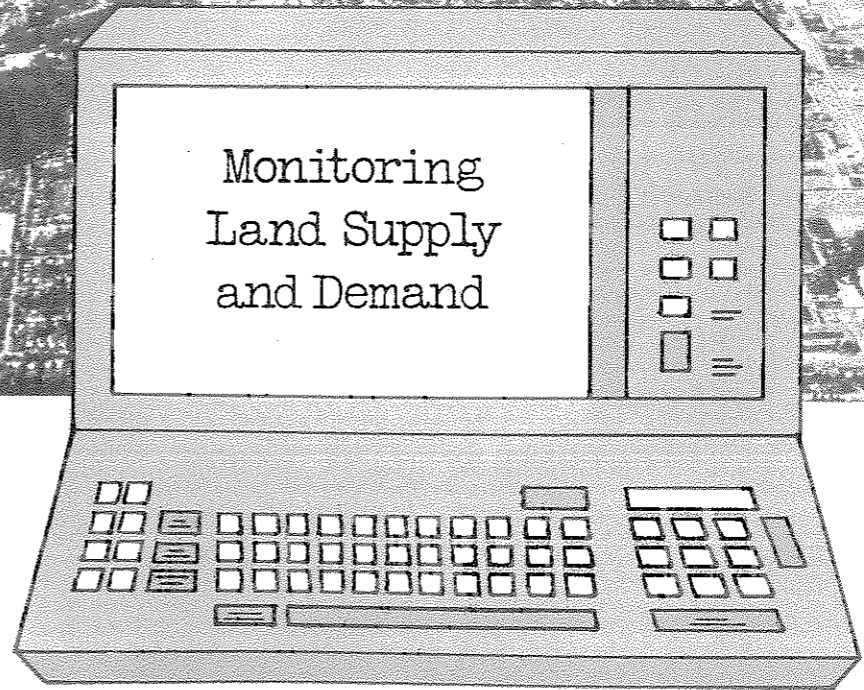
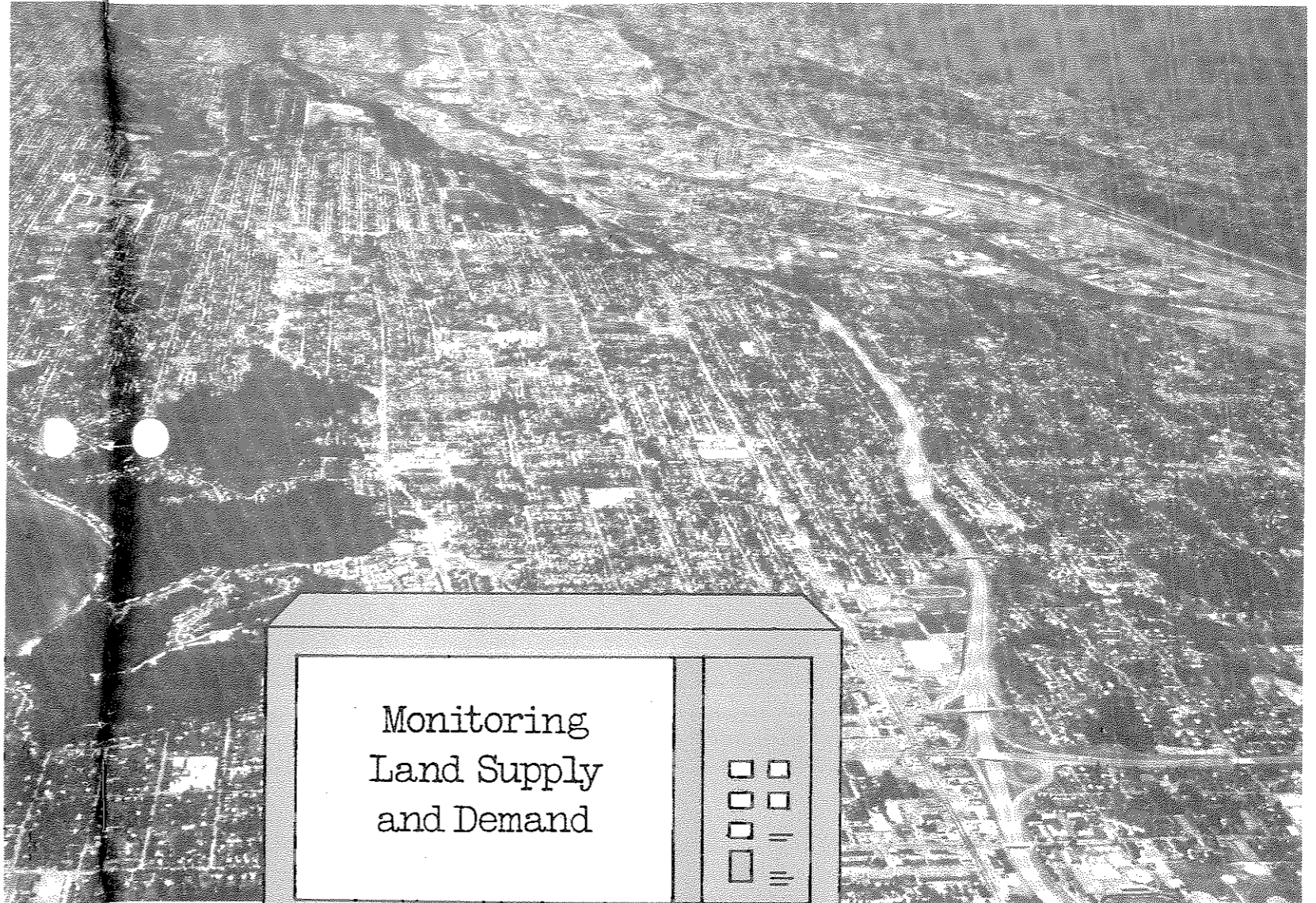


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COMMENTARY...

Regulatory Reform, Housing Costs, and Public Understanding

Donald E. Priest

It has become evident that state and local regulations are responsible in part for the dramatic increases in housing costs that have occurred in recent years. Regulations impacting on housing costs include: a marked increase in standards affecting the quantity and size of housing units and supporting facilities; an increase in the length and complexity of development permit processing procedures; the practice of charging an increasing portion of public facility and service costs to new housing; and, regulations and policies limiting the supply of developable lots.

Regulatory reform at the state and local level can help alleviate the present trend toward continuing rapid increases in costs. However, responses to housing costs and related regulatory problems have been varied. The most promising responses have come from public officials and professionals working in the community development field who have had an opportunity to be exposed to information on housing costs problems and who see the linkage between housing cost trends and regulations. They have identified a large number of potential changes in state and local regulations and regulatory procedures that can help reduce pressures on housing costs.

The response of the general public though, has been less promising. When research and policy studies dealing with cost and regulation issues were initiated in 1975, those involved in the research were not surprised to find little interest in regulatory reform,

given the extent of interest in environmental protection and growth control that was prevalent at the time. The researchers were a bit surprised, however, to find little public concern for housing cost increases per se. The reason for the lack of interest became apparent very soon. Homeowners were enthralled with the major increases in equity in their existing homes and found that their ability to improve their housing or shift locations was not seriously impaired. It has been stated that suburban politics (and to a large extent central city politics) are homeowner politics, and since there were in 1975 approximately 48 million homeowners (and approximately 146 million persons living in owner occupied housing), it is not surprising that housing cost increases were not widely perceived as a serious problem. It follows that there was even less public interest in regulatory reform, and, indeed, there was a greater inclination to protect increasing assets with more regulation. The propensity to institute exclusionary controls became stronger than ever.

Still, the housing cost problem has not abated and the extent of concern with housing cost increases has changed since 1975. Mortgage payments increased from 16 percent of median income in 1972 to 33 percent in 1976. This trend continues. The chairman of the Federal Home Loan Bank Board recently reported that only 15 percent of potential homebuyers can afford the monthly payments required to meet current mortgage rates and housing prices. High interest rates are aggravating the situation even further. Many homeowners who only a few

years ago could watch their equities increase with little apparent discomfort have moved and now face higher debt service demands. Those who haven't moved may face substantial tax and operating cost increases. In either case, homeowners' responses have not been to demand a reduction in housing regulations and an increase in housing supply but rather reductions in taxes or assistance with operating costs. The same persons who voted for Proposition 13 in California probably also support major constraints on development.

A more significant source of increased public interest in housing costs are persons who are not homeowners: renters and young persons attempting to enter the home ownership market. The condominium movement has enabled many of these households to shift from renting to home ownership in the past few years, but at the same time condominium conversions have displaced renters who cannot afford to shift. Renters as a group have a median income that has failed to keep pace with inflation, much less the cost of housing, and they are being further squeezed by the flight of private capital from the rental market.

The nonowner group, which presently finds housing cost increases to be a major disadvantage and which is most inclined and equipped to take political action to deal with the problem, is the baby boom generation. In 1975 the housing cost issue was not foremost in their minds. Now, however, as that group is maturing and faces the need for housing, housing costs are beginning

to be perceived as a serious barrier to opportunity and mobility.

The great portion of the baby boom group who are not yet homeowners, along with persons from other groups who are renters, are perhaps less informed than the homeowner group about the relationship between housing cost, housing supply, and regulation. Their actions indicate a tendency to place the blame for housing cost increases on traditional targets of public anger over housing matters: landlords and developers. This anger and frustration is resulting in widespread support for "condoconversion" controls and moratoria and rent control ordinances, or more regulation and constraints on housing supply. Ironically, of course, these measures simply exacerbate the housing cost problem since they greatly discourage investment or re-investment in housing. Given the fact that increasing numbers of the baby boom generation will be moving into the housing market during the coming decade, this situation promises to become more serious.

There are no easy answers to the housing cost problem generally, and

certainly there are no easy ways, in the face of current attitudes, to achieve reforms in state and local regulations affecting costs. The public perception of the need for reform must change if reform is to occur on a significant scale. The current uneasiness with government regulation has not yet extended to state and local regulations affecting housing.

This situation makes it necessary to attempt to increase demand for reform through a major program of education. Simply allowing circumstances to evolve may lead to a worsening of cost conditions. Government officials at all levels and private sector representatives must all participate in an effort to better define the housing cost impacts of regulations, to make those impacts known to the public, and finally to show that regulatory reform can alleviate adverse impacts. This effort is beginning; hopefully there will be results in the near future.

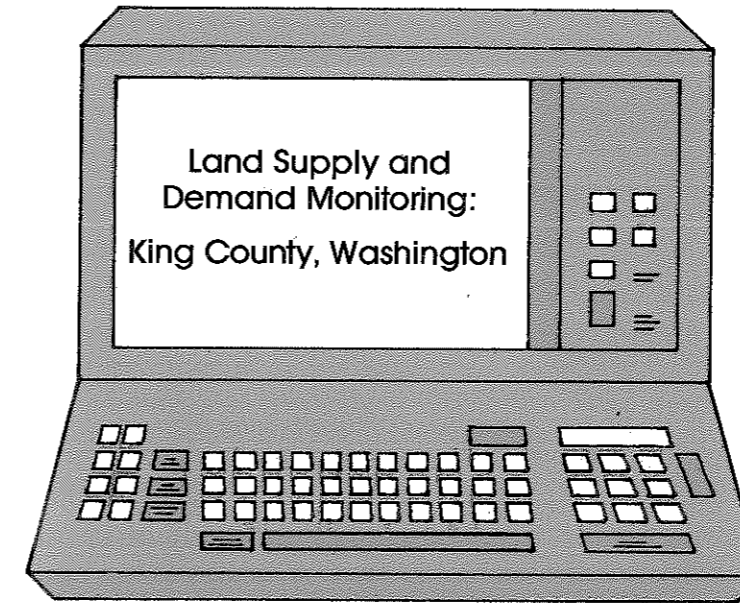
However, the persons who will be most effective in bringing public attention to the need for reform will be state and local officials who insist that all planning and regulatory actions for which

they are responsible and which affect housing are assessed for their impacts on costs. This requires a dramatic re-orientation of thinking at the local level, because it is not presently common practice. It is encouraging to note, however, that a few jurisdictions are beginning to assess their own housing cost problems and the role of state and local regulations.

