development finance is complex, it also offers the only current means whereby community-based groups are able to produce affordable housing. It is very encouraging to find that many community-based groups have acquired or are acquiring the skills to develop housing themselves or work with other developers to rebuild their neighborhoods.

Judith Transue is the former director of the Michigan Housing Trust Fund, a statewide institution making loans for affordable housing. She currently director for development for the Muskegon-based Trinity Nonprofit Housing Corporation.
Brownfields are getting a lot of attention in Michigan these days. Defined as abandoned, idle or under-used industrial and commercial properties where expansion or redevelopment is complicated by real or perceived environmental contamination, brownfields number in the thousands throughout Michigan. Until recently, these sites were overlooked by developers in favor of undeveloped greenfields. Under state and federal programs like Superfund, past efforts to clean up these sites and attract new development, jobs, and tax recovery have been largely unsuccessful due to high costs and liability concerns.

**Brownfields and Land Use Planning**

Rapid growth in regions surrounding large metropolitan areas, inter-jurisdictional conflicts, and land use-land ownership concerns have led to the phenomenon of urban sprawl. In Michigan, land is being converted to development at a rate seven times greater than formerly used and potentially contaminated sites within cities are being redeveloped. These unused or abandoned areas are now seen by city and local governments as important assets in realizing the goal of urban revitalization. Many of the barriers to brownfields redevelopment are being challenged through changes in public policy and environmental regulations. Resultant state-supported programs have begun to provide incentives—both economic (e.g., tax recapture and reimbursement of some cleanup costs) and legal (e.g., suspension of retroactive liability)—for local governments and prospective developers to seek out brownfields in favor of rapid conversion of farmland and open space. New funding under the Clean Michigan Initiative promises to continue this trend.

For these programs to be successful in the long run, government and private decision makers need more information regarding land capability; development incentives; public goals, interests, and preferences; and environmental concerns such as site contamination, public health, and environmental quality to (1) evaluate land use options, (2) shorten the time needed to make decisions, and (3) attract federal, state, and private capital to prioritize, revitalize, and sustain development in an urban environment.

**New Tools to Support Land Use Decisions**

A research team at MSU, including representation from Resource Development, Urban and Regional Planning, Geography, Natural Science, Environmental Engineering, Center for Remote Sensing, and the Institute of Water Research, is helping to address these needs. Working under a Michigan Applied Public Policy Research Program grant administered by the Office of the Provost at MSU, and teaming with numerous private and public partners, the team is developing a prototype brownfields redevelopment decision support system. The prototype system uses state, regional, and local geospatial databases; GIS-based visualization models and decision criteria; and extensive public interaction, training, and outreach to identify, evaluate, and support information needs of developers, governmental decision makers, and the public.

This prototype is based on an innovative resource-modeling application called Smart Places. Smart Places, co-developed by the Electric Power Research Institute and ForeSite of Loveland, Colorado, has been successfully applied in land use planning and resource management programs in a number of U.S. cities. MSU is investigating the use of Smart Places/GIS applications in its environmental planning, resource management, and community outreach missions. The MSU project is the first application of this new technology in Michigan.

Smart Places allows nontechnical users to interactively review land use scenarios, sketch recommended changes, and evaluate these recommendations against local or regional objectives and constraints. Smart Places provides a means to realize direct value from accumulated digital geographical data sets by incorporating these data sets into hands-on decision-making applications. Because Smart Places applications are visually oriented, participants can see the effects of their proposals. Such applications can support land use decision makers in comparing the impacts, benefits, or risks of alternative land use options or scenarios. The Smart Places application also provides an audit trail which can track the decision rationale for each approach, a compilation of recommendations to decision makers, and a geographic blueprint for project implementation. Smart Places can also be combined with electronic meetings software to facilitate multiple-user interface.

**Study Areas in Michigan**

Several study areas and decision support applications in Michigan have been identified through interactions with public officials and interested stakeholder groups. MSU is now in the process of assembling databases for each of the study areas, incorporating these data into ArcView, and developing site characterization and selection criteria for Smart Places applications.
Over the past decade Michigan has been viewed as an innovator in environmental regulation. In 1990 the State Legislature enacted laws to foster the identification and remediation of toxic waste sites. The legislation has two major elements. The first, and by far most publicized, Public Act 233, applied strict retroactive liability to contaminated sites. Policy makers claimed that the legislation, referred to as Michigan’s “Polluters Pay Law,” would not only promote environmental cleanups, it would also assure that those who were guilty of the contamination would incur the cost for cleaning the site.

