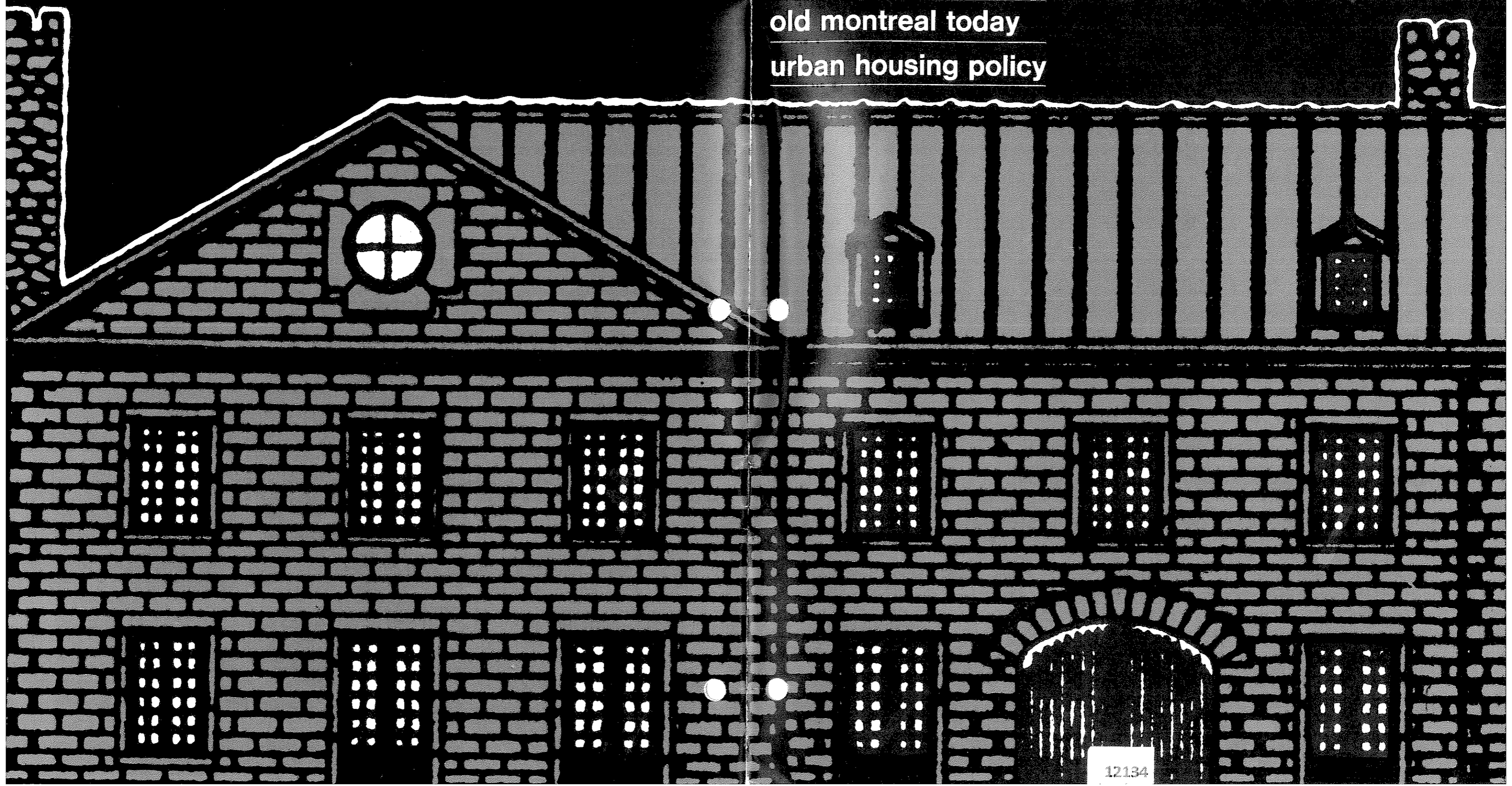


november 1972

Urban Land
news and trends in land development

old montreal today
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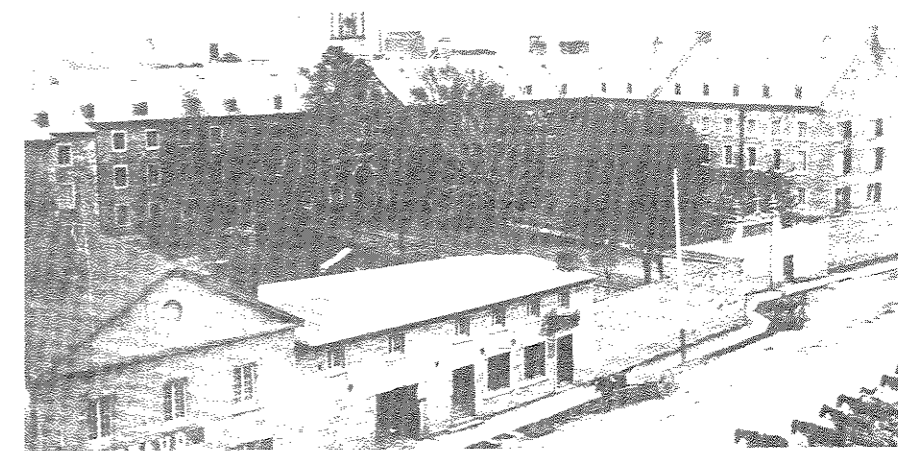
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Photos of Old Montreal by Henry Koro, Birmingham Associates, Inc., and Karin A. Pick.

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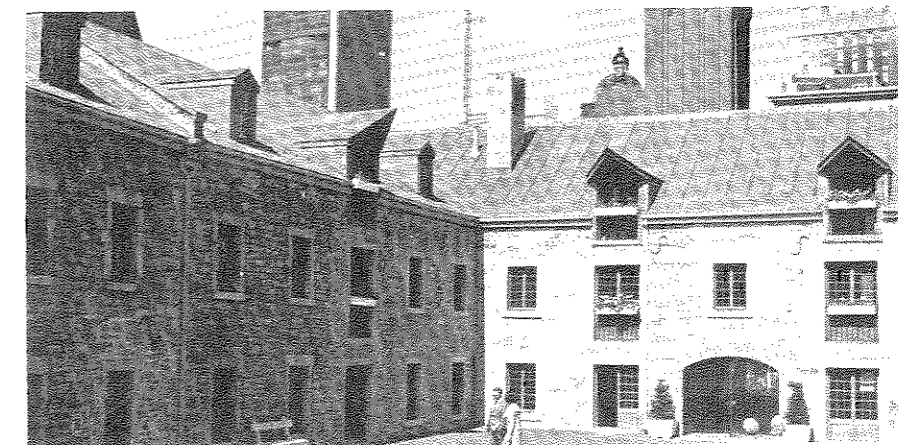
Old Montreal