The technical problems of assessing the cost impacts of regulations are substantial and in many cases the cost or difficulty of such analyses will preclude the attainment of clear answers. Still, it will always be important to ask the question will this plan regulation, or regulatory procedure increase the cost of housing? Of course, even when the answers to the question are clear, the public will have differing views of the matter, depending on their interests. However, in many cases, a better informed public will enable public officials to approach housing regulation in a sensible way that protects public interests in the environment and other areas, and which also helps keep housing cost increases in control. This is a result that is well worth the effort.

Donald E. Priest is staff vice president at ULI. This article is based on comments prepared for the White House Conference on State and Local Regulatory Reform in January 1980.

"Commentary" is a regular feature of *Urban Land* which provides an opportunity for the sharing of experiences and information by responsible people in the fields of land planning, management, and development. Your comments are welcome. The views and opinions expressed in "Commentary" are solely those of the author and do not necessarily represent any positions, policies, or attitudes of the Urban Land Institute, its collective membership, or staff. Articles are selected by staff on the basis of timeliness and relevance of subject matter.



Susan Allen

The Seattle metropolitan area is in the midst of a growth boom. The growth rates of both jobs and population have been steadily increasing since 1975. Between 1978 and 1979, the population of the region increased by 2.5 percent and jobs grew by 11 percent. For Seattle, 27 suburban cities, and the surrounding unincorporated area of King County, this growth has had a significant impact, arriving on the heels of a severe local recession during 1970 and 1971. It has led to dramatic changes in development patterns throughout the metropolitan area and new demands on government for improved planning to manage that growth.

As the population and housing prices skyrocketed and vacancy rates plummeted, the relationship between housing, land markets, and renewed local planning activities came into serious question. How much of the local housing market phenomenon might be due to national inflationary factors or a building industry unable to produce rapidly enough to meet the extraordinary demand? And how much could be attributed to the effects of local land use policies?

One of the central issues of this debate was the adequacy of the developable land supply: Was there a constrained land supply, and, if so, was this the result of local government growth policy planning? The debate was complicated further by the question of how much land was needed to accommodate the expected growth of the region? While some observers maintained that local government concern over the supply-and-demand questions was testimony to the fact that government was improperly interfering with the housing and land markets, most felt that these were issues critical to government's growth policy considerations. Although these questions remain unanswered in King County, they have led to a system which monitors development activity, land supply, and the relationship between land supply and demand.

As the government for approximately 90 percent of the county's 2,000 square mile land area and for 40 percent of its 1.2 million residents, King County serves a major regional planning role as the local government responsible for the planning and regulation of almost all of the undeveloped land in the region. Since 1978, the county has been working to revise its 15-year-old comprehensive land use plan and regulations into a phased growth plan with designated growth areas, with an urban service boundary, and with other regulations based on the monitoring of development activity and land supply. The land supply and demand monitoring system has been developed by the county as part of its planning activities. King County has developed the system to meet two primary objectives:

- to provide information useful in the formulation of new land use policies and regulations; and
- to provide a mechanism to monitor the effect of county policy and land use regulations on the land market and to indicate when changes in county land use regulations may be necessary.

Land Monitoring

Land Supply Inventory

The basic task of inventorying vacant developable land in King County was not simple. The large land area of the county includes 28 independent local governments, each responsible for the planning and zoning within its boundaries and each with different data on land development and availability. The vacant land inventory initiated in 1977 was originally a joint effort of 19 of the 28 local governments in the county. The regional planning agency, the Puget Sound Council of Governments, coordinated the efforts and gathered data for some of the smaller towns who were without the resources to undertake the inventory themselves. Since the initial 1977 inventory, the monitoring system has been taken over by the county. The inventory study area encompasses approximately 800 square miles, generally all of the developable portion of the county.

The first step of the land inventory was to identify all undeveloped parcels on large-scale land use maps (1"=200'). Using a color-coding system, vacant parcels were classified into three groups: vacant unplatted parcels, vacant platted lots, and underutilized parcels. Aerial photographs and current land use maps provided the sources for this data. Information on natural hazards, sewer service, zoning, municipal boundaries, and census tracts was also recorded on these base maps. Those jurisdictions participating in the inventory calculated the amount and type of vacant land by manually measuring vacant land using a grid overlay and recording information on worksheets with cross-referenced sub-categories. For each jurisdiction and census tract, a separate worksheet was completed.

The amount of vacant land was first disaggregated into zoning categories. Because of the different zoning codes of the participating cities and towns, zoning information was generalized into seven aggregate categories. Within each of these seven zoning categories, vacant land was further broken down by the following four factors:

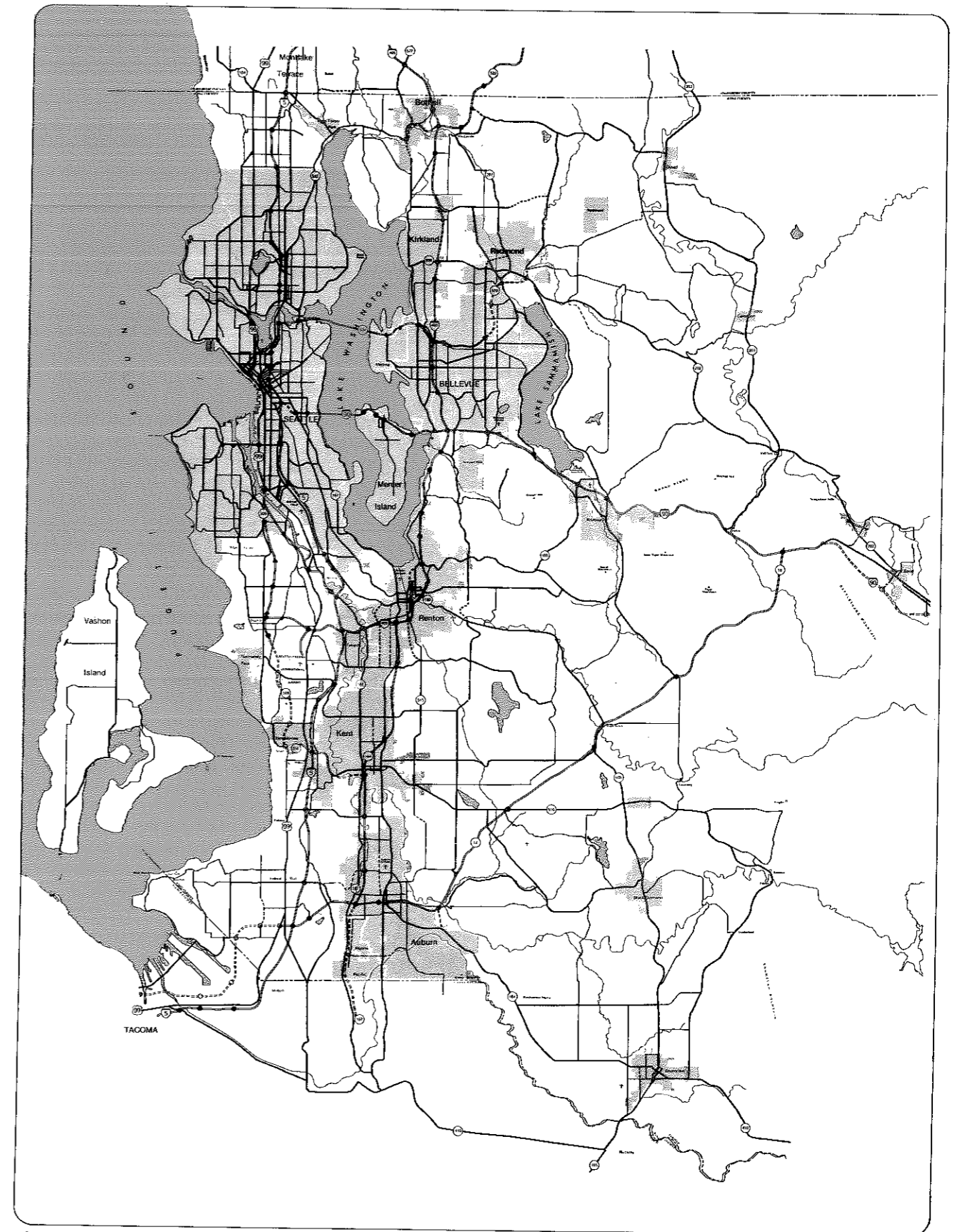
- sewer service availability: a sewer line within approximately 300 feet of the property line;
- physical constraints: the presence of either a severe seismic hazard or a severe landslide hazard;
- transportation accessibility: immediate access to an existing street, measured for platted lots only;
- parcel size: parcels which were less than 5 acres.

Certain types of land excluded from the inventory were streets, other public rights-of-way and easements, publically owned land such as schools and parks, partially utilized church or school-owned parcels, and agricultural land designated for permanent preservation under adopted King County policy.

Once this data was recorded onto the worksheets, the subtotals and totals were computerized. In February 1978, the county published the first summary tables and maps of vacant land in a report entitled *King County Vacant Land Inventory*.

The vacant land inventory has been updated annually for the past 2 years. One of the sources for this update is another element of King County's land monitoring system, the *Land Development Information System (LDIS)*. The LDIS is a computerized reporting program for building and development activity. Quarterly reports are issued on building permits (by 32 different permit classifications), on rezones, and on subdivisions. Detailed information on the type and extent of these development activities is presented in these reports by 40-acre sections, as well as by larger planning areas.

The two updates of the vacant land inventory followed manual procedures similar to those used in the original data collection. Using building permit address records from the LDIS, recently developed parcels were noted on the base land use maps. The amount of land used for each of these developments was then subtracted from the applicable worksheet for that area. King County coordinated the update effort, with individual cities and towns providing land consumption information for their jurisdictions to the county.



King County helps coordinate local planning efforts among 28 local governments. Mountainous terrain has prohibited development in the eastern half of the county (not shown on map).

Demand for Land

In 1978, King County initiated a study to examine the relationship between the demand for land and developable land supply. Shortly after the initial publication of the *Vacant Land Inventory*, many expressed concern that the land supply information could be misinterpreted if it were not compared with development demand information. Therefore, available vacant land was compared to the 1990 demand for single-family residential, multifamily residential, commercial, and industrial development.

The demand analysis was based upon 1990 population and employment forecasts generated by the economic base model of the Puget Sound Council of Governments. Projections were made for a three-county area using the model. The total forecasts for the three counties were spatially disaggregated into 227 subareas or "districts" through an Empiric model, the Activity Allocation Model (AAM). In King County there are 146 AAM districts, each comprised of one or a combination of census tracts. The Activity Allocation Model consists of a series of equations reflecting historical trends in the Seattle metropolitan area between 1961 and 1970. These equations base the distribution of new population on access to employment, available utility services, attractiveness for residential development, and available vacant land. For each AAM district, the projections are presented in three main categories: (1) total population; (2) number of households (single-family and multifamily); and (3) employment.

In order to estimate the amount of land demanded for single-family development through 1990, consumption rates were calculated for four subareas within the county: central city Seattle, the urban areas, satellite areas, and rural areas. The boundaries of each subarea were defined by a grouping of AAM districts. In order to calculate land consumption rates for these areas, the first step was to analyze approximately 200 subdivisions from 1976 to 1978 to determine the gross density of

each plat. Densities varied according to location, and as a result of these calculations, each of the four subareas was assigned a different average density for single-family housing development. Central city Seattle development had an average density of 8.7 lots per acre, urban areas had 3.2 lots per acre, satellite areas had an average per-acre density of 2.4 lots, and rural areas had 1.4 lots per acre. Assuming that the development pattern for the forecast time period would be similar to that for the two-year analysis period, the densities were to represent projected land consumption rates for the subareas. Based on one household per lot, the estimated 1990 demand for single-family zoned land was calculated using the AAM projections for single-family households.