Less noted at the time was a companion piece of legislation. Public Act 234 recognized the fact that retroactive liability made it irrational for a developer to purchase a site that might be contaminated. In an effort to promote the redevelopment of less contaminated sites, the legislature authorized the state to sign “covenants not to sue” with developers of those sites. The covenants excluded the developer from the liability for the cleanup of past contamination. In addition, the state provided some support for cleanup through an environmental bond issue.

Given this early interest in brownfields, it is not surprising that Michigan became active in recent federal efforts to promote brownfield redevelopment. Nine jurisdictions in the state have been awarded national Brownfield Assessment Pilot Grants. The federal interest in promoting state-level programs in brownfield redevelopment has been mirrored at the state level. In 1995 Michigan became a leader in such efforts through a series of major revisions to its environmental laws. The new policy in Michigan, while still recognizing the fundamental importance of public health, now acknowledges a primary role for economic development.

Although the changes in Michigan environmental policy are broadly consistent with new emphasis at the federal level, the magnitude of the state changes is much greater. There are four particularly important policy innovations contained in Michigan’s brownfield policy:

- Greater flexibility in cleanup standards
- Limited owner liability
- Reliance on private/voluntary action
- Increased public funding.

Michigan’s brownfield redevelopment effort has generated a good deal of enthusiasm across the state. In July 1996 the MDEQ published an initial one-year evaluation of the new redevelopment policies based on an informal telephone survey of 40 municipalities. Of 33 responding cities, 29 claimed an increased interest in redeveloping contaminated properties in their cities. Twenty municipalities reported a total of $221,573,000 in private investment and the creation of 2,379 jobs.

There is little doubt that legislative changes in Michigan’s environmental laws have resulted in a significant restructuring of the institutional framework in which brownfield redevelopment occurs. Moreover, there is also relatively convincing evidence that these changes have had an impact on the behavior of both private sector developers and public authorities.

The important policy issue is, of course, whether such efforts will return contaminated property to productive economic use and, if successful, at what short-term and long-term cost? Currently it is impossible to answer these major questions. However, it is possible to identify key research issues that need to be examined. These include:

- Is there sufficient demand for brownfield redevelopment?
- Will private behavior match public goals?
- How robust are institutional controls?
- What is the role of community?

The answer to these questions will be the key to evaluating the social and political experiment currently being conducted in Michigan.

Richard Hula is Professor of Political Science and Urban Affairs at Michigan State University.
WASHINGTON, DC – An analysis of the respected Texas Transportation Institute’s annual report on metropolitan congestion shows that the most common congestion-fighting strategy has had virtually no impact on the growth of traffic congestion in major urban areas in the last 15 years. The analysis by the Surface Transportation Policy Project compared metropolitan areas that have added extensive new road capacity with those that have not, and found no significant difference in the rise in traffic congestion.

The STPP analysis also found that between the two groups, the urban areas that added more new lanes spent roughly $22 billion more on construction, but their drivers are still paying high costs due to congestion delays. The average of TTI’s “Roadway Congestion Index” for the two groups is almost identical, at .93 and .92.

“Widening roads to ease traffic congestion is ineffective and expensive at the same time,” said Roy Kienitz, Executive Director of STPP. “It’s like trying to cure obesity by loosening your belt.”

Each year, as part of its study of congestion in urban areas throughout the country, TTI projects the theoretical increase in lane miles needed to keep up with traffic growth. STPP’s report estimates that most urban areas in TTI’s study would have to spend thousands of dollars per family each year to build new roads. Nashville, Tennessee would have to spend the most, at $3,243 for a family of four every year, followed by Austin, Orlando, and Indianapolis. Figures for all 70 cities are listed in the STPP report.

“If adding roadway capacity worked, cities that built and widened many roads would show a slower rise in congestion,” says STPP Research Manager Don Chen. “We found no such correlation.”