TODAY

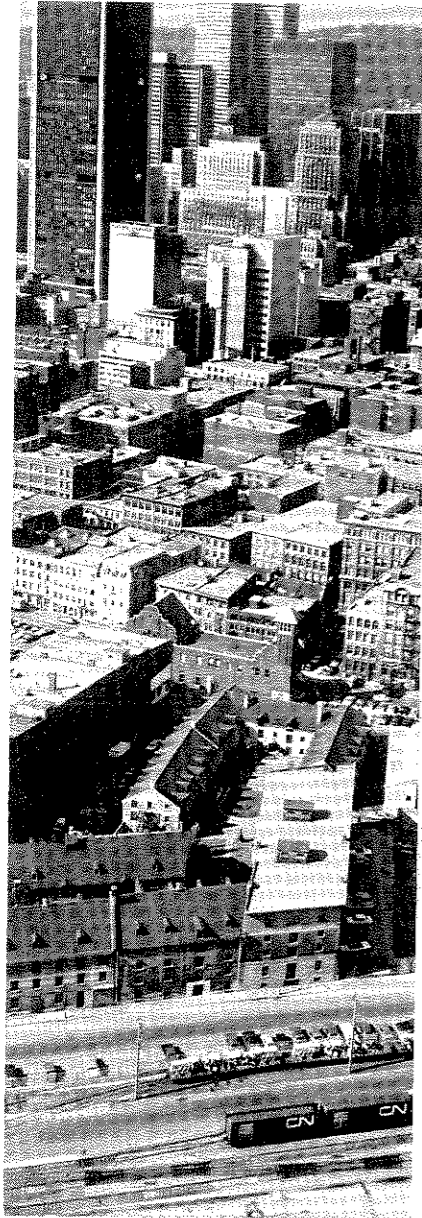
by Henry W. Forster

Montreal, a city of some 2 million people, is alive with activity as never before. Since the advent of Expo '67, now Man and His World, and the modern Metro, Montreal has gone on to secure the honor of hosting the 1976 Summer Olympic Games. Construction is booming with the building of expressways, office building developments, and the giant Ste-Scholastic Airport designed to accommodate the huge airliners of today and tomorrow.

In spite of this hectic pace of modern development, Montreal remains a city of old-world charm and grace. Each year, tourists from around the world are captivated by the fashionable boutiques, French cuisine, and the historic buildings that tell the history of the Old Montreal.



- 1 Old Montreal with city center in background
- 2 Old Montreal street scene



1
2

Old Montreal, consisting of approximately 95 acres, is now an active area of historical renovation. The principal physical components of the area such as the overall street pattern and structure of the built-up districts, which date back to 1790, contrast noticeably with other parts of Montreal. Of particular interest is the prefatory street pattern, which as originally established, has undergone little change since the 1700s. The major streets of the time still rank as the primary avenues of the area, thus retaining much of the European nature of Montreal's original development.

Old Montreal, a self-contained urban entity in terms of its spiritual, cultural, political, financial, commercial, industrial, and residential activities, was the hub of all forms of transportation and exchange at one time; however, as the city expanded beyond its fortifications during the 19th Century, residents moved away from the bustling commercial activities of Old Montreal, to a quieter existence in the city's outskirts. Their movement was closely followed by the retail trade wishing to keep within close proximity of the residential population. Hence, as residents moved away from the city, commercial buildings were deserted by retailers and taken over by storage and wholesale businesses, thus creating the warehouse atmosphere which existed until recently.



2

Even though these significant changes in the area's characteristics were taking place, the Old City remained the dominant nucleus for justice, administration, finance, and banking through the mid-1950s. In addition, the area gained stature in shipping and its attendant functions such as importing, exporting, brokerage, and underwriting. Quality craftsmanship as in the fur business flourished and remained exclusively in Old Montreal.

In the 1950s, the construction of large-scale office and commercial developments in other parts of the city indirectly threatened Old Montreal's prominence as the center of financial, commercial, and administrative activity. Such significant projects as Place Ville Marie, the Canadian Imperial Bank of Commerce Building, the Canadian Industries Limited Building, Place Victoria (which houses the ultra-modern Stock Exchange), the Banque Canadienne Nationale, and Place Bonaventure have become the focal points of business activity in modern Montreal. This has led to the continuing decline of the entire old section. However, the present direction of modern development which leads toward old Montreal, indicates the new city nucleus will eventually be physically linked with the old core, an important aspect in the revitalization of Old Montreal.