The projected demand for multifamily housing was calculated in a manner similar to that used for single family. Building permit data for a two-year period was analyzed to determine the number of units per total site area. Again, four areas, each defined by a grouping of AAM districts, were identified with different average densities: 40 units per acre in the central city area, 18 units per acre in the urban suburbs, 16 units per acre in the satellite suburbs, and approximately 12 units per acre in the outlying areas. The projected land consumption was calculated by translating the 1990 projection for multifamily households to a number of units and estimating the number of acres needed to accommodate these units at the varying density levels.

Commercial and industrial land demand for 1990 was determined by analyzing land consumption rates for different types of employment. Using the employment sectors definitions of the Activity Allocation Model, differing ratios of employees per acre were calculated for four different employment sectors: retail, service, manufacturing, and wholesale-transportation-communication-utilities. (The governmental-education sector was eliminated from the analysis due to very limited growth for that sector.) Within each of the four employment sectors, varying land consumption rates were determined for four geographical subareas of the county. The land consumption rates used were based upon a number of different local studies. Using the number of employees projected by the AAM, and the consumption rates of employees per acre, the 1990 demand for commercial and industrial land could then be calculated.

Comparison of Land Supply and Demand

Once land supply and demand were calculated for 1990, a comparison was made by simple subtraction of the land demanded for certain uses from the available supply of land appropriately zoned for that use. This was facilitated by the fact that the common measurement of census tracts had been used in estimating both land supply and demand.

Not all vacant land was considered as available supply for a particular forecast use. In order to be considered available to meet a stated demand, land had to be (1) zoned appropriately for the demanded use, (2) free of any of the physical constraints identified in the original inventory, (3) not designated for protection under King County's agricultural lands policy, and (4) not designated for forestry use by the county's comprehensive plan. The supply-demand comparison assumed no redevelopment on already developed land nor any major rezoning actions.

The results of the supply-demand comparison were aggregated into 13 subareas of the county, covering both incorporated and unincorporated areas. This analysis indicated that there was sufficient land in King County to accommodate the expected growth in single-family housing and industrial development through 1990. The study also showed that potential shortages of land for both multifamily housing and commercial development were clearly present in some of the subareas.

King County published the supply-demand comparison in the spring of 1979. Discussions concerning the relationship of the study findings to county policy resulted in an expanded analysis regarding the effect of pending major zoning changes in unincorporated King County on the available land supply. This expanded analysis identified a potential increase of almost 50 percent in the multifamily zoned land supply when the proposed zoning changes were taken into account. If multifamily development were to occur as forecast, however, it was clear that a serious shortage of multifamily zoned land existed, despite this change. This land shortage situation is probably even more serious in light of recent trends towards a higher proportion of multifamily residential construction. All of these findings have been important considerations in current county policy formulation. Elected officials, citizens, representatives of the development industry, and planners have all welcomed the publication of the vacant land inventory and subsequent supply-demand analyses.

King County has developed its monitoring system with limited resources. For the most part, funds allocated to this project have been part of ongoing departmental budgets. With the exception of assistance for the first year data collection from a HUD 701 grant awarded to the regional planning agency and dispersed to individual local governments, no special funds have been used. The original data collection for the King County portion of the vacant land inventory required two full-time professional planners for 1 year and three technical assistants for approximately 6 months each. Individual cities and towns used between 6 months and 1 year of a technical assistant's time, with some professional staff supervision. This varied considerably among jurisdictions depending on their size and data resources. The two annual updates of the vacant land inventory have been undertaken by King County staff and have required two technical assistants full time for approximately 6 months each, with part-time supervision from a senior staff person. Staff time for the assessment of demand and for the comparison of supply and demand was approximately 1 year of one full-time professional staff, with 10 months of technical assistance.

Data processing costs for the land inventory and the two subsequent inventory updates averaged \$2,000 per year. The existing monitoring system consists of the Land Development Information System (reporting on current building and development activity) and the inventory of vacant land. Ongoing maintenance costs of these two elements include one full-time planner, three technical assistants, and approximately \$10,000 in annual computer-related expenses.



Aerial view of western King County looking north towards downtown Seattle.

Limitations and Issues

The vacant land inventory has now been in operation for approximately 2 years; the land supply-demand analysis has recently been completed for the first time. Although welcomed as significant improvements over a non-existent data base and applauded for their detail and thoroughness, the current inventory and supply-demand analysis contains serious limitations which have led to a decision to improve the system.

One of the first issues raised following the initial 1978 publication of the *Vacant Land Inventory* was the validity of the information as a measure of land available for development. This was a concern expressed primarily by the development industry. Many felt that short of current real estate for-sale listings, it was misleading to speak of any type of vacant land data as an indication of the actual supply available to meet development demand. Despite numerous discussions between those raising this issue and representatives from King County, no technical revisions to the data were found which might have satisfied these concerns. Apart from this problem, there were few who questioned the technical validity of the information as it was presented.

One technical problem which did exist, however, was the definition of "constrained" lands. Intended to mean those lands upon which development would be unlikely due to actual physical conditions and corresponding local government regulations, the characteristics used did not reflect this type of situation. Although steep slopes may have represented areas difficult to develop, the seismic hazard areas were often buildable and were not covered by local development restrictions related to this physical characteristic.

Information validity problems of the supply-demand comparison were limited to a criticism that the population and employment projections used to calculate land demand were probably too conservative. Although the study methodology was not seriously questioned, many felt that the probable underestimation of demand has led to conclusions which overstated the 1990 supply situation and were not appropriate for use in policy formulation.

A second, and probably more serious, limitation of King County's vacant land inventory was the usefulness of its information. The inventory as completed in 1978 and in its two following updates was far too detailed to be useful as a flexible input to policy decisions or in most planning activities. While it was true that the large-scale base maps and detailed data sheets were useful in a limited number of small area planning studies and that the county-wide data was referenced in several general policy decisions, the scale and timeliness of the information was not relevant. Because of the mapped parcel-based data and the manual process of calculation it is difficult and time consuming to cross-reference data for special requests for information in a format different from that displayed on the worksheets. Although the amount of available vacant land and the comparison to demand is a critical element of King County's growth management program, it does not need to be available at a parcel-by-parcel level of detail. More importantly, land supply-and-demand information is needed which can be cross-referenced in a number of different ways. The existing vacant land information cannot be easily recombined to correspond to the specific subareas which are the basis of the growth management policies.

Another limitation of the existing system is the time frame of the data. Because of the level of detail and the inordinate amount of time it takes to update the information, the land supply data is always 6 to 10 months out of date. The manual updating process involving two full-time staff people for 6 to 8 months each is a cumbersome and ineffective approach to a system which is needed as an accurate and current policy tool. With the recent additional need for this data to monitor the King County growth management program, such a limitation has become even more significant.

These limitations and King County's experiences in using the vacant land inventory during the past 3 years have illustrated a number of objectives which should be met in any metropolitan area land monitoring system:

- Land supply information should be at a scale which is useful in policy formulation and monitoring and can be easily updated, cross-referenced, and accessed.
- Land supply information should be disaggregated spatially and by characteristics corresponding to local land use regulations.
- Land supply and demand monitoring should reflect the submarkets of the study area as well as the total market area.

Improvements to the System

The problems of data validity, usefulness, and time frame, in conjunction with the recent development of the Land Development Information System, have contributed to the decision to improve the county's land supply-and-demand monitoring system in 1980. Based on current development information provided by the LDIS, a new computerized land supply-and-demand monitoring system will provide information on land supply which will be current and can easily be compared to demand projections. One of the major revisions will be to discontinue the parcel-based 1"=200' reference maps as the data base and replace them with information on the amount of vacant land within uniform geographical units of the county. This new base inventory will be by 160-acre sections. For each section, this basic vacant land supply information will be entered into the computer:

- total number of vacant acres;
- number of vacant acres in generalized zoning categories;
- number of vacant acres which are designated for sewer service;
- number of vacant acres with physical constraints, corresponding to local land use regulations for these types of lands; and
- number of platted vacant acres.

Information on total acreage, utility service, physical constraints, and zoning will be cross-referenced. The data will not be mapped for parcel location but will be available aggregated for each quarter section. Updating will occur monthly as an extension of the Land Development Information System. Every building permit entry into the LDIS will include data on size of the building parcel, presence of physical constraints, availability of sewer service, zoning, and whether or not the structure is on a platted lot. This information will then be automatically subtracted from the base vacant land inventory for the appropriate quarter section as it is entered into the program. Thus, on a monthly basis, accurate reports of vacant land by small geographical subareas of the county will be available.

This revised system of land supply inventorying is planned for unincorporated King County during the first half of 1980. Many of the incorporated cities and towns will probably be included in late 1980 or early 1981.

No major revisions are anticipated to the land supply-demand analysis. Although the submarkets resulting from 27 independent local governments create some analytical problems, the supply-demand analysis will be continued as a county-wide study. New population and employment projections, if they become available, will improve the comparison of supply and demand but no changes in the methodology are planned. Under the new land supply monitoring system, land supply data will no longer be available by census tracts for correlation with the basic unit used for the projections. Therefore, for a supply-demand study, quarter sections will have to be aggregated or divided to approximate census tracts as closely as possible and this will be used as the basis of comparison.

During the 3 years since the first vacant land inventory was published, support and interest for this type of information has grown. Both the private and public sectors have expressed interest in improving the system so that the data may be more useful. While not presenting the detailed maps of the original inventory, the revised approach will benefit these groups more than the present system by providing data that is current, easily accessible, and flexible. Concerns may remain that the data on vacant land is not a valid measure of land available for development, but by the admission of the critics themselves, such an issue will not be alleviated by technical revisions to this land supply data system.

The costs of this revised land inventory system, coordinated with the Land Development Information System, will be considerably less than those of the current system. Initial data input, the recording of vacant land information by quarter section, will require the time of two technical assistants for approximately 6 months each. The project will be supervised by a full-time planner who also will be responsible for the computer program writing. Thereafter, the operation and maintenance of this land supply and demand monitoring system during 1981 will require the part-time supervision of one planner plus approximately \$12,000 in computer-related costs. The funding source will be local government general funds.

Land Supply and Demand—Future Research

Two additional areas of related research and data collection would benefit public agencies and the private sector: an assessment of land price information and consideration of land supply-and-demand relationships over time.

King County's current land-monitoring system makes it possible to observe the effects of policies and regulations on the location of development activity and vacant land. The next level of questioning is to examine the effect of this local market supply-demand situation on housing and land prices.

A simple extension of the previously described land-supply monitoring system would be beneficial to a local government concerned about potential inflationary impacts of its regulations. In the case of King County, price information could be collected for vacant land and then differentiated by characteristics similar to those used in the vacant land inventory, including location, zoning, sewer service availability, presence of physical constraints, and applicability of special county policies on agricultural and forest lands.

A second area of research which would assist a local government such as King County in its monitoring efforts would be an examination of the relationship between land availability and demand over a number of years. A basic question underlying many discussions of growth management policy and regulations is the issue of the margin of available land needed for the market to operate efficiently. An examination of the land supply-and-demand relationship in various geographic submarkets over time is one way that this issue could be addressed. This type of analysis would also enable the local agency to monitor the performance of its land use regulations and to determine whether or not specific changes in policies or controls were desirable to improve the balance of land supply and demand. Such an assessment could serve to identify shifts in demand among submarkets, while at the same time possibly indicating the need for corresponding alterations of policies or regulations. In King County, a comparison of land development activity over a number of years, geographically disaggregated with land supply-and-demand ratios, would be helpful in evaluating the effect of local regulations on land market operations.

While the original King County land supply-and-demand monitoring system instituted in 1978 had a number of limitations, its evolution during 3 subsequent years has resulted in a program which has been beneficial to both the private and the public sectors. The planning context within which the county's monitoring system was developed has been a factor contributing to its support. One of the basic goals of King County's growth management program is to avoid restrictions on the developable land supply that may result in inflationary land costs. The county assumes that such inflationary cost increases can be avoided by insuring an adequate county-wide land supply which recognizing that demand may shift among submarkets in response to occasional surplus demands. Critical to this assumption is the overall balance between land supply and demand for the metropolitan area.