The STPP report says the problem may be partially explained by the phenomenon of “induced traffic.” Several recent studies have documented that new roads actually encourage more driving and more automobile trips. A University of California study of 30 urban counties in the state found that every 1% increase in lane miles generates a 0.9% increase in traffic within five years, negating the congestion-easing effect of new roads.

“Communities that are investing in strategies that give people alternatives to driving, such as transit, bike lanes, and land use planning, are finding these techniques can be both a popular and effective means of fighting traffic congestion,” says Kienitz.

Community News & Views. page 10
ISTEA Update: Transportation System Policy for the 21st Century
By Jack Rozdilsky

In June of 1998, President Bill Clinton signed a six-year, $203 billion law known as the Transportation Equity Act for the 21st Century (TEA-21). This law was the reauthorization of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). ISTEA is the law that governs how the United States Government spends transportation money. Rather than simply being a policy tool to build more roads, the ISTEA legislation brought about key changes in national transportation policy. These changes included requiring government entities to consult with citizens in transportation planning, making clean air a consideration when planning highways, giving local officials a stronger role in transportation projects, recognizing that a transportation system is more than mobility (moving cars and trucks), and connecting transportation planning with land use.

The $203 billion included in the ISTEA reauthorization was earmarked to guarantee federal transportation funding over the next six years. Of those monies, $167 billion was for highways and highway safety, while $36 billion was for mass transit; discretionary funding added $8 billion more for highways and $5 billion for buses, commuter rail, ferry boats, subways, trolleys and van pools. (Wilner, 1998)

It should be noted that the 1998 reauthorization of ISTEA capped two years of debate by elected officials. Some members of the U. S. House of Representatives and Senate saw the bill as an opportunity to reduce the backlog of highway spending projects. Others, referring to the enormous amount of money in the TEA-21 bill, commented that a stack of $1,000 bills would reach 125,000 feet high or almost 24 miles before totaling $200 billion. Clearly, some felt the legislation to be essential while others saw such expenditures as unnecessary “pork.” However, with 39 states receiving at least a 40 percent boost in federal dollars over what they received under the old ISTEA, it was not surprising that the act received bi-partisan support. Politically, securing highway and other transportation construction projects for one’s home district is especially useful in enhancing reelection prospects. In the end, the ISTEA reauthorization passed in the House by 297-86 and in the Senate by 88-5. President Clinton was pleased to sign the bill into law saying the new TEA-21 legislation “will keep our country strong and vibrant.” (Wilner, 1998)

The debate surrounding the passage of the ISTEA reauthorization in part reflects how Americans are conflicted about the automobile. While in Michigan we sometimes question the effects of past transportation systems on the present state of our cities, in the end, automobile-based transportation systems clearly dominate our urban landscapes. In particular, the automobile has substantial impacts on urban stability. Many of Michigan’s urban centers welcome the economic stability provided by the automobile industry. However, at the same time we have seen what happens when we surrender our towns, countryside and cities to the car. Many of the values of community such as neighborhood life, a sense of history and place, a sense of belonging somewhere are lost. (Dittmar, 1995) The rise and fall and regeneration of Detroit - the “motor city” - is a case of this complex situation. While observing the dereliction in Detroit’s urban core an urban commentator noted that, “The powerful spell of this magnificent skeleton city by the river forces us to go beyond the issues of blame, anger, and hopelessness to ask questions about our national goals.” (Vergara, 1995) The TEA-21 legislation is clearly sets national goals that those of us concerned with the quality of urban life should ask questions about.

It has become clear that drafters of transportation policy try to serve multiple social objectives. (Dittmar, 1995) This is reflected in the TEA-21 legislation as it attempts to take a systems approach to transportation policy. The concept of transportation system performance is broadened to include mobility and access, equity, reliability and external impacts, and cooperative planning by local and state governments. By taking a larger view of transportation policy by considering alternative modes of transportation, environmental protection, aesthetics, and public involvement, the 1998 TEA-21 reauthorization expands on the original intention of the 1991 ISTEA legislation. For anyone concerned about the future of urban land-use policy, careful consideration of the TEA-21 legislation and its potential impacts is recommended.

Sources:
Jack Rozdilsky is a Ph. D. student in the Resource Development and Urban Studies programs at Michigan State University.