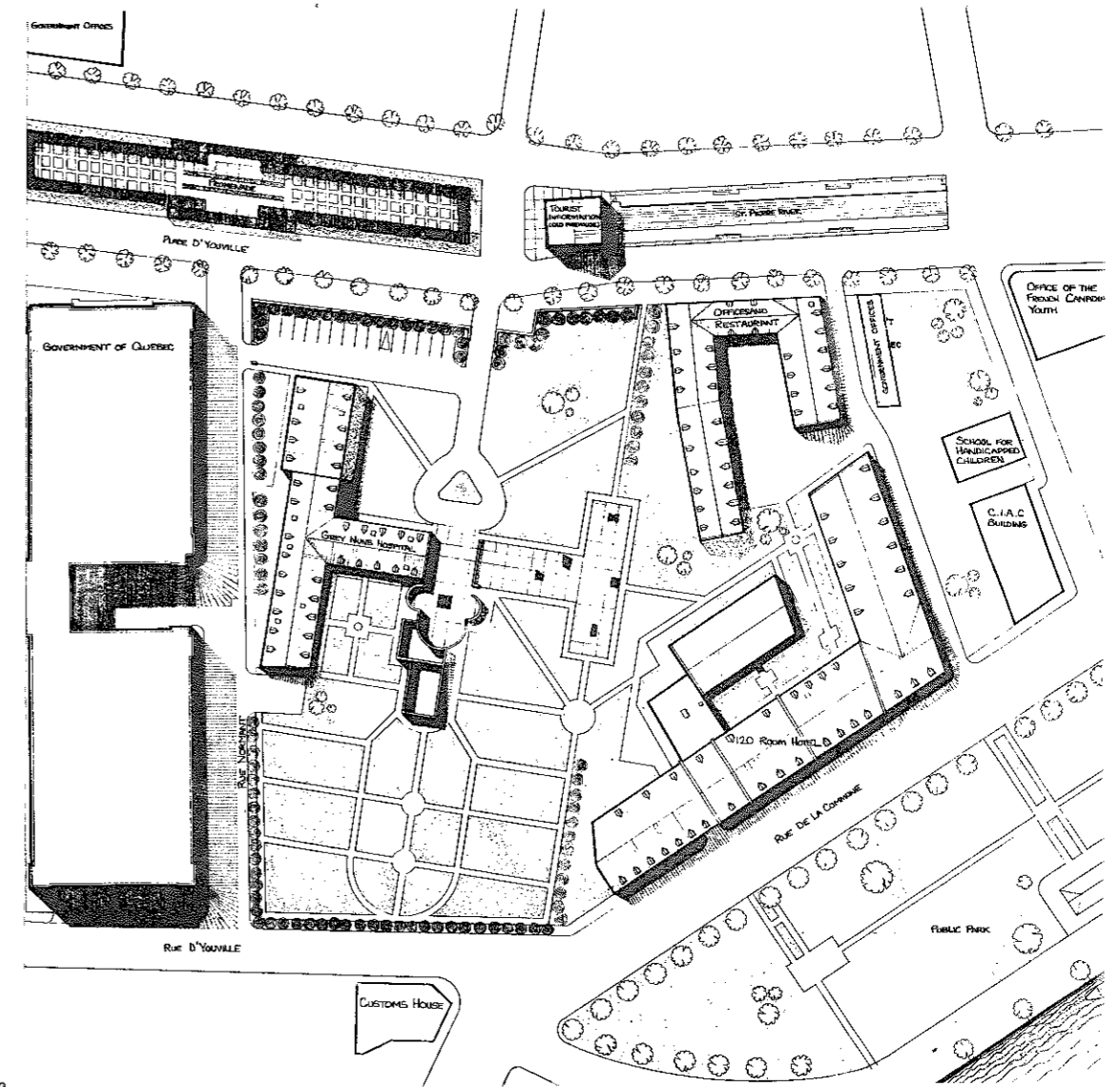
conservation of old montreal

Before 1962, permits were copiously granted for the demolition of buildings in the historical district chiefly for the construction of parking spaces. It soon became apparent that the historical section of Montreal would be replaced by parked cars. The city decided to halt this disastrous course in 1962. The Jacques-Viger Commission, named after the first Mayor of Montreal, was created as a citizen's committee for the conservation of the old sector. This commission acts in an advisory capacity in restoration projects, and all its recommendations are referred to the City Planning Department which reports to the Municipal authorities. The commission requires that the historical character of Old Montreal buildings cannot be destroyed, altered, restored, repaired or changed, either inside or outside, without the authorization of the commission and the Provincial Government. In 1964 the entire sector was declared historical upon the request of the city.

In 1965 a master plan for the area, which foresees 22 projects, was prepared by the City Planning Department (now the Housing and City Planning Department). More than half of these projects will be at the city's expense, but the city also hopes to promote private investments through subsidies which would



1 Map of Old Montreal
2 Detail of Youville Stables area

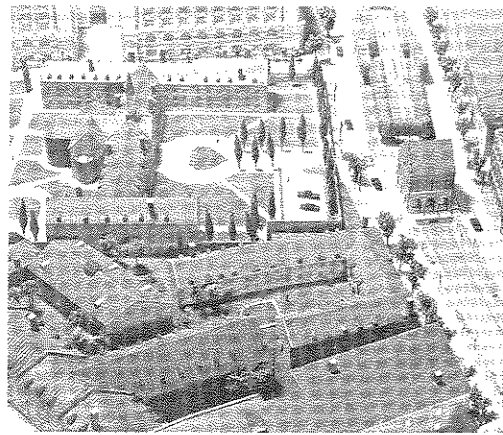


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defray up to 25 percent of the costs of all major and permanent restoration work. These subsidies will be granted in accordance with a by-law adopted by city authorities in June 1964.

To stimulate interest in renovation, Montreal's Administration, which has been investing heavily in the area, embarked on the restoration of the famous Bonsecours Market four years ago at a cost of \$2.5 million. The market now houses city offices. Subsequently, private owners were motivated to repair their own structures and the city complemented the venture by replacing the asphalt in the streets with cobble stone and the existing lamp-posts with smaller ones designed to resemble old gas lanterns.

1,2 Model of Old Montreal
3 Old Montreal street scene



2



3

future plans for old montreal

Two areas within Old Montreal, Place D'Youville and Place Royale, are next on the City's agenda for renovation. To date, \$3 million have been allocated to these projects, a figure which will, once the projects are completed, exceed the amounts spent on the renovation of Bonsecours Market. The accompanying photographs of the model, which the City of Montreal had made in 1968, provide an idea of the extent and restoration, and in fact, beautification of the entire area.

A park-like atmosphere will be created in the area by a unique plan which will bring the St.-Pierre River, presently running underground, to the surface again. It will be made into a year-round, heated canal bordered on either side by trees, shrubbery, and a pedestrian promenade. Vehicular traffic will be prohibited in order to preserve the promenade atmosphere and a network of pedestrian thoroughfares will serve the area. In addition, the pavement and sidewalks will be improved and a small square designed to preserve the spirit of the existing layout.

By extending Place Royale north and south, the restoration program will allow for the development of two small grass squares which will be filled with flowers during the summer. Other special features in the restoration zone will include wide boulevards, streets surfaced with red granite, old fashioned gaslamps, and sidewalk cafes.

The area will also see restoration of the remnant walls of Canada's first Parliament Building with the interior turned into a landscaped park. The Grey Nuns chapel and motherhouse will be restored and house a museum dealing with the history of Quebec, Canada, and the Order of the Grey Nuns which played an active part in Montreal's history.

Ample parking space will be provided by two multistoried parking lots which the city will build just outside either end of the promenade area so that the area will not be disturbed by parking problems. One of the old buildings in the area, the fire station, will be restored to its original architectural glory and will serve as an information center for tourists.

Montreal's Planning Department believes that historic architecture plays a significant role in determining the distinctive character of each city, and that it is desirable for a city to have within its fabric, identifiable and recognizable elements which constitute a complete community personality and image that distinguishes the community from others. It is this sense of place, of history, of locality, which helps build civic spirit, interest and pride among city dwellers.

Youville Stables

The Youville Stables development serves as an excellent example of how private development can become successfully involved in historical restoration.

The Youville Stables area, better known to historians and economists as Ste.-Anne's Market, (due to the political and economic impact its existence produced on the future of the city) dates back to the very beginning of Montreal's development.