The necessity of insuring this balance, or at least avoiding excess aggregate demand, mandates a local government such as King County to have a land monitoring system. For King County the inclusion of development activity data as well as supply information enhances the system as a vehicle for monitoring the performance of local land use policies and regulations. The total monitoring system provides welcome data on issues which were previously subject to numerous unsubstantiated debates about the relationship of government regulations and the land market.

As it develops and is used increasingly in policy and regulatory decisions, the King County land supply-and-demand monitoring system continues to receive support from elected officials, planners, community groups, and developers. Although it may not be an appropriate approach for all metropolitan areas, this system, as it has evolved, has met many of the needs of both the private and public sectors in the Seattle metropolitan area and undoubtedly will continue as an integral part of local government planning activities for many years to come.

Susan Allen, formerly chief planner and manager of the growth management plan for King County, Washington, now resides in Massachusetts. This paper was originally prepared in conjunction with the February 1980 HUD/ULI Seminar on Land Prices and Public Policy.



Spirits Flow Strong in St. Louis

Lisa Harbatkin

Consistent public follow-through and a high level of private commitment are achieving marked redevelopment progress in St. Louis. Wide-ranging state and local incentives and impressive funding totals under available federal programs are key factors in the turnaround efforts.

There have been both clear successes and well-publicized failures. Few, either in the city government or the business community, are ready to say that St. Louis has finally managed to reverse the long-term decline following its last era of strong growth in the first decade or so of this century. Solid accomplishments include the re-emergence of downtown as a viable business center, the virtual rebuilding of many once-devastated neighborhoods, the revival of tourism centered on the Gateway Arch, and a growing awareness of the historic value and business sense of preserving the city's often superb brick building stock. But these and other plusses must be measured against a continuing, if lessened, outflow

of jobs, companies, and population. The impending loss of a big General Motors plant will take at least an \$11 million bite out of the city tax base, and is seen as catastrophic by local officials. And, of course, the on-again/off-again recession looming on the national horizon is taking its toll, with lessened activity in all categories of new and rehab construction and effects in other economic sectors as well.

Still, the general consensus is that, after 30 to 40 years of no investment, the city has hit bottom and is on the way up. Growth is likely to be steady, if gradual and unspectacular. A major share of the credit for what's been done already, and for the projects still to come, goes to the legal and financial framework established by local, state, and federal laws, as well as to their careful and flexible application by the local authorities. Directly and indirectly, they have leveraged hundreds of thousands of dollars in private investment throughout the city over the past 25 years.

Legislative Framework

Missouri state law, supplemented by local implementation legislation in St. Louis, contains several far-reaching redevelopment and investment incentives. These include tax abatements, provisions for bond issues, land cost writedowns and procedures for aid in clearance, and, probably unique in state laws, provision for the transfer of the right of eminent domain to a private company. Any given redevelopment project can be carried out under one or more of these laws, and St. Louis officials have shown considerable flexibility in tailoring the legal tools to the specific needs of each situation.

Probably the most unusual part of this package is Chapter 353 of Missouri law, known more formally as the Urban Redevelopment Corporations Law, passed in the mid 1940s. It combines a 25-year tax abatement with the transfer of the right of eminent domain to an approved private redevelopment corporation organized in accordance with its requirements. St. Louis has made use of it in 30 projects, taking in more than 1,000 acres and accounting for over \$810 million in private investment completed or committed by the fall of 1979. Two others have been approved since then.

Under Chapter 353, sites which have deteriorated to the point where they are economic and social liabilities can be declared "blighted" upon recommendation of the city's Community Development Agency (CDA) and approval of the Board of Aldermen. Either city officials or prospective redevelopers can initiate the request for blighting, but the declaration must be preceded by a CDA study of the target area to determine if it is eligible under the terms spelled out in the city's enabling procedures. A redevelopment plan submitted by the redevelopment corporation, also in conformity with certain requirements as to content, spells out the details of the clearance and renewal plans and becomes the basis for contractual arrangements between the private company and the city.

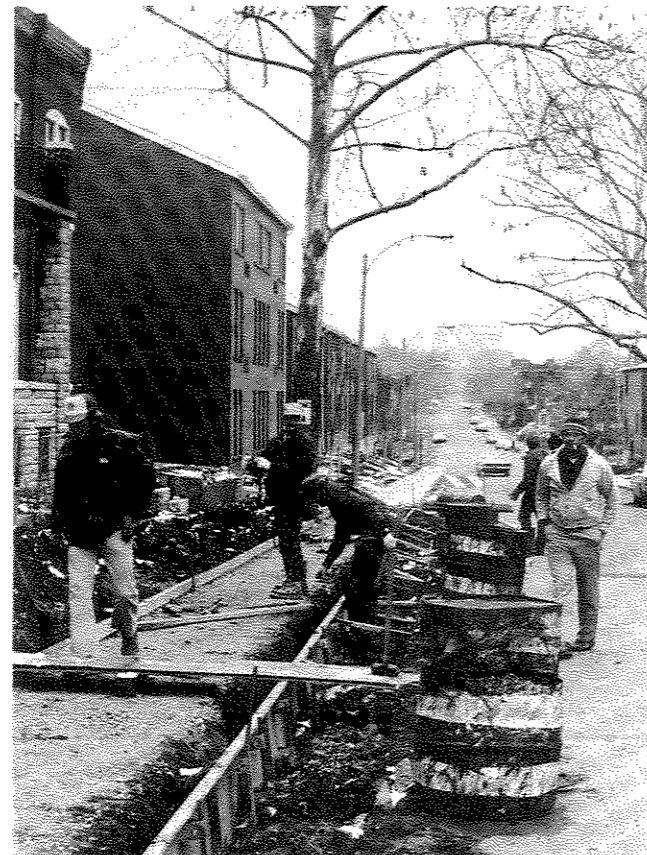
Once the contract is approved by the Board of Aldermen, the developer is granted eminent domain to take over the necessary sites at fair market value for its own use or to transfer to a subsidiary redevelopment corporation operating within the blighted area. St. Louis's Board of Public Service and Comptroller monitor the performance of the approved projects once underway.

For the first 10 years the redeveloper pays taxes only on the value of the land as it was prior to rehabilitation or renewal. Since 1967, St. Louis has required "in lieu of" payments on the assessed value of any improvements or buildings which existed on the land prior to its being taken over by the redevelopment corporation. For the next 15 years taxes are paid on half the assessed valuation of the land and improvements. The land and all improvements return to the tax rolls at full assessed value at the end of 25 years. There is an 8 percent annual limit on net earnings during abatement.

Chapter 353 can be applied to any type of renewal development, from residential to industrial, as well as to mixed-use projects, and its benefits apply to new as well as rehab construction in the blighted area.

Application

Application of 353 in St. Louis has been heavily commercial and residential, although it has been used for projects ranging from small factory and warehouse additions to renewals covering hundreds of acres. Chapter 353 has been a major factor in the rejuvenation of the downtown, leveraging at least \$367 million in private investment between the mid-1950s and the fall of 1978. More than \$200 million for new investment is now in the planning stages. Its use is spreading out from the core into the neighborhoods, and it has already been the catalyst for nine in-city housing and neighborhood renewal efforts which are expected to involve \$238 million in private funds over build-out periods that extend into the late 1980s. A further five mixed-use projects, representing an anticipated \$130 million, are under consideration. In addition to the direct impact of work done under 353, the law has had an indirect effect, with city officials estimating that some \$127.8 million in non-tax-abated renovation, rehab, expansion, and new construction has been invested in the downtown since 1960.



Community development block grant funds provide for new sidewalks and other public improvements, as shown here in the Lafayette Town redevelopment area.

Chapter 353 was first used in St. Louis in 1955. Its tax abatement provisions were used for the \$20,110,740 (\$17.5 million in private funds) Plaza Square renewal effort, designated as blighted under the 1951 Chapter 99 of Missouri state law. Chapter 99 allowed St. Louis to establish a Land Clearance for Redevelopment Authority (LCRA) for the purpose of working with projects set up under federally aided urban renewal programs. Chapter 99 contains certain land cost writedown benefits not available under 353, and properly organized redevelopment corporations are eligible for the same tax abatements available under 353 when working in areas designated as blighted under 99. However, Chapter 99 projects must be approved by the LCRA, which retains the power of eminent domain in public lands. Early use of 353 was concentrated entirely in the central business district (CBD) and on federal urban renewal land cleared under 99. As of the middle of 1978, a CDA study estimated that 65 percent of the total private investment leveraged by the two laws was in the downtown area. As the 1970s progressed, there were a growing number of redevelopment corporations formed under 353, moving steadily out from the core into the residential sections of the city.

Initial applications of the combined 99/353 approach included Mill Creek Valley, probably one of the worst slums in the nation prior to redevelopment. On the 454-acre Mill Creek Valley site, total investment to date exceeds \$150 million, with private totals exceeding \$106 million. Residential jobs in this area include the nationally-known Laclede Town and a 454-unit Operation Breakthrough project. Considered successful today, it is expected to contribute \$2 million in annual property taxes when most of its tax-abated parcels return to the tax rolls at their full value in 1990, compared with a pre-development \$365,000 contribution.

Industrial Incentives

Beyond the incentives provided under Chapters 99 and 353, recent industrial redevelopments have been undertaken in accordance with the provisions of Chapter 100 of Missouri state law. Chapter 100 was passed toward the end of the 1960s, designed to encourage industrial and manufacturing investment in designated blighted areas. It is administered in St. Louis by the Planned Industrial Expansion Authority (PIEA).

Chapter 100 provides for the issuance of tax-exempt revenue bonds and for abatement from city taxes for up to 25 years. Bond financing for 100 percent of job cost is available, up to a \$10 million maximum, with maturities up to 25 years. Eminent domain remains in public hands. Once an area is designated as blighted under Chapter 100, any business coming into the area or expanding an already existing facility is eligible to use the bond mechanism. The PIEA can also help by closing streets and vacating lots.

The first project under Chapter 100, Manchester-Chouteau, also designated as blighted under 353, got underway in 1974 and involves several separate industrial redevelopments. Each is being run by a separate redevelopment corporation under the aegis of the Manchester-Chouteau Redevelopment Corporation, an umbrella corporation established for the purpose of acquiring and holding acreage for transfer to individual redevelopers. To date, PIEA has raised \$6.8 million in bonds for three facilities. It is heavily involved in planning future uses of three separate Chapter 100 areas covering some 418 acres.

Local Programs

Locally, St. Louis has developed its own set of development tools, designed to be used independently or to take maximum advantage of the available federal and state programs. The city's Section 8 Support program, sponsored by the CDA, offers a construction cost writedown to landlords who bring properties up to program standards and rent to Section 8 tenants. Another local program is the St. Louis Mortgage Plan, which CDA director Donald L. Spaid calls "reverse redlining." Under this, the CDA guarantees long-term loans for purchase and rehab for a percentage of the portfolio. Individuals who want to buy, rehab, and live in a property are eligible.

Outlook and Issues

Despite the problems typical of older U.S. urban centers, St. Louis has several things to its advantage. Its economy is highly diversified, with a wide variety of manufacturing, retail, wholesale, and service enterprises, and a substantial institutional presence in the form of several universities and major medical centers.

Reaching out from the business sector, St. Louis is a city of neighborhoods, with hundreds of community and civic organizations. The city's redevelopment strategy relies heavily on using the business and residential sectors to reinforce each other, in a physical and geographic as well as economic sense. Current development activities range from the multi-million dollar investments of major corporations, concentrated downtown, through big mixed-use projects now spreading throughout the city, to small-scale, but crucial, work being done by neighborhood group developers and by individuals on their own homes. Many of the latter are in historic districts like Souard Market and Lafayette Square.