Community News & Views, page 11
FOCUS ON GRAND RAPIDS
by Tom Bulten and Carol Townsend

URBAN LAND USE IN GRAND RAPIDS

Grand Rapids, one of the fastest growing regions in the state, is urbanizing its land four times faster than its population is growing. From 1982 to 1997, according to the USDA Census of Agriculture, 73 square miles of land were taken out of farm production in Kent County. This conversion is part of the 14% loss of open space in Kent County documented by the MSU Institute for Water Research between 1978 and 1993. Because of its high development rate and high land quality, the American Farm Trust places West Michigan in the top twenty most threatened farming regions in the country. Besides the obvious concerns about food supply, these patterns concern many urban residents because they reflect urban abandonment, growing social segregation and increasingly limited transportation options.

Urban Abandonment

Contemporary land use decisions are characterized by an investment of capital – both financial and human – at the urban fringe, and a corresponding disinvestment from the urban core. These choices permanently shape the landscape and thus have far-reaching effects on urban residents. Although urban abandonment is not as severe in Grand Rapids as in some other cities of Michigan, its effects can be seen in several ways. The city has its share of underutilized, empty, and abandoned buildings, houses, storefronts, and land. While significant reinvestment has occurred downtown, there has not been any kind on concomitant effort in central city neighborhoods. One issue of equity that is being addressed by the city is the establishment of a utility boundary that has recently been negotiated by Grand Rapids and its neighboring jurisdictions. This plan is one step that may limit the expansion of utilities and urbanization into rural lands.

Segregation and Marginalization

Economic, social and racial segregation are of particular concern in Grand Rapids. According to David Rusk, the housing segregation by race index in the city is 72 (on a scale of 0 to 100), slightly higher than Michigan’s index of 70, which is worst in the nation. Myron Orfield, a state representative from Minnesota, has just completed a study of the Grand Rapids metropolitan area which links regional development patterns to segregation and concentrated poverty. Suburban sprawl concentrates poverty and exacerbates segregation as resources flee the urban core for the urban fringe. For example, outlying areas, eager to develop their tax base, provide very little housing that is affordable to low income residents. The poor are thus concentrated in central cities, where housing is most affordable. Scholars such as William Julius Wilson, David Rusk and Douglas Massey describe the severe effects of economic segregation and concentrated poverty. They cite decreased political power, poorer education, increased crime and other effects of increasing poverty density. Our current development patterns therefore relegate certain population groups to social and economic marginalization. As a result, the benefits of the region’s growth are not being enjoyed by everyone.

Transportation Options

According to David Rusk, the population density of the city of Grand Rapids is 29% greater than the national average for central cities, but the population density of Grand Rapids’ suburbs is 35% lower than the national average for suburban areas. This type of development limits transportation options for the next generation. For example, low-density, sprawling development makes public transportation more expensive, ensuring or promoting automobile dependence and the freeways, congestion and pollution that go with it. It also isolates and marginalizes the poor who cannot afford private automobiles.

Tom Bulten is a Program Assistant in the Grand Rapids office of the Center for Urban Affairs, and a graduate student studying geography and urban affairs.

Carol Townsend has a Master’s Degree in Public Administration, and is Director of the MSU Center for Urban Affairs-Grand Rapids.
UNITED GROWTH FOR KENT COUNTY

A comprehensive strategy for slowing urban sprawl requires the redevelopment of urban neighborhoods, an often overlooked component of regional growth. Through its new United Growth for Kent County project, Michigan State University will be employing its unique capacity as a land-grant university to bring urban and rural citizens together to discuss alternatives to suburban sprawl. The United Growth project addresses both rural and urban concerns and builds a united coalition, promoting united growth for the region.

This project, funded by the Frey Foundation, includes public education, capacity building and policy development in separate urban and rural components. Using a holistic, community-based approach to improve the social and economic vitality of neighborhoods, the urban component will help several central city neighborhoods identify the effects of sprawl in their neighborhoods. The project will also pursue the redevelopment of central city neighborhoods, which will help to relieve some of the pressure for new development in rural areas. The redevelopment approach will be neighborhood-based, reflecting research and practical experience that has shown that sustainable community development is best achieved through the active involvement of neighborhood residents in program design and decision-making. If redevelopment efforts are successful, current residents and businesses will be retained as new residents and business are attracted.