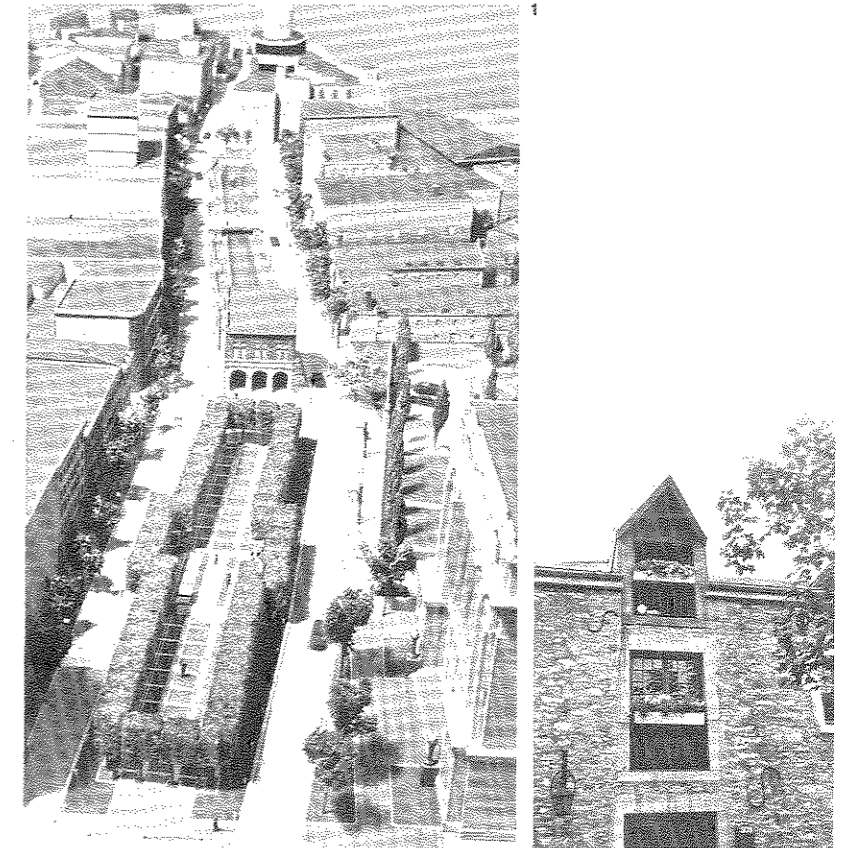
The Youville Stables buildings of today, which are under the protection and jurisdiction of the Viger Commission for Historic Sites, were at one time situated outside of Montreal's city limits, then defined by the St.-Pierre River. The entire complex is thought to be originally part of the first hospital of the Grey Nuns of Montreal.

In the late 18th and early 19th Centuries, the Grey Nuns chapel was partially demolished to allow for the continuation of St.-Pierre Street down to the waterfront and Montreal's harbor. The parks of the old buildings gave way to paved streets. The buildings themselves, which were by then abandoned or converted into warehouses, were in some instances torn down, but most often left to deteriorate.

Actual reconstruction of Youville Stables began in 1968 and is the largest single undertaking of urban development in Old Montreal. The first phase, comprising a total surface area of approximately 50,000 square feet, was completed in 1969. Restoration was achieved by preserving the original character of the buildings while at the same time providing modern, functional commercial space. The building which is "U" shaped, has among its tenants ac-

countants, architects, engineers, designers, sports associations, advertising and public relations agencies, showrooms, graphic and recording studios. The commercial space has been so successful that it has a waiting list for tenants. A restaurant is in operation on the ground floor.

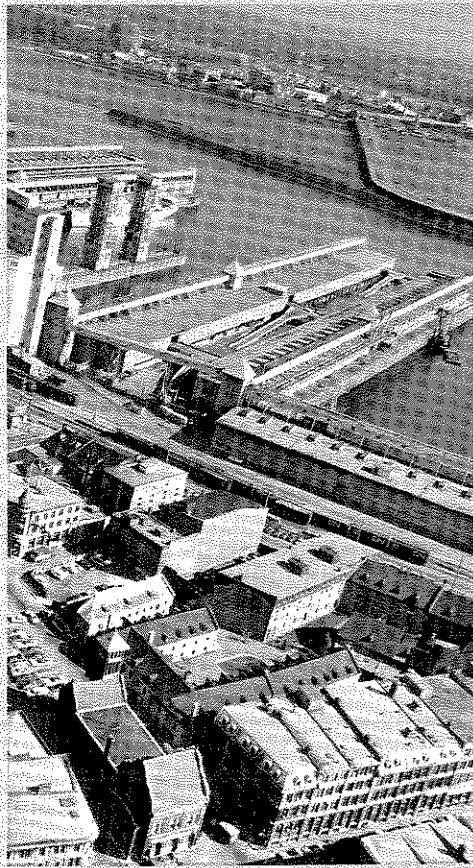
Future plans include the construction of a luxurious 120-room hotel, the interior of which would be kept in the building's original style of rough stone walls and heavy wooden beams. The furniture and decor will be early French Provincial.



1 Model of Old Montreal
2 Youville Stables before restoration
3 Youville Stables after restoration
4 Detail of Youville Stables building

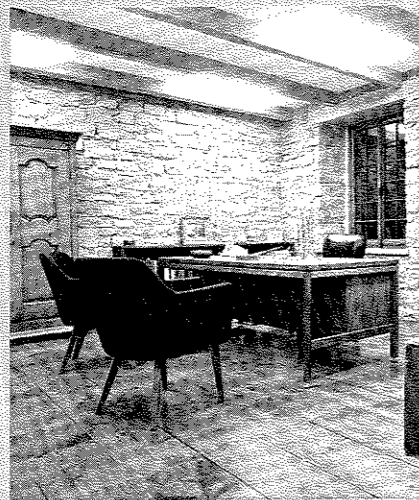
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- 1 Youville Stables with Man and His World in background
- 2 Youville Stables commercial space
- 3 Youville Stables office space



The Federal Government is being asked to take an active role in the restoration by removing an eyesore warehouse on the waterfront which will allow the future Youville Stables Hotel a direct view of Man and His World, Habitat, and the new Montreal Harbour passenger terminal that has been recently reconstructed. This venture will also afford the area an unobstructed view of the St.-Lawrence Seaway and the South Shore communities from the hotel and offer a much more pleasant view than what presently exists.

Beyond these measures, the important fact is the tremendous interest the public has accorded the revival of Old Montreal. Formerly a drab warehousing area totally deserted except during working hours, the narrow sidewalks of Old Montreal, and particularly Youville Stables, now bustle with the animation of people swarming to the offices, shops, and restaurants, or simply sightseeing. This during daytime and evening in itself, is a considerable achievement.



Though the Youville Stables project is still in the early stages of development, work completed has received wide international acclaim.