Major CBD developments after Plaza Square included the less-than-successful Mansion House, begun in 1959, but only now beginning to show financial promise. Also under 353 was the Civic Center project area, which includes Busch Memorial Stadium, built without direct use of public money. Other anchors on the 88-acre site include Pet, Inc., the Equitable Building, General American Life, and just completed, the First National-IBM

Tower. Another downtown site, the Cervantes Convention Center is beginning to attract convention business. Laclede Gas and the Mercantile Center, the latter with a retail mall still to come, are further evidence of the turnaround in the CBD.

One of the city's two Urban Development Action Grants will be used to leverage the anticipated May Mall, which will use two existing downtown department stores as anchors for an additional 250,000 square feet of retail space, with a hotel to be added. Part of the same grant application will go for substantial housing construction and renovation.

The city of St. Louis places heavy emphasis on housing as a companion to economic development. Rehabilitating some of the thousands of vacant dwelling units in the city plays a primary role in this effort. The city's concentration of public improvements in redevelopment areas not only offers important physical improvements but also underlines the city's commitment to these areas. St. Louis is doing very well at this, according to Leon Strauss, president of Pantheon Corporation, a developer nationally recognized for its renewal efforts.

The current DCA funding level is approaching \$50 million, including \$39.5 million in Community Development Block Grant money. There's \$11.65 million for housing and \$13 million for capital improvements (street upgrades, public area amenities, etc.), as well as \$3.84 million for economic development and \$3.9 million for neighborhood services in the grant for the year. In addition, there is \$1.17 million allocated for displacement prevention and relocation—a problem since renewal efforts began and a more difficult one as 353 and other redevelopment jobs spread out into the residential areas. Another \$2.6 million goes to social services.

Several groups concerned about displacement contend that many of the 353 redevelopments can work without the abatement, and that the drop in the property tax means less money will be going to the school system. They are alarmed at the prospect of vast numbers of low- and moderate-income in-city residents being forced out of their apartments or homes by middle- and upper-income people moving into areas that are once again fashionable.

City officials acknowledge the displacement problem. One approach has been a Section 8 set-aside triggered to go off in relation to the rate of condo conversions. In regard to the tax abatement question, the city points to a 1978 CDA study which showed that the total amount of taxes (earnings, sales, utilities, and property) generated by 353 developments is more than twice the amount of property taxes foregone under the abatement provisions. And, the study noted, a large number of developers queried in a survey indicated they would not have undertaken their renewal efforts without the tax break under 353.

Neighborhood Development Groups

Using a number of programs, the CDA is working to bring many of the small community-based developers to the point where they can function on their own in large-scale development roles. "The whole philosophy behind it is to develop a rehab capacity among the smaller developers. The city is large enough for 10 major firms and there would still be a need for more in-fill units," said Jesse Horstman, executive director, Housing Authority of St. Louis County. The authority has set up a separate corporation, Housing and Management Development Systems, Inc. (HMDS), which has a contract from the city to oversee the operations of the small developers, while handling existing developer assistance programs. Horstman and his staff do all the technical walkthroughs, assisting in the packaging and preparing the inexperienced firms to deal with the lenders. They continue supervision through site preparation and construction, and oversee management operations. HMDS had completed contracts for some 500 units by the end of 1979, in packages of 6 to 30 units each. Thirty is the maximum done with any one developer at a time.

Pantheon Corporation

Pantheon is a major redevelopment presence in St. Louis, working as a developer and general contractor in many 353 areas and other sites around the city. Its own 106-acre, 353 renewal area, DeBaliviere Place, is yielding the first new subdivision to go up in the city in 50 years. Called Kingsbury Square, it will have 100 for-sale units priced in the \$100,000 range. Most work in the area, though, will be rehab. DeBaliviere Place will add some 2,000 units to the city's housing stock. Several hundred rental apartments have been completed, plus about 100 condos, and work is underway on others.

About a year ago, Leon Strauss moved Pantheon's offices from another in-city location to a renovated office building at DeBaliviere Place. Along with the Central West End Savings and Loan Association, recently formed by area residents, in the same building, it is the first commercial operation in the redevelopment area. "We moved here because we felt it was important . . . to show that it's a place people can do business," Strauss said.

Initial financing for the redevelopment came from a \$3 million, five-year revolving credit agreement, signed in 1975, with the community-minded Mercantile Trust. Designed to provide funding for acquisition and other costs, including administrative expenses, fees, and interest, it provided for money to be advanced on a three-to-one basis. For every \$3 to be advanced by the bank, Pantheon had to raise \$1 in the form of subordinated debentures. These were purchased with a local life insurance company, General American Life, putting up \$400,000, while Pantheon, Strauss, his family, and friends put up the rest. The debentures are 10-year notes carrying a straight 10 percent. "The interest rate



New homes in Kingsbury Square are part of the 106-acre De Baliviere Place redevelopment in central St. Louis.

made it all possible. It floats with the prime but there's a cap of 9 percent on the \$3 million," Strauss said.

Activity levels and interest have been strong. The market is steadily widening for the units being provided at DeBaliviere Place and the other renewal areas, Strauss feels, noting that a number of people are moving back in from the suburbs, particularly young people interested in experiencing neighborhood living. For this market, Strauss said, "the tax abatement is absolutely essential. It's worth up to \$2,000 a year to buyers and \$25 to \$40 a month to renters. That's very important to them. They're not rich. They're young, and they're in an inflationary market place."

Lafayette Towne

The only major Chapter 353 renewal which will have predominantly new construction is the 222-acre Lafayette Towne. Planned and developed by the Home Builders Association of Greater St. Louis, the \$70 million effort is aiming for about 2,500 units of new construction and 300 rehab, plus considerable neighborhood-based retail and commercial development over a 10-year build-out. Bus routes give ready access to much of the

city and the area is close to major employment centers. The site is also adjacent to two other major renewal areas.

Broad-based lender support for Lafayette Towne reflects business commitment to both the city and the project itself. The Bank of St. Louis is the lead bank in a consortium providing \$1.5 million in a revolving credit agreement signed in late 1976 to fund the first phase of acquisition. The agreement is based on a four-to-one ratio of funds to equity. Purchasers of debentures include two construction unions, a local utility, and the Home Building Industry Advancement Fund.

Close to 500 units are already built, including 162 assisted family and elderly apartments put up by Lafayette Towne itself to help get things rolling. Pantheon is doing a condo, the Lieberman Corporation completed 62 rental units and Harvey Freeman is putting up single-family homes.

Chapter 353 was important in helping the first units get started. The economic value of the tax abatement can be used to either increase the mortgage or decrease the rent. The HBA decided to opt for the higher mortgage

St. Louis

and put the benefit into hard construction costs. Thus, with a development cost of \$2,240,000 for the first 100 units, the project was built with a mortgage of \$2,077,603. Without the abatement, it would have had to have been done with a \$1,836,828 mortgage, or \$240,775 less. Had the additional money not been applied to construction, rents for the units could have been reduced by \$17 a month.

LaSalle Park

Ralston Purina's 1967 decision to invest \$20 million in its corporate headquarters in the city of St. Louis rather than move to the suburbs put it in the real estate development business. Under Chapter 99, the cereal and animal feeds producers are overseeing the renewal of the 140-acre LaSalle Park neighborhood across the street, just south of downtown. Beginning with an initial \$1.2 million cash contribution to help the city achieve a needed \$2 million for getting \$4 million from the federal government under the urban renewal program, Ralston has put up more than \$4 million in direct and indirect contributions, most of which it will get back. The funds are seeding an anticipated \$30 million in public and private investment.

Completion is expected in 3 years, somewhat behind original plans. Ralston itself put up 148 turnkey units as replacement housing. A local church chose to put up its new building in LaSalle Park, and is building apartments as well. Another church is improving its site. Three manufacturers are upgrading their plants, more industry is planned, and commercial work is going in. Ralston has also restored several townhouses, selling them at cost, and contracted with a developer for infill townhouses on some 30 lots. Kindercare is leasing land for its 300th nursery and day care center, its first in an inner city area. It will be available to area residents as well as Ralston employees. The housing mix is aimed at drawing elderly and family residents to the area. The effort is reported to have been moderately successful in stimulating more activity.

Ralston learned some important preservation lessons. Its current emphasis on conserving and achieving architectural compatibility of new and old stock reflects a substantial change from the original thrust of the LaSalle Park work. It began with an urban renewal orientation, carried over from previous city activity in the area. The aim was total clearance, acquiring and demolishing all existing housing stock in the area. Learning more about the area as it went along, and pressured by preservation groups, Ralston worked out a plan to save the remaining buildings about 5 years ago.

Washington University

Institutional presence is the economic base of the Chapter 353 renewal effort being directed by the Wash-

ington University Medical Center Redevelopment Corporation (WUMCRC). WUMCRC has 359 units of new housing construction representing \$14.7 million completed or underway, plus 250 rehab units for \$8.3 million, all in private funds. Planned additions through 1983 should bring the total to \$34.9 million, and private commercial investment by that year should amount to \$38.9 million. Forming the base for the renewal of the highly diversified neighborhood is the \$120 million committed to expansions planned and already underway by the loose confederation of independent medical institutions behind the renewal effort. The corporation has scored major coups in its first 5 years in attracting the regional headquarters of Blue Cross and Monsanto's biological testing laboratory, each a \$12 million investment. Recent studies indicate a modest increase in population within the redevelopment area of about 1,000 people by 1985 over current levels, and an employment increase of perhaps 3,400.

Union-Sarah

Commercial resurgence is the basis behind the reinvestment activities of the Union-Sarah Economic Development Corporation (USED). This 353 project is aimed at increasing the stability of the area and making more jobs and housing units available. Union-Sarah was awarded St. Louis's second UDAG last fall for use in revitalizing the neighborhood's main commercial center.

A community-owned corporation, USED was founded in 1969. Its activities have produced some 400 new and rehab housing units at development costs totaling \$14 million completed and under construction, with more than 300 in the planning stages. Tenants have started moving into a \$3.5 million, 136,000-square foot renovation with commercial and retail space. There are plans for a supermarket and for the purchase by the corporation of several businesses important to a neighborhood, including a hardware store.

The Union-Sarah area is 97 percent black, with a population that has been fairly stable over the last 20 years, even while the neighborhood declined physically. A recent study indicated that 40 percent of the heads of households were over 65; about half the residents fit the federal government's definition of poverty level.

"When we first got started, no one could buy a house in the area because you couldn't get financing," said Nesby Moore, USED president. Now, sparked by the redevelopment corporation's own efforts, many residents and businesses have started to undertake their own improvement and upgrading work. With USED providing a climate of stability, "the area is rebounding and coming back on its own. They know we mean business. It's a growth area. We don't have to go out and beat on doors anymore. People are coming to us," Moore said.



Elderly and family housing is part of the 2,500 units of new construction planned for the Lafayette renewal area.

Conclusion

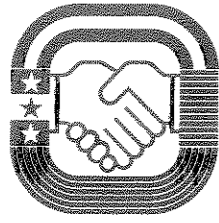
These projects suggest the depth and variety of the redevelopment efforts now underway in St. Louis. These and numerous others, current and completed, have been producing a high proportion of positive results measured by almost any criterion, from rejuvenated neighborhoods to levels of investment generated. Combined public/private investment over the past three decades exceeds \$1 billion.

City officials have been highly successful in leveraging private reinvestment in the city's future, demonstrating considerable flexibility and cooperation in working with the business sector and with the city's many community-based organizations. In addition to the legislative framework established by state and local jurisdictions, the city has been the recipient of considerable funding under federal programs, helped by its regular appearance at or near the top of HUD's list of most distressed cities. The city has been very efficient in its distribution and implementation of these federal funds.

Part of St. Louis' success may be attributable to its manageable size. Current population for the 61 square miles within the city's borders is around half a million, down from the 622,000 counted in the 1970 census. Projections indicate a likely net gain of just 50,000 by the year 2000. The city was probably overcrowded at the 850,000 mark it reached in 1950.

St. Louis continues to offer the advantages of a convenient and central midwest location for many businesses, as the large number of Fortune 500 and other big companies with headquarters and other facilities in the St. Louis region can testify. Now all the city needs to insure success, suggested one official, is a winning sports team.