The rural component will assist rural landowners and townships in assessing the costs of growth. It will also help rural citizens utilize tools for farmland preservation. This component is based on the premise that low-density development and land speculation increase rural land values and create pressure to convert rural land to development projects. Rural land can possibly be protected through the realization of increased farm profits, the wiser use of current preservation mechanisms and the development of new preservation tools and policies.

Both the urban and rural components of the United Growth project will enable citizens to develop and analyze policy options for promoting more unified, sustainable growth. The project hopes that empowered urban and rural coalitions will eventually come together to discuss and implement actions to address mutual concerns related to regional growth. As a part of the project, MSU researchers from a variety of disciplines will apply their skills to the Grand Rapids area.

United growth is important for two reasons. First, united growth describes a desirable form of development. Mere economic growth, especially that which increases inequality, is not a sufficient development pursuit. Second, regional stakeholders must act with unity to develop a cohesive sustainable region. Typically, regional stakeholders compete with each other despite their interdependence. Portland, Oregon, and Minneapolis-St Paul have provided examples of coalitions that have formed to promote regional development. To address regional growth logically and comprehensively, all stakeholders must be united in a search for common interests and a preferred future.

Anyone interested in the United Growth for Kent County project should contact Margaret Bethel, MSU-West, 5 Lyon, NW, Suite 110, Grand Rapids, MI 49503; telephone: 616-458-6805, E-mail: bethel@pilot.msu.edu.

TRANSPORTATION ISSUES IN GRAND RAPIDS

To accommodate its population growth, the Grand Rapids region is expanding its transportation infrastructure. Political battles are developing over the type of infrastructure being constructed. Recently, construction of a new South Beltline began. Several groups in Grand Rapids are advocating for alternatives. The West Michigan Environmental Action Council has formed a task force which is attempting to complete an Accessibility, Quality of Life and Development Evaluation (AQOLADE), patterned after the Portland Land Use, Transportation, Air Quality (LUTRAQ) study. The Center for Independent Living convenes two groups working specifically for public transportation: the People’s Transportation Forum and Faith in Motion, a religious community transit coalition. The latter group emerged out of Myron Orfield’s account of the importance of the religious community in the land use debates in Minnesota. Orfield argues that regional transportation resources must be allocated equitably. For example, he recommends that resources for the widening of automobile infrastructure in outlying areas be balanced by resources for public transportation in urban areas.

Creston is an older neighborhood on the north side of Grand Rapids. Plainfield Avenue, which runs through the middle of Creston neighborhood, sees over 19,000 cars per day. One cause of the traffic volume is presumably commuters traveling to central city jobs from the northern suburbs. Planners commonly deal with high traffic volumes by widening roads. But central city neighborhoods can suffer from wider roads which attract more traffic. The present traffic volume has produced what Creston Neighborhood Association Director Paul Haan calls a “canyon effect”, dividing the neighborhood into two isolated parts. The commercial district is not the neighborhood anchor and public meeting place that it could be, and traffic has limited the quality of life for neighbors. Meanwhile, Creston, is serviced by infrequent and daytime-only bus service. A balanced regional approach to urban transportation planning might include improved bus service for the Creston neighborhood as well as improved roads for the commuters that travel through Creston neighborhood.
The study areas include:
- low-income neighborhoods in the Southwest Detroit Renaissance Zone and Economic Empowerment Zone;
- a former industrial site in Lansing;
- the City of Jackson and Jackson County; and
- the City of Saginaw and Saginaw County.

Future Development and Applications

The next steps in the project include continued development of the database for each study area and extensive work with stakeholder groups facilitated by MSU Extension representatives in the communities. These community interactions will help build understanding and lead to better land use decisions in which multiple stakeholder groups can participate equally. Eventually, project participants within each of the study areas will receive training in the implementation and use of the prototype.

Research by community development specialists at MSU suggests that planners and decision makers at various levels of government in Michigan are concerned about uncontrolled growth and urban sprawl and are looking for opportunities to introduce new methods and tools to address these problems. The MSU brownfields decision support system represents an important testbed for such fast-emerging technologies. As more and more communities begin to use GIS in planning and decision making, applications like Smart Places will become more valuable in establishing urban land use policy and enhancing participatory government.