The concept and incentives developed by the City of Montreal administration were well conceived and indeed encouraged developers to participate in the restoration of the Old City. Financial help for the restoration of historic buildings was passed in 1969 in the City Council and the amounts were approved. As the money is made available, it will be further encouragement to private developers.

However, the promised renovation of Place D'Youville and Place Royale including parks, pedestrian promenades, shrubbery and the resurfacing of the St. Pierre River was announced three years ago by the city but since then postponed every year despite the urgency for park land and the need to keep the enthusiasm and momentum of developers alive.

The escalation of taxes on the restored buildings is a concern of private developers in the area. Taxes for the "U" Building in Youville Stables and even for the remainder of unoccupied historic buildings, has increased manifold since the beginning of the restoration. Additional revenue for the city results from the collection of business and water taxes. For the city, the liability of a deteriorating slum area has turned into an attraction which produces high tax revenue for the city, but tends to discourage developers. The main problem to developers is that the tax structure, as it is now, hinders leasing at competitive rates.

High taxation for restoration, of course, is short-sighted in the opinion of many active in restoring the area who believe that unless counter measures are taken, further development of the Old City by the private sector will be discouraged.

Certainly the restoration of Old Montreal has proven an ambitious undertaking, and the very magnitude of the project itself has faced the administration with a number of unique problems; however, the success of the Youville Stables project can only act as a strong motivational force toward the successful completion of the program.

Henry W. Forster is President of Adecco Limited, a real estate and management consulting company specializing in urban development and restoration, and Director of Youville Stables, Limited, a property holding company. Previously he was associated in executive capacities with such prominent Montreal developments as Place Ville Marie, Place Victoria, Westmount Square and other civic projects. Before coming to Canada in 1953, he converted and restored castles, chateaus, and other historic sites throughout Germany. Educated in Germany, Forster holds a degree in architecture. He is a member of ULI—the Urban Land Institute.

an interview with mayor drapeau



Montreal has been uniquely successful in blending modern development with restoration of the old, historic section of the city. Montreal's Mayor Jean Drapeau discussed the restoration of Old Montreal and its impact on the city in a recent conversation with *Urban Land's* editor. Excerpts from this conversation are presented here.

"Work on Old Montreal began about ten years ago when the Jacques-Viger Commission was formed. It was this Commission which gave Montreal a clear mandate to work to preserve, rehabilitate, and restore the old section of the city. The commission established guidelines on how the city should become involved in the restoration, how the city could encourage private enterprise to become involved, and how preservation would be approached in general.

"Ten years ago, Old Montreal was not a vital part of the city. There were very few businesses in the section, and consequently, people did not come to the area during the day. Of

course, no one would walk to the area at night because of its isolation and because of fear. The area was not at all inviting to the citizens of Montreal. At that time, the decision was made that Old Montreal must be restored morally as well as physically in order to keep it from dying. Montreal faced a very big challenge.

"Old Montreal is a very large area and we knew it would be a great task to restore it. It was decided that the city would set the tone for the restoration project by beginning work on property which was city-owned. We hoped to encourage private developers by our investment in the restoration of the Bonsecours Market into city department offices. This renovation brought many people into Old Montreal during the day and this was one of the most important steps in revitalizing the area. The workers needed places to eat and shop so private enterprise began to appear to meet the need. Now Old Montreal boasts many fine restaurants and boutiques. This, in turn, brought the area alive at night as more and more restaurants and night clubs were opened. I personally feel that bringing the people back into Old Montreal for both work and play was the City's most important contribution to the restoration project.

"The city government did many things to encourage restoration, and I feel they were very important. For example, we rebuilt the streets and sidewalks in the original stones, and we removed all of the modern street lights and replaced them with 19th Century lampposts. This added a great deal of atmosphere to the area and satisfied the humanistic need for people to identify with their

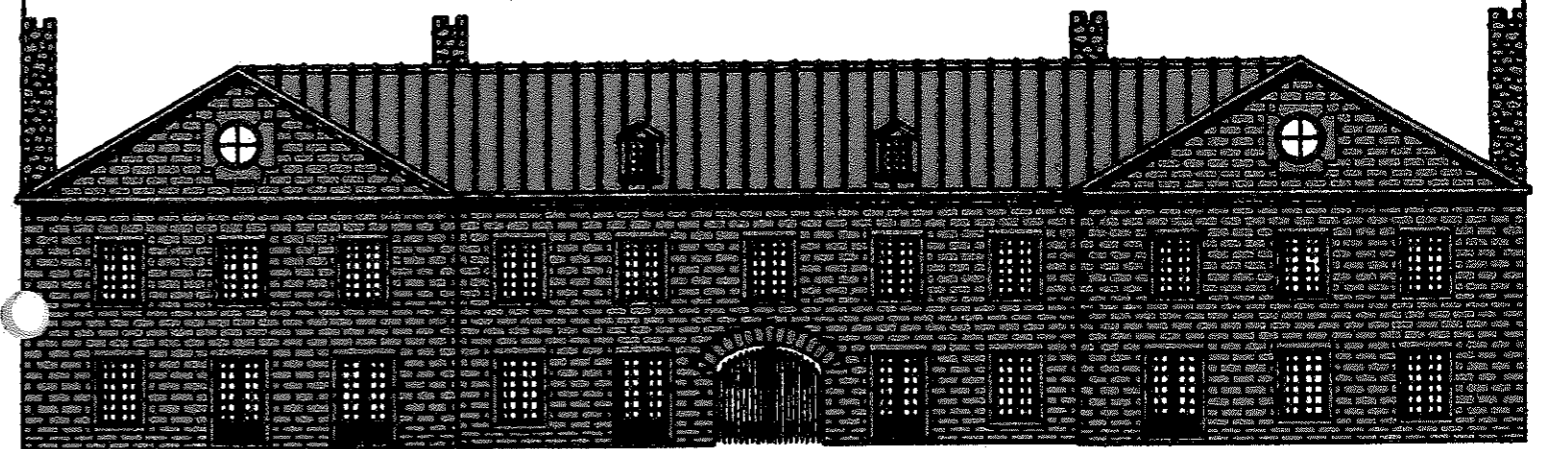
past. The same people who fly in jets and use superhighways in fast cars are now walking through Old Montreal and enjoying the atmosphere of another century.

"I do not believe, however, that a city should keep all things that are old. Some older areas of a city must be completely rebuilt in a modern way and others must be restored. A city must try to keep all that is old and significant. This is one reason why our restoration of Old Montreal has been a success.

As a special comment to other cities, Drapeau added: "I would say that other cities should sit back and look at the possibilities of what can be done to bring life back into sections of the city that are dying. A city must, of course, be concerned with developing for the future, and at the same time protect the fabric of the city, which is its past.