Lisa Harbatkin is a New York-based freelance writer specializing in real estate and development.



Partnership Opportunities Conference

The Urban Land Institute, the U.S. Department of Housing and Urban Development, and the Economic Development Administration sponsored the first Partnership Opportunities Conference in Washington on March 2-3, 1980, which was attended by over 250 private sector senior executives representing finance, real estate, department store, insurance, industrial, and community-based development interests. The conference represented a unique opportunity for key private sector executives and federal executives jointly to examine a wide variety of economic development tools and techniques which can be used to revitalize communities through increased public/private partnerships.

The Partnership Opportunities Conference is the result of a recommendation by ULI's Urban Development/Mixed Use Council made to HUD's new Office of Public/Private Partnerships at the Fall 1979 ULI meeting in Orlando. ULI suggested the need for a regular interchange point for the private sector with various public sector development programs (such as HUD's Urban Development Action Grant and the proposed EDA Development Finance Program). ULI staff and the HUD Public/Private Partnership Office carried out the conference with guidance from a Conference Committee com-



HUD Secretary Moon Landrieu discusses the commitment of the federal government.

posed of the following ULI members: Richard Hanson, vice president, Gerald D. Hines Interests; Rocke Ransen, president, Mondey International Ltd.; Joseph C. Canizaro, chief executive officer, Joseph C. Canizaro Interests; Robert Engstrom, president, Robert Engstrom Associates, Inc.; George Karras, deputy assistant secretary at the Economic Development Administration; and Richard Fleming, general deputy assistant secretary at the Department of Housing and Urban Development.

Conference Chairman, Richard Fleming noted "new concepts in federal programs and policies are encouraging the enhanced development of public/private partnerships." He concluded, "The Partnership Opportunities Conference and other activities of HUD's new Office of Public/Private Partnerships seek to enhance the private sector's understanding of how the business community can use these various federal development programs to foster partnerships and increased benefits to all involved."

John Filer, chairman of the Board of Aetna Life and Casualty Company and incoming chairman of the National Alliance of Business, voiced the importance of such partnerships when he said: "The business sector should step up as part of the private sector to participate fully in the emerging concept of public/private partnerships." Filer offered three solid reasons for an active private sector: "First, government can't do it alone. Second, the problems are as much ours as government's . . . Third, very simply, we are a resource that can be effective and over time . . . will be used—voluntarily or otherwise."

A distinguished group of speakers and panelists from the public and private sectors highlighted the conference, including HUD Secretary Moon Landrieu; John Filer; Dan Sweat, Jr., president of Central Atlanta Progress, Inc. (immediate past president of the International Downtown Executives Association) and George Latimer, mayor of St. Paul, Minnesota.

Secretary Landrieu underscored the dramatically expanded federal commitment to development incentive tools available to the private sector, noting, "Federal efforts to bring private sector jobs and investment to distressed urban communities have increased by 4000 percent in the last 3 years!" He continued, "In 1980 alone, \$6 billion in new private investment will be attracted to older communities . . . as a result of targeted federal activities and programs."

Dan Sweat stressed the importance of changing attitudes in government. Sweat said, "We have an atmosphere and an attitude now existing . . . that says our federal government does believe our cities are worth saving, that they can be saved, and that we are going to get together with the enormous economic and management capacity of American private enterprise to see that something real and lasting is done."

Sweat emphasized the need for public/private partnerships: "The bottom line of urban development in today's economy is the inadequacy of purely public funds for the job. There is simply not enough money to underwrite the necessary public improvements, and without these improvements, there is not enough incentive for private investment to come in. Public/private cooperation is not an option, it is a necessity. Public funds must be used to leverage private capital into cities, and private initiative must be encouraged and allowed to operate as freely as is possible within the areas it knows best."

The second day of the conference was devoted to a thorough discussion of HUD and EDA's economic development programs by federal program directors and private sector participants. Kenneth Patton, senior vice president of Helmsley-Spear, Inc., William Caldwell, president of Caldwell Equity Corporation, and other participants drew from their experiences with HUD's Community Development Block Grants, Urban Development Action Grants, Section 312 and 108 loan programs, and the Neighborhood Self-Help Development programs in relating interesting and useful insights. Having used several of EDA's programs successfully, Walter D'Alessio, executive vice president of Philadelphia Industrial Development Corporation, praised not only the availability of funds for land acquisition and infrastructure improvements with EDA's Public Works Grants but also the flexibility of EDA's loan programs. D'Alessio found that these programs provided the incentives necessary for equity investors to participate in urban redevelopment. He also noted that all of HUD's and EDA's economic development programs mix easily with other federal, state, and local sources of funding to create attractive investment packages.

Mayor George Latimer of St. Paul concluded the conference by relating his strategy for forging such successful public/private partnerships as that involving the Control Data Project in St. Paul. He noted that there is a definite



Conference participants enjoy a lighter moment.

psychology behind partnerships and that part of this psychology was a need for sensitivity on the behalf of city leaders to the needs of developers and lenders.

The conference published an introductory guidebook addressed to the private sector developer and investor. This guidebook, entitled *Emerging Partnership Opportunities for Cities*, briefly explains the major development programs of both HUD and EDA. The introduction highlights successful case studies where private businesses have made profitable use of emerging partnership opportunities. The evidence shows the multiple application of public/private development tools and the doors opening wider for entrepreneurship in the revitalization of U.S. cities.

As a follow-up to the conference, HUD's Office of Public/Private Partnerships will also publish a technical compendium on federal economic development tools. *The Developer/Investor Guide to Federal Economic Development Programs* will be organized to allow it to be an expanding, working document to include up-to-date information regarding federal contacts in respective agencies, program regulations, and relevant case studies.

ULI and HUD's Public/Private Office are considering other national level Partnership Opportunities Conferences which would cover such issues as private sector roles in housing, energy, and transportation resource programs and policies. HUD also has learned of interest by various business executives in working with them to hold locally sponsored versions of the Partnership Opportunities Conference.

[ULI is preparing a directory of developers interested in public/private partnerships. Developers who wish to be included should contact Susan Townsend at ULI. —Ed.]



Aetna Life and Casualty Chairman John Filer addresses the conference on the significance of partnership opportunities.

Federal Participation in Special Exceptions: An Uncertain Development

The United States Department of the Interior recently initiated a test case designed to challenge the grant of special exceptions to building heights and size by a local board of supervisors. As described below, the United States did not obtain the relief sought. However, federal agency inclination to bring action and the ability to be heard in the federal court should warn local authorities and developers that unique federal concerns should be taken into account in land use regulation.

A problem perhaps too commonly encountered in the past decade is uncertainty in the development process. The trend towards extended approval procedures and multiple permits during the development process has often resulted in amendments to the procedures and a general uncertainty as to when a proposed project has the right to be completed. Since the federal government has no constitutional right and few statutory rights to regulate land uses on nonfederal land, participants in the development process are normally local landowners, developers, local governments, and, occasionally, states.

A recent case brought by the United States Department of the Interior illustrates that another participant, the federal government, could further increase uncertainty in the development process, even after zoning approval is obtained and construction is underway. The impact of *United States v. Board of Supervisors of Arlington County* (4th Cir. 1979), ___ F.2d ___, could be realized in any state or locality in which the federal government owns property or in those areas within sight of federally owned property.

In *Arlington County* the United States sought injunctive relief on the grounds of public nuisance and illegal zoning against both Arlington County and the two developers in an attempt to prevent construction of four high-rise office buildings and one hotel in the Rosslyn area of the county. Rosslyn is situated on the Virginia side of the Potomac River, facing the downtown and Georgetown sections of Washington, D.C. The United States contended the Arlington Board exceeded its authority in granting the special exception height incentives and that the proposed structures would present "visual intrusions" to the enjoyment of neighboring national monuments and parks. The buildings are a mile and a half, as the crow flies, from the Lincoln Memorial

and about two miles from the White House area. The maximum *additional* height of any special exception buildings over the existing Rosslyn skyline is less than 30 feet.

The state of Virginia provides authority to the board of supervisors to enact a zoning ordinance for the regulation of land development. That authority includes the determination of fixed use classifications and the ability to determine the height and size of buildings constructed within any approved use classification. The Arlington County Board has the authority, when sitting as a legislative body, to issue "special exception(s) or use permits(s)" to amend or increase heights for buildings meeting certain criteria in specific use classifications.

In the early part of 1972 the Arlington County Board adopted amendments to the land use regulations concerning office, apartment, and motel buildings to provide additional density and height incentives to developers in exchange for environmental amenities. Administrative standards for the exercise of this legislative discretion were also adopted. Two developers sought separately to construct high-rise buildings through the use of the incentive program.

The National Capital Planning Commission, the planning arm for the federal government in the Washington, D.C. area, was advised by Arlington County early in the review process to establish liaison with the county site plan review team in order to be informed about the proposed development but no liaison was established. Even though each step in the development approval process was conducted in a public forum with published notification for each step, the federal government displayed no interest in Rosslyn development until October 1978. By this time the two developers had together paid in excess of \$3,400,000 in connection with the buildings being constructed and in reliance on the development approval process.

Jurisdiction for the U.S. action was not seriously questioned. To support standing the United States alleged a personal stake in the results of the controversy because it owned property in both Arlington County and the District of Columbia and because "its parks, memorials and monuments held for the use and enjoyment of the citizens of this county will be adversely affected by defendant's actions." In acknowledging the standing of the

United States to bring the action, the district court said:

Although as a sovereign the United States may not be sued . . . they may bring suits to enforce their contracts and protect their property, in the State courts, or in their own tribunals administering the same laws. As owner of property in almost every State in the Union, they have the same right to have it protected by the local laws that other persons have. (See *Cotton v. United States*, 52 U.S. 228, 231 (1880)).

It concluded that the government's tardiness in bringing the action to enforce a public right or protect a public interest was no defense for Arlington County. Similarly, it would be inequitable to not allow the government to repudiate its prior conduct by bringing the action. However, the court found that the actions of the Arlington County Board in approving the site plans were neither unlawful, unreasonable, nor arbitrary, and that the United States had not overcome the presumption of validity accorded those legislative acts.

The court then determined that the United States failed to prove that the visual intrusion complained of would constitute a public nuisance. Although a building can be a public nuisance, the court held that "height alone is not enough—unsightliness or offense to the aesthetic senses is not sufficient to constitute a public nuisance." Regulation of building heights can be a valid exercise of the police power, but the court was unwilling to prohibit erection of high buildings to prevent the obstruction of view from a park or public building without compensation to the private landowner. Previously, a former Secretary of the Interior had controlled the height of a proposed building on the Virginia side of the Potomac River by condemning a scenic easement.

The United States appealed the decision to the United States Court of Appeals for the Fourth Circuit and sought relief based on its capacity to assert this claim because it owns land in the county, and like any other landowner in the county, may object to a violation by the county authorities of their local zoning ordinances.

After reviewing the subparagraphs of the zoning ordinance that were the subject of the appeal, the circuit court agreed with the district court's basic conclusion that the county board's power to modify the building heights as proposed was in conformity with the ordinance. Concurrence was based on the legislative history of the specific subparagraphs, the language itself, the

obvious contradictions that would follow if the government's argument was adopted, and the consistent construction of the language by the Arlington County Board over a period of many years.

Previous use of the federal common law nuisance has been concentrated recently in environmental pollution cases. Until the field has been made the subject of comprehensive legislation or authorized administrative standards, only the federal common law basis provides an adequate means for dealing with such claims as alleged federal rights. (See *State of Texas v. Pankey*, 441 F.2d 236, 241.) However, a necessary prerequisite for action in matters involving environmental pollution is a showing that the alleged pollution is interstate in character. (See *Persell v. Shell Oil Company*, 421 F. Supp. 1275.) Although the federal government identified real property ownership in Washington, D.C. and in Arlington, there is no indication that interstate character is a prerequisite to protect the public interest in unique or significant federal concerns regarding local land use.