By exploring the partnerships needed among local stakeholder groups—state and municipal representatives, business leaders, lending institutions, real estate developers, and the general public—and providing access to decision support technologies, the MSU project is demonstrating that the time required to return brownfields to productivity can be shortened. In addition, GIS-based applications like Smart Places can also help to address issues of urban sprawl, environmental quality, and environmental justice. While the prototype decision support system will not make the decisions, it can become an essential tool in the decision process.

Sources:
2 David Rusk, Presentation at MSU, November 5, 1998.
3 Smart Places was developed through a partnership of CIESIN, Electric Power Research Institute, City of Denver, and ForeSite in 1994. It operates in a Windows environment using ArcView as the basic GIS.

Cynthia Fridgen is an associate professor and the chairperson of the Department of Resource Development at Michigan State University. Michael Thomas is a visiting assistant professor of Resource Development at MSU.

Cooper Receives Service-Learning Award

David Cooper, professor of American Thought and Language at MSU, was recently named co-recipient of the 1999 Thomas Ehrlich Faculty Award for Service-Learning.

The award is sponsored by the Campus Compact, a national coalition of more than 590 college and university presidents. It is named in honor of Thomas Ehrlich, former chairperson of the Campus Compact Executive Committee and former president of Indiana University.

Cooper founded the MSU Service-Learning Writing Project in 1992 in order to strengthen ties among undergraduate learning, writing instruction and public service (see CNV Vol. 10, No. 2, Summer 1998). He has worked closely with several CEDP projects in recent years, including assisting in the production of the Proceedings from the 1998 Urban Vision Summit and serving on the Faculty Board of Advisors to the CEDP. Cooper is currently working with the Michigan Partnership for Economic Development Assistance to help plan the Proceedings of the 1999 Summer Institute.
Notes on the Development of an Employment Development Specialty Area
Within the Community & Economic Development Institute
by Stephanie Skourtes

The Community and Economic Development Institute (CEDI) represents a comprehensive multi-disciplinary approach for building the capacity of community based organizations in their efforts at community development. The CEDI has four specialty components: community economic development, affordable housing development, mobilization of community capital, and employment development.

The creation of the Employment Development (ED) specialty area is the result of a year of research and discussion with practitioners working in the area of jobs and employment. Through this work, it became apparent that the field of job creation is diverse and shifting, and takes on different definitions depending on the arena in which it is used. An advisory group of practitioners working in the field of employment development throughout Michigan was convened to help clarify how ED would be articulated within the CED Institute. Based on these meetings, the ED project team came up with the following definition:

Employment Development refers to assisting people to reach the goal of self-sufficiency through enhancement of the knowledge and skills necessary to participate in the economic and social mainstream. Employment development includes building psychological (confidence), physical (health), and mental (knowledge) preparedness as well as acquiring a set of skills and abilities that lead to full or gainful income generation.

As this definition is being applied within the Community and Economic Development Institute, the Employment Development specialty area will provide skill development and deployment for those working to help prepare individuals for income generation and income self-determination.

Stephanie Skourtes is a doctoral student of Ecological Psychology and a Program Assistant at the CEDP Lansing office.
In This Issue: Urban Land Use

Perspectives on Urban Sprawl .............................................................. 1
  Much Ado About Nothing? by Sam Staley
  Sprawl, Race and Concentrated Poverty by David Rusk
Land Use as if Community Mattered by Rex LaMore .......................... 2
On-Line Urban Land Use Resources .................................................. 3
Affordable Housing
  Land Use and Low-Income Housing by John Metzger ...................... 6
  Financing Strategies for Affordable Housing by Judith Transue .......... 7
Brownfields
  Decision Process System by Cynthia Fridgen and Michael Thomas .... 8
  State and Federal Brownfields Policy .............................................. 9
Transportation
  Adding New Lanes Fails to Ease Congestion .................................. 10
  ISTEA Legislation by Jack Rozdilsky ............................................. 11
Focus on Grand Rapids by Tom Bulten and Carol Townsend ............... 12
CEDP Updates .................................................................................. 14
CEDP Directory ................................................................................ 15

READ COMMUNITY NEWS AND VIEWS ON LINE AT www.msu.edu/user/cua/publications.htm