"It is a tremendous asset to offer an old, restored part of the city to visitors and natives alike. Perhaps Montreal was fortunate to have Expo '67 as a beginning for a new attitude toward our city. With millions of visitors coming, we felt that we had to offer a little more for them. It got the people enthusiastically behind the idea of renovating, and now with the Summer Olympics coming in 1976, the attitude is even stronger.

"In the future we hope to have more and more cooperation from the private sector in the continuing renovation process. The involvement of city government must be matched by involvement of the private sector. Montreal, I am sure, will be looked upon as a model in this type of renovation."



Housing Policy as a Component of Urban Policy

While there is a need for a full-scale discussion of the development of housing policy within the context of urban policy, such an article would indeed be a more ambitious undertaking than this space warrants. Thus, this article suggests a framework for analyzing what we observe to be some urban trends and market movements; in addition, it suggests lessons to be learned from the successes and failures of trying to provide for the housing and related real estate needs of some 150 million urban Americans.

The Urban Physical Pattern

It takes far too long and far too much money to try to reverse natural economic and social behavior patterns exercised in a free market format. Rather, if any policy is going to permit short-run actions toward a long-run goal, it had best recognize such natural tendencies and incorporate them into programs rather than be juxtaposed against them. Therefore, let us review some of the shifting urban physical patterns from which generalizations can be made.

Industrial Employment and Location

Industries which formerly provided unskilled and semiskilled employment in the inner-city where a high ratio of labor to capital exists are experiencing the following changes:

1. reducing the labor/capital ratio by automation,
2. reducing the ratio of unskilled to skilled labor,
3. shifting the configuration of plant layout from vertical to horizontal for efficient inplant movement of products,
4. changing the primary method of distribution of products from a fixed rail system (with the need for central terminal facilities) to truck movement (with the need for access to peripheral highways),
5. increasing geographic distribution areas covered from single plants or single warehouse centers thereby decreasing the ratio of within-city to inter-city shipment, and
6. increasing emphasis on environmental qualities of site location (including the availability of single-family housing) for employee selection and retention.

The result has been a strong and apparently accelerating trend in the movement of industry from the inner-city to the suburbs and beyond. This is a pattern which would be extremely expensive to reverse, and there is no indication that such a reversal would be efficient even if it were not costly. Clearing inner-city sites to make more land available is not sufficient—though it may reduce health, safety, and crime problems and reduce some frictions in the supply of inner-city sites. The private market is doing an excellent job of supplying industrial parks with high amenities in the suburbs on low cost land. By contrast, neither the private market nor governmental programs are doing much of any consequence in providing increases in inner-city industrial employment.

by R. Bruce Ricks

Interactive, Service, and Communications Employment. This category of employment includes legal services, major financial functions (such as major lending and major borrowing functions as distinguished from small suburban savings accumulation and residential lending offices), the advertising industry, communicative media industry, "corporate headquarters industry," regional governmental functions, major engineering firms, insurance industry, major accounting firms, and others.

In spite of the high level of development in communication networks and facilities, it appears that much of the business decision-making, other than purely manufacturing decisions, is being and will continue to be made on a centralized face-to-face basis. It has often been noted that along with the trend in industrial moves to the suburbs, there has also been a continuing exodus of non-manufacturing firms and corporations outward from the central cities. However, in the face of this general exodus some evidence is beginning to appear which suggests many such suburban locations are not the utopia originally purported.

“... Americans have a strongly entrenched attitude that the suburban environment is the appropriate place to spend the child-rearing years of marriage.”

This seems to be the case for many corporate executives who find, among other things, that: the distribution of labor supplies is uncertain (clerical help and top level executives are seldom available in the same “rich” suburban locale); taxes are high and going higher; and there is a need to make frequent time consuming and expensive trips back into the city for the necessary face-to-face discussions with consultants and others who may be lacking in the more distant suburbs. At least three current phenomena lend support to this contention: 1. the office building booms in downtown areas of many major cities in the country, 2. the decision by some companies which were contemplating moves to the suburbs (McGraw-Hill, Bristol-Myers, Harper & Row Publishers, and others) to remain in the city, and 3. the return to central cities of companies which have experimented with remote corporate headquarters. (See John Perham, “The Unhappy Suburban Executives,” in *Dun’s* February 1972, pp. 36-39, 84.)

The private market is supplying the need for central facilities quite well. But Federal government programs are largely undeveloped in this area, and municipal programs have been largely only reactive. For instance, urban renewal programs, though they have since been changed, at first discouraged office construction, preferring to permit only residential development. Both municipal and Federal government programs have been largely restricted to the land assembly function. The private demand is sufficiently strong so that in many cases a land write-down is not needed for the office part of a renewal project.

Commercial Facilities. The combination of long established department stores and other special facilities, previously developed to meet a residential population which is now declining, and the commercial facilities that have been added as a collateral part of office development, together are sufficient to take care of the new commercial needs for the office-related growth in the inner-city areas.

The ability of the private market to respond to suburban residential and industrial growth is clearly documented. The development of large-scale, regional shopping centers in the suburbs, and in some cases in advance of suburbs, attests to this. Moreover, the sales experience of department stores which open branches in the suburbs indicates that these branches have become the main per-square-foot income generators in the department store chain.

The Utility Infrastructure. I believe it can be demonstrated that the provision of sewer, water and electric utilities is considerably easier in the suburbs, since the remote source of power and water is from outside of the urban area. The road network in the suburbs is considerably aided and directed by the Federal highway program. In fact, many people have asserted that we have had a nonplanned settlement policy through the highway program. The dramatic shift of the movement of goods and people from a street railway, subway, and rail system to an automobile, trucking, and plane system has caused a strong trend toward increased mobility of industry and the residential and employment population. It has rendered obsolete much of the older urban transportation system, including the street network of inner-city areas.

The Urban “People Pattern”

The fact that, in this article, the discussion of people follows the discussion of physical patterns in no way reflects a priority. Rather, the discussion of physical form leads to the discussion of the economic and social behavior of the people who inhabit this spatial layout.

Some sociologists and planners may disagree, but a well known theory is that Americans have a strongly entrenched attitude that the suburban environment is the appropriate place to spend the child-rearing years of marriage. The amenities of the suburbs upon which people form these preferences include the following: the ability to secure detached single-family residences with private lots which can be fenced; the ability of their children to have more immediate access to nature; the ability to be surrounded by and interact with other parents of a similar economic and social class.