The district court did not allow the motion to be dismissed because the United States had failed to object in a timely fashion. The circuit court did not find it necessary to address that issue, but made reference to several cases which indicate such a motion may be granted if the governments' wrongful conduct threatens to work a serious injustice and if the public's interest would not be unduly damaged by the granting of the motion. (See *United States v. Lazy FC Ranch*, 481 F.2d 985, 989, (9th Circuit, 1973).)

Construction of the subject buildings has continued, and certainty has returned to the development approval process. One of the buildings has been topped out and apparently the case will not be appealed to the Supreme Court. There were, however, several areas not addressed by the case.

Because of the manner in which the case was presented, there was no need to consider the applicability of federal jurisdiction to a federal government action based on the proprietary capacity of a local landowner. *Cotton, supra*, allows the government to protect federal property by bringing suits in the state courts or in their own tribunals administering the same laws.

The developers had begun construction and incurred substantial expenditures in good faith reliance on the

special exception program when the litigation was initiated. Therefore, it was not necessary to consider whether rights in the development had vested. Apparently development continued throughout the action, so there is no information available as to any damages sustained as a result of the action or as to potential liability.

Although the justification to invoke public nuisance to regulate land use development was the presumed need to preserve the view of the national monuments and parks, there does not appear to be any limitation on the use of public nuisance by the (federal) government to protect any land held or managed by the government. And, of course, corruption of aesthetics would have to be viewed as only one form of nuisance. The extent to which alternative solutions are available, similar to condemning a scenic easement to satisfy the taking issue, could be as varied as the administrative determination of what constitutes an alleged public nuisance.

There is a tendency to dismiss the Arlington case as an unsuccessful casual action initiated by the Department of the Interior to protect a unique federal area—the National Capitol monuments and parks. If this was a test case there is no criteria advanced to be used in a determination of what constitutes a unique area of federal concern. On December 14, 1979, the General Accounting Office published a report entitled, "The Federal

Drive to Acquire Private Lands Should be Reassessed." The report discussed the private land acquisition policies and practices of the National Park Service, the Fish and Wildlife Service, and the Forest Service, as well as alternatives to full-fee acquisitions.

The report, in part, stated the federal government could realize preservation, conservation, and aesthetic objectives through ownership of the land and also through alternatives such as easements and zoning. What the report did not provide was authorized administrative standards for federal involvement in local land use regulations.

It now appears prudent to consider the role of the federal government in the zoning and development approval process. The Arlington case should alert local authorities and developers to the risk of greater uncertainty in the regulation of local land use. Federal concerns must be taken into account in the local land use regulation process to prevent challenge on the grounds that the local process was illegal or that the results constitute a federal common law nuisance. In the absence of authorized administrative standards, it should prove difficult to identify the legitimate federal concerns to be considered in the local process.

David Watts is ULI's Research Counsel.

cities. Not surprisingly, the '60s were a time when a substantial part of the historic and traditional texture of many European cities was lost, though some observers considered this a logical extension of reconstruction. During this time the use of modern architecture with its grand scale and usual lack of deference to existing and adjacent urban forms disrupted residential neighborhoods, often altering the social and economic structure of urban neighborhoods. Small businesses that provided a myriad of consumer services, goods, and employment for nearby residents were displaced by large commercial office projects, and often failed to survive the transformation. Such were the issues that redirected residents and some planners and politicians toward the urban conservation movement. Over time, these people developed new methodologies and social programs to complement original conservation efforts oriented towards preserving the physical environment.

Appropriately, many of the essays in *The Conservation of European Cities* focus on the conflicts that plague urban conservation efforts. A number of contributors discuss the need to identify certain areas in cities for demolition, redevelopment, and improvement, as well as for strict conservation. Not all areas should or can be saved. Overall conservation of a city is more likely to be successful when traditional techniques of conservation are implemented jointly with selected redevelopment, thereby providing for a full range of urban activities.

For the most part, the experiences described in Appleyard's book reflect generally acknowledged concerns of urban conservationists, such as the reuse of old buildings, the negative effects of gentrification, the use of public incentives to encourage physical and social urban conservation, the significant role of community development corporations, and so forth. Other points of interest include the following:

- Urban conservation programs should be analyzed and understood

for the inherent conflicts that they produce between an area's current residents and those people who will most likely move in as a result of the program or its improvements.

- Due to changing conditions and unenlightened practices, planners, public institutions, and politicians have been major contributors to the destruction of historic areas and neighborhoods and for the adverse impacts on existing area residents with early urban conservation programs.
- Formal counter planning by residents of areas considered for conservation can be very effective in that such planning may provide a clear and articulate alternative to redevelopment as envisioned by the public sector and the marketplace.

The lessons this book proposes, while seldom breaking new ground, are worthwhile, particularly for people active in the areas of urban policy and urban conservation. The curious American reader should draw practical analogies of the book's lessons to American urban policy and practices. Most importantly, *The Conservation of European Cities* emphasizes the critical and simple question, "For whom are we going to preserve this historic heritage?"

While Appleyard's book represents a grouping of relatively interesting articles, it is not an entirely coherent volume. The text could have been improved if Appleyard used his editorial license to provide additional graphics, especially maps, that would orient the reader to the street, monuments, and neighborhoods discussed in the various articles. The book at times seemed disjointed and at other times incomplete. Additional editorial remarks introducing and concluding the book's several subject areas might have proved informative and made the book more enjoyable to read. A final concluding chapter would have been welcomed.

Robert Baker is a planner for Arlington County, Virginia.

Bernhardt, Arthur D.
**BUILDING TOMORROW: THE
MOBILE/MANUFACTURED
HOUSING INDUSTRY**
The MIT Press, 28 Carleton St.,
Cambridge, MA 02142
1980. 523 pp. Illustrated, tables, index.
\$37.50

This major study of the mobile home industry—covering the production system, the distribution system, the park system, the supporting environment (suppliers, transportation, finance), and the regulatory environment—reaches the conclusion that the know-how that has been developed in this particular building sector subsystem can be beneficially applied within the entire building industry. If many of the production and distribution techniques that have been developed by the mobile home industry were incorporated into the traditional shelter industry, high-quality low-cost shelter could be produced in greater quantity. Today the housing industry is performing sub-optimally, producing an inadequate supply of housing and at higher cost and/or lower quality than is possible. "This performance problem is alarming. . . . Socially, shelter is a paramount part of two of our basic institutions, family and community, and an ineffective shelter delivery system can weaken our social structure. Economically, in most countries the building industry accounts for approximately 10 percent of gross national product . . . and inefficiencies in such a key industry have direct ramifications for any national economy."

Bernhardt writes that there are two possible policy approaches to the housing crisis. One is to subsidize either the industry or the consumer to make up the difference between the amount it costs to build shelter and the amount the consumer can afford to pay. This approach diverts resources from other social goals, and it fails to provide incentives to builders to reduce the production costs of shelter. The other approach, and one that has been neglected, is to decrease production costs to improve the performance of the building

LAND USE ABSTRACTS...

Urban Conservation in Europe

Appleyard, Donald (editor)
**THE CONSERVATION OF EUROPEAN
CITIES**
The MIT Press, Cambridge,
Massachusetts
1979. 308 pp. Illustrated, indexed.
\$29.95.

The Conservation of European Cities is a collection of 22 articles on various aspects of urban conservation found in 10 European countries. Contributing authors include academicians, consultants, and public planners who are involved in the European Urban Conservation move-

ment. The articles are presented in two sections: Development Struggles and Conservation Experiments. At the beginning of the book Donald Appleyard provides the reader with an introduction to the urban conservation movement in Europe, loosely suggesting a basis from which to evaluate the various articles which make up the book. The major thrust of the collection of articles centers on the significance of various methodologies that integrate both physical and social urban conservation.

As Appleyard explains, planning in Europe immediately following World War II concerned itself mainly with urban reconstruction. Many urban planners saw this era as a unique opportunity to improve the quality of European cities, introducing needed public facilities and services and open space and day light to numerous highly congested urban areas. However, under the pressures of economic growth experienced in the 1960s, planners were reduced to simply managing and organizing the rapid expansion of many European

sector. Bernhardt feels that this in-depth study of the relatively efficient mobile housing industry can be profitably used by both public and private sector decision makers, that they can translate what has been done in the mobile housing industry into viable actions that can increase the production efficiency of other housing subsystems (on-site housing and manufactured housing).

"Unless the building industry, on its own initiative, undertakes strategic restructuring of its own business organization as well as of its supporting, regulatory, and political environments, it will attain no major performance improvements. Since the 1920s, the mobile home industry's continual readjustment of its own organizational structure and its environment has resulted in an optimal business position; even though it has been largely unconscious, it is this expertise, more than any other know-how which we identified, that explains the outstanding economic performance and growth that the industry has achieved. . . . The know-how that accounts for the mobile home industry's evolution into the most efficient shelter industry in the world can be applied by any country's building sector with similar effect."

The results of 7 years of research by MIT's Project Mobile Home Industry are summarized in chapters describing the performance of the mobile home industry, its product, its organization, the cost and price structures of its various components, and the influence of financing structures, land use controls, taxation, building codes, and highway regulation. Market expansion opportunities for the future are discussed. Architectural innovation is forecast, and "high density solution for mobile home developments seem inevitable."

Clark, John, Claudia Wilson and Gordon L. Binder
SMALL SEAPORTS: REVITALIZATION THROUGH CONSERVING HERITAGE RESOURCES
The Conservation Foundation, 1717

Massachusetts Ave. NW,
Washington, DC 20036
1979. 67 pp. Illustrated. \$6.50

Public officials and civic group leaders in 115 seaport and harbor towns in 10 states along the Atlantic coast from Maine to Virginia were surveyed by mail, and site visits were made to about a quarter of these towns, in an effort to explain the elements of waterfront renaissance in the small seaport towns that, for the most part, suffered declining economies and physical decay during the early part of the 20th century. The authors conclude that renewed prosperity "for small seaports depends in large measure on how effectively these communities capitalize on the unique combination of assets—heritage conservation, tourism, fisheries, harbor and waterfront revitalization—afforded them by history and nature. Each thriving port has a different story to tell. All, however, include the few essential ingredients—community support, advance planning, energetic leadership, and the availability of money, usually federal funds. Each port has experienced its share of obstacles, too. Where they've been overcome, typically, an individual or group in the community has demonstrated leadership in putting all the pieces together creatively."

The tone of *Small Seaports* is anecdotal, using widespread examples and the perceptions of local leaders to illustrate the phenomenon of seaport revival, its causes and effects, and the planning elements that have made certain revitalization efforts successful. Numerous photographs are included. Topics covered include: (1) the role of tourism, its economic impact, special problems associated with it, and responses to these problems; (2) conservation of resources related to a town's historic and cultural heritage; (3) conservation of natural resources; (4) economic diversification, especially concentrating on the development of commercial fishing and shellfishing industries; (5) restoration of deteriorating waterfronts; and (6) the requirements for successful revitalization,

which are said to be building a community consensus, coordination of planning and action programs, and the securing of investment capital.

HOW RIDESHARING CAN HELP YOUR COMPANY: A MANUAL FOR EMPLOYERS
U.S. Department of Transportation, Office of Public Affairs,
Washington, DC 20590
1979. 34 pp. Free of charge

This ridesharing manual discusses the benefits of and some barriers to ridesharing programs, and it outlines the elements of setting up and operating company-based carpooling, vanpooling, and buspooling programs. Benefits can include a reduced need for parking space with concomitant cost savings, labor force retention, more convenient access to remote or crime-ridden sites, air quality improvement, and the relief of congestion near worksites. Potential drawbacks, such as extra pick-up and drop-off times for riders and employee loss of flexibility, can be minimized through good management. Top management support is essential for the success of a ridesharing program. The manual offers suggestions on ways to identify the company market for carpooling or vanpooling, and on how to develop rider matching programs. The types of incentives the most successful programs offer to employees are listed. Information on typical start-up costs and administration costs is provided. Some considerations that are unique to vanpools are discussed—driver selection, van acquisition or leasing, maintenance, fares, federal aid, regulatory status, and insurance. Sources for further information and printed material, including promotional materials, are provided. These sources include a listing of U.S. employers sponsoring vanpool programs and a listing of federal, state, and local agencies that can provide information. Sample forms for vanpooling agreements and a sample employee interest survey are included.