Unfortunately, we also recognize that this attitude reflects in many the strong desire for separatism from minorities—broadly defined here as those who do not think, act, earn, vote, or look alike. Moreover, in exercising their preferences for a demographic shift to the suburbs, the fact that these people find an adequate and growing supply of physical structures (industrial jobs, shopping facilities, utilities, educational facilities, and detached single-family housing) just reinforces and permits the execution of their demand functions or preference structure.

Urban Patterns

The development of these trends in economic and social behavior has resulted in inexorable changes in the land use and environmental pattern of our urban areas. The patterns of these changes have been accelerated from time-to-time by such activities as the FHA-VA sponsored suburban tract building and the highway program. Such activities have helped to produce the following patterns which are clearly observable, and which would be likely to continue in the absence of massive changes in programs and/or in behavior patterns: the tax base and the vote base have shifted from the inner-city to the suburbs; the natural allocation of private economic resources has been in response to an increasingly strong suburban demand; the manner of allocating public resources for the provision of public infrastructure has meant also that the preponderance of total marginal public expenditures has taken place in the suburbs. This marginal allocation includes the growth of new, modern, well-staffed public and private primary and secondary educational facilities in the suburbs, and the deterioration of the physical and academic quality of educational facilities in the inner-city.

In summary, what we might call in a broad sense the “physical plant” in the suburbs is relatively new and reasonably capable of taking care of current, and to a more limited extent, future activity needs, assuming that a certain amount of “capacity” exists as a result of present suburban sprawl patterns. On the other hand, the “physical plant” of the inner-city has been undermaintained for some time. It is physically deteriorating and becoming functionally obsolete.

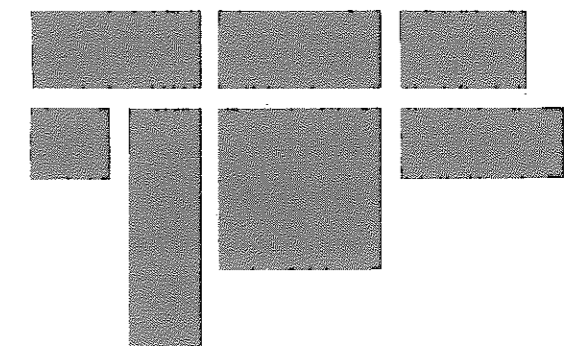
One of the often cited advantages of the inner-city, the presence of major cultural facilities, has been made less effective in keeping people downtown because of new media preferences. The television

set, for example, has supplanted in-person attendance for a high preponderance of our population. This leaves the nighttime and the residential population of the inner-city with a reduced buying and voting base. The nighttime population is too often made up of only the poor; the residential population tends to be the young, the old, the racial minorities, and others less capable of taking care of the deteriorating, obsolete inner-city physical plant. Therefore, the hope of the inner-city lies in: 1) a broader taxing base, and 2) the daytime population of the office facilities. Even this hope, however, may not always be the “guiding light” it is assumed to be.

Not all, however, is as discouraging as this recital might indicate. There are some trends of population behavior which can be taken as encouraging signs. If properly developed, these trends can provide a better housing policy, a better urban policy, and a better urban environment.

Demographic Trends

Various U.S. Census and other data provide us with evidence of some dramatic shifts in certain demographic patterns which appear to be continuing trends. What is important here is that these shifts may be changing the age at which people tend to revise their housing preference structures. Median age at time of marriage for both males and females has increased over the past decade by about 6 months, while average family size has decreased from 3.76 to 3.62 persons over the same period. The average educational level at time of marriage is increasing for both men and women, apparently at a greater rate for women than men. Moreover, employment opportunities for educated women are increasing. In some areas and in some programs, the age at which certain segments of the secondary school population are able to enter college is also decreasing.



“... housing policy should make it possible for people to remain longer in the inner-city prior to their tenure in the suburbs, and to return to the inner-city after the child-rearing period.”

At the same time, however, there has been a decrease during the post-1945 period in the median number of months between marriage and birth of the first child. Although data on the latter cover only the 1945-1964 period, this declining trend is likely to be a result of two changing forces: 1. a slightly increasing marriage age coupled with a slightly decreasing age at which women bear their first child—the former a likely result of increased numbers of years spent in school, and the latter the probable outcome of a desire on the part of women to have their children earlier in their marriage giving them earlier (re)entry into the labor force where opportunities continue to increase; and 2. a substantial increase during the post-war decades of marriages involving incipient pregnancies.

More recent data, of course, could conceivably alter these judgments. The 1965-1970 period is one which has seen improved methods of contraception (the “pill period”) reduce unwanted births, increased public acceptance of abortion, and a change in the role of women in general. Lack of data on the results of these recent changes makes it difficult to speculate on current fertility timing patterns, but there is a commonly felt notion that the period between marriage and first birth is increasing rather than decreasing. The data do show, however, that this interval increases as levels of family income and mothers’ level of educational attainment increases.

Average age at retirement is decreasing, but this must also be clarified. Retirement age of employees covered by group pension rights is probably decreasing while average age in the category for which we have very weak data, that of the self-employed, may be increasing considerably, due in part to better health.

Now the question is: How do these trends, most of which appear to be socially beneficial, relate to housing policy and more broadly to urban policy in general?

It has previously been hypothesized that the preference for suburban living is strongest during the child-rearing years. If this period is shortening (due to smaller families and families raised during earlier years of marriage), or at least shifting upward on the age scale (due to a slightly increasing age at marriage), then housing policy should make it possible for people to remain longer in the inner-city prior to their tenure in the suburbs, and to return to the inner-city after the child-rearing period. This would bring to the inner-city a considerably stronger income base and would reduce the requirements on the suburbs to provide a large stock of housing relative to the flow of persons out of the inner-city for “temporary” housing.

This point may be made clearer with an example, intended to illustrate rather than to be statistically representative. Contrast the impact on both the inner-city and the suburbs by the two following alternative scenarios:

A man of 21 with a bachelor’s degree and a woman of 18, who have each previously been living with parents, marry and form a household in an apartment in the inner-city. One year later, they have a child and move to a \$20,000, three bedroom house in the suburbs. At this time he is earning \$8,000 a year and she, not being employed, is a housewife with one child. Consequently, they have a family income of \$8,000, and a per capita income of \$2,667. They proceed to have a total of three children, and family income reaches a high of \$12,000. They move once to a four bedroom house, still in the suburbs, and remain there until the death of the husband at age 68.