U.S. Congress. House Committee on Banking, Finance, and Urban Affairs. Subcommittee on the City
NEW URBAN RAIL TRANSIT: HOW CAN ITS DEVELOPMENT AND GROWTH-SHAPING POTENTIAL BE REALIZED (Committee Print 96-7)
Subcommittee on the City, Room 604, Annex 1, House Office Building, Washington, DC 20515 (attention Cheryl Summers)
1980. 233 pp. Free of charge

"Prominent among the rationales for new urban rail transit is its potential to stimulate economic development and to shape and concentrate growth. Improved air quality and more efficient transportation energy use may be associated long-term benefits." The Subcommittee on the City commissioned and published this collection of essays for the purpose of examining "the extent to which this potential has been or is likely to be realized in those North American cities that have chosen to invest in new rail systems. In particular, we have aimed to explore the densities, the financial, regulatory, and institutional arrangements, and the public-private sector processes needed to ensure a maximum return to the public on these investments."

Part I consists of three essays "weighing the evidence on land use impacts and required density." Robert Knight argues that since the evidence is mixed on the development impacts of transit, the focus of debate on investment in transit should be shifted "from proof of transit's direct land use effects to justification of the risks that such effects will not occur." R. J. Bower describes the impact of Toronto's rapid rail system on growth and economic activity, and Jeffrey Zupan examines transit demand and costs associated with different residential and workplace densities to establish criteria for investments in public transit.

In Part II the subjects of real estate development that are linked to public transportation services and transit station facilities and the public recapture of the values created by transit investment are discussed. Donald Priest suggests a set of guidelines for public officials seeking maximum urban development impacts and economic benefits from rail system investments. Phyllis Myers argues that while it is important to focus on "how" to structure public-private partnerships, it is also essential to give more thought to "what" we are trying to encourage with public stimulus. This will require more emphasis on the third side in the economic development partnership—the residents of cities and neighborhoods. Ross Burkhardt and Ted Howard caution that "too great an emphasis on value-capture—public realization of some of the land value and economic development benefits that new rail transit can create—may stifle development. They favor the creation of transit corridor development corporations, with powers to acquire and dispose of real property, issue bonds, develop public facilities, and manage public-private deal making. Lyle Fitch assesses the equity aspects and feasibility of different strategies for taxing transit associated increases in real estate values. David Callies uses a hypothetical city to illustrate techniques for promoting joint development and for ensuring that the public shares in some of the values created by public investments.

In Part III, "Joint Development and Value Capture: Plans, Perspectives and Achievements in Four Cities," experiences in Toronto, Atlanta, Miami, and Los Angeles are described and assessed. In Part IV, four authors discuss what changes in requirements or procedures might better ensure that current U.S. Department of Transportation policies on major new

rail investments result in the land use and development impacts sought by those policies. An appendix contains the text of three Urban Mass Transportation Administration policy statements bearing on the issues of mass transit investments and urban initiatives.

The Chairman of the Subcommittee on the City, Henry S. Reuss, cites the following as the "common themes" emerging from this collection of essays:

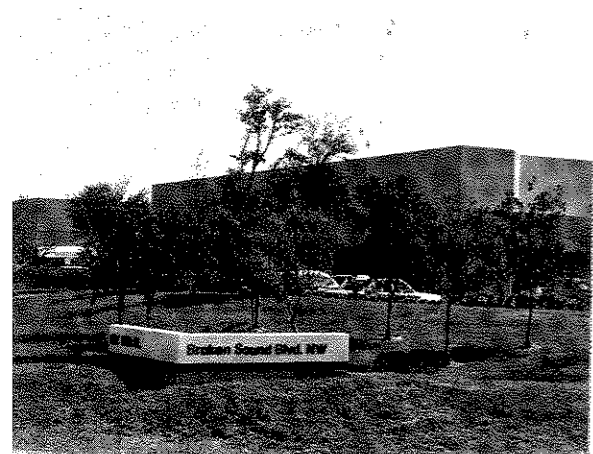
- The building of a new rail system will not automatically stimulate development and shape growth.
- Without coordination between transit authorities and other public bodies, many of the benefits of new rail transit will be lost.
- Both the private sector and community groups should be involved at an early stage in the transit planning process.
- More attention should be given to the potential of using good condition railroad freight lines for the provision of light rail commuter service in and around cities contemplating new transit investments.
- Where private interests clearly stand to benefit substantially from a major public investment, greater efforts should be made to secure a share of these gains for the public.
- While the principal responsibility for obtaining the promised benefits of rail transit rests with local officials, federal transportation officials need to place more emphasis on coordinated land use and transportation actions.
- Both federal and local officials should bend every effort to ensure that other federal assistance programs—for housing, community development, water and sewer lines, job training—are used to enhance the benefits and complement the broad objectives of rail investment.



PRF

First Quarter—1980

The Project Reference File, now in its tenth year of publication, is a subscription service of the Urban Land Institute. Five noteworthy development projects are featured quarterly, each complete with text, photographs, statistics, and a site plan. Every PRF is published individually on heavy stock in a four- or six-page format, and 3-year ring binders are available to hold 60 issues. A subscription to the PRF is the best way to build a land development library. Subscriptions are available at \$35 per year for ULI members and associates, \$50 per year for nonmembers. Single copies may be purchased for \$3 per copy. Bulk order price list available on request.

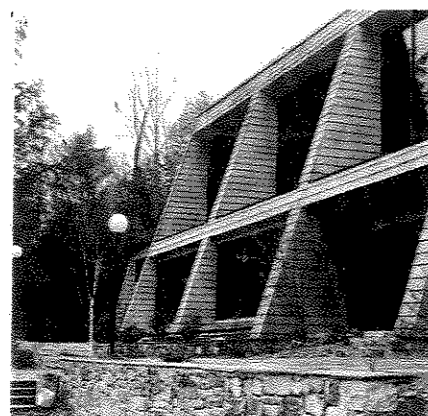


Chesterfield Village
St. Louis County, Missouri
Volume 10 No. 1 (Attached Residential)

A 1,500-acre planned community located 20 miles west of downtown St. Louis. The project, which is oriented around several centers and includes a major open space network, will provide up to 12,000 residents with a wide range of housing, employment, shopping, recreational, and educational opportunities.

Arvida Park of Commerce
Boca Raton, Florida
Volume 10 No. 2 (Industrial)

An 801-acre business park located in southeastern Florida. The park contains an 18-hole championship golf course, office and research, light industrial, distribution, and warehouse uses. A detailed set of development and design controls assures compatibility and design consistency among the various uses.



Lakeridge
Torrington, Connecticut
Volume 10 No. 3 (Attached Residential)

A 237-acre second-home, recreational community. The project includes multi-level townhouses which have been designed to blend with the heavily wooded natural setting and a full complement of year-round recreational amenities. Upon project completion, 80 percent of the site will remain in its natural state.

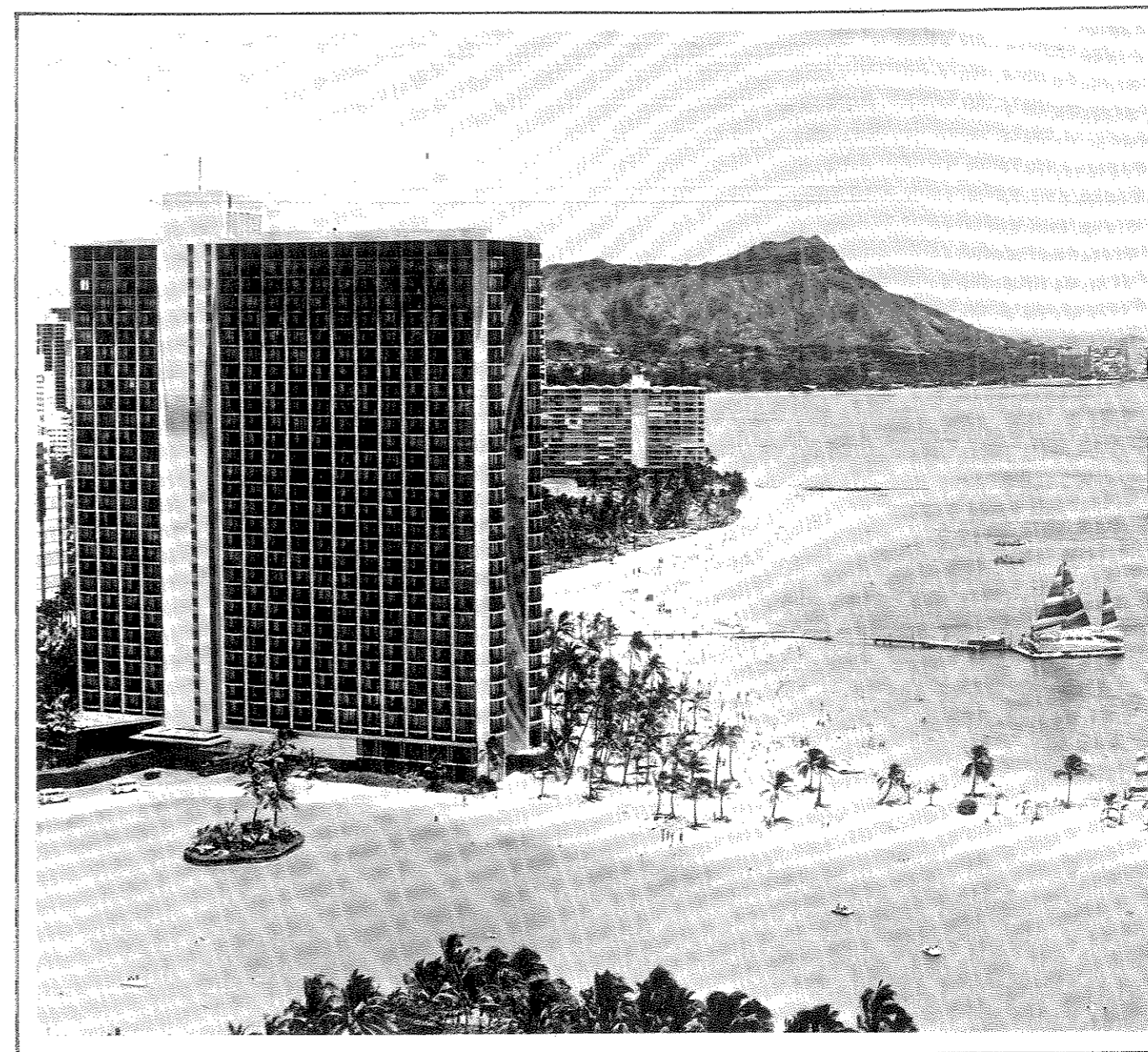


The Corner
Boston, Massachusetts
Volume 10 No. 4 (Commercial)

An adaptive use project involving the conversion of a functionally obsolete, 10-story department store building in downtown Boston to a multi-level retail and office complex. The conversion of the first three levels to a vertical mall has been completed. The upper levels of the building will be renovated and leased for office and specialty retail use.

Fairgrounds Park
Boulder County, Colorado
Volume 10 No. 5 (Special)

A 130-acre site designed primarily to accommodate the needs of Boulder County's annual fair but which also serves as a central, year-round facility for educational, business, and cultural organization activities. The project includes indoor and outdoor arenas, livestock barns, camper facilities, picnic shelters, and maintenance facilities.



ULI 1980 SPRING MEETING

IMPORTANT NOTICE!

Mark your calendar today to show that the ULI 1980 Spring Meeting will be held at the

HILTON HAWAIIAN VILLAGE
 Honolulu, Hawaii
 May 13-15, 1980

Mobile Workshop Tours—Tuesday, May 13
 Meeting Sessions—Wednesday and Thursday, May 14 & 15