By way of contrast, take the case of a man who received a master’s degree prior to marrying a woman with a bachelor’s degree, he at age 24 and she at age 22. He earns \$12,000 a year and she earns \$7,000 a year. They delay the arrival of the first child for 4 years. Therefore, during this period they begin with a family income of \$19,000 and a per capita income of \$9,500, probably with significant raises during these four years. They both work in the central office core. He is an attorney and she is a legal secretary. The city wisely has an income tax, and the couple makes significant contributions to the economic base through their consumption expenditures, and to the income and sales tax receipts of the municipality. As a result of an urban program, the city has good child care facilities and pre-school, nursery school, and kindergarten opportunities for young children as an inducement to households to remain in the inner-city as long as possible.

The couple move to the suburbs when the child is ready for the first grade at their respective ages of 34 and 32. They buy a \$35,000, three bedroom house in the suburbs and remain there until the child graduates from high school at age 17 and attends college in the inner-city. Attracted by the special amenities of the inner-city and by the desire to reduce commuting for both the husband and the wife who now wants to re-enter the work force, they move back to the inner-city. He is now earning \$30,000 per year and she is earning \$8,000. They again have a two person household with \$19,000 per capita income, and again contribute substantially to the inner-city economic base after the 12 year “temporary” suburban hiatus. Since he is an attorney, he has no mandatory retirement program, and at age 68, gradually scales down his earnings, retiring at age 70.

One factor I forgot to mention: the second couple is black. The hypothetical urban policy has recognized the natural tendencies of the latter couple to move to the suburbs during the child-rearing years and has provided sufficient inner-city inducements to attract the couple to remain longer in the inner-city and to return sooner. The implied housing policy in coordination with the urban policy has provided, through the private market place, quite satisfactory facilities both in the suburbs and the inner-city, and has recognized the nonhousing needs of the couple and its child.

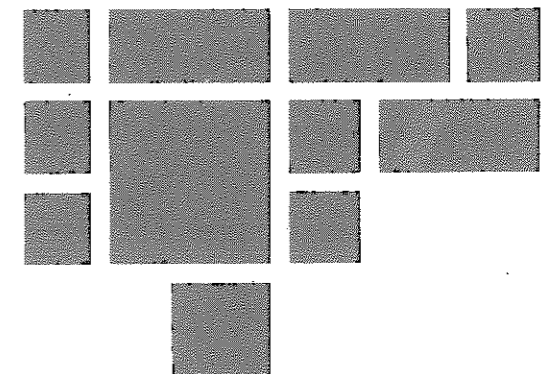
These two scenarios may be thought to be extreme; by no means do they claim to be statistically average. However, the first example describes in general terms the behavior pattern of many whites who have moved to the suburbs, particularly in the 1940s and 1950s. The second example is meant to depict a hopeful trend in the urban behavior patterns of both whites, blacks, and other minorities.

Let me simply suggest that in the colleges and universities in the country there are many examples of undergraduate and graduate degree programs in which the percentages of blacks and other non-whites in integrated programs, though still small, is rising rapidly. It is flatly unjust to “ghettoize” those whose incomes justify higher-priced suburban housing. It should also be recognized that constraints to free mobility, such as restrictive covenants, fly in the face of the natural economic and social trends in this segment of minority populations.

Some have argued that encouraging high income blacks and others to move out of the inner-city is further debilitating the economic base. On the other hand, it can be argued strongly that the better solution recognizes natural preference patterns and is designed to encourage, by the provision of appropriate facilities and availability of housing, a late removal to the suburbs and an early return to the central city.

That such a solution is possible is reflected in the growing number of inner-city areas which are attracting an increasing number of former suburbanites back to the city, as well as making housing available to young white collar professional families who are not yet desirous of moving out to the suburbs. For example, Park Slope, a deteriorated Brooklyn neighborhood which was formerly a 19th-century status area of Victorian brownstones, has recently begun receiving an influx of young and middle-aged, middle and upper income families who are in some sense “blockbusting in reverse.” Another example is Capitol Hill, a formerly deteriorated, low-rent neighborhood of Washington, D.C., which is now a prestige area.

These two examples, along with other inner-city renewal and redevelopment areas such as the Bunker Hill complex in Los Angeles, Society Hill in Philadelphia, and Southwest Redevelopment area in Washington, D.C., and similar developments in San Francisco and Oakland, give us some indication that the central city has not yet been completely forgotten, and that a well-formed housing policy would continue to improve our memory by recognizing and guiding such trends.

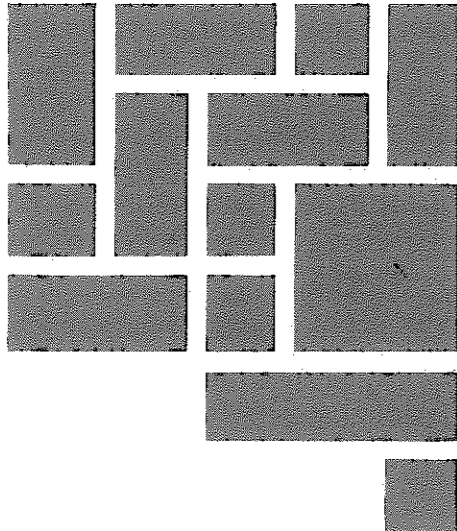


“Any policy which concentrates only on the segment most in need of assistance and subsistence operates in a dangerous vacuum.”

To be sure, these examples are not meant to hide the very real social and economic redistributive problems which such central city renewal and rehabilitation efforts leave in their wake. Nor do these positive changes break down existing barriers to the free movement of low income and minority populations to the suburbs. Such examples do suggest, however, that it is possible over time for a set of natural preferences to be exercised in the private market by a group of housing consumers in a manner which also can help accomplish a more even distribution of the urban economic and social base.

Two hypothetical scenarios and a few real world examples, of course, do not make a body of empirical evidence. The Census again provides us with other more specific statistics, however, which do seem to indicate that the trends we have been discussing are not out of line, especially when considering the non-white and other minority segments of the population. Though most analyses focus on the percentage of non-whites with incomes below some defined poverty level, if we want to momentarily concentrate on entrapment, perhaps we should first look at the other end of that scale.

First, the percentage increase in non-white median family income over the 1960-1969 period was 1.6 times that for whites—54.7 percent versus 35.1 percent respectively. In addition, between 1959 and 1969 black median family income as a percent of white rose from 51 to 61 percent. Moreover, the proportion of non-white families with incomes of at least \$10,000 more than tripled between 1959 and 1969, while for whites the percentage barely doubled.



Regarding education, over the past decade the percentage of non-whites 25-29 years old who had completed four or more years of college nearly doubled. This can be compared to an increase of only 50 percent for both whites and all races combined. Also, between 1964 and 1969 the non-white percentage of college enrollment for persons aged 16-34 increased from 6.6 to 8.2, while this percent actually dropped slightly for whites, from 93.4 to 91.8. For blacks aged 20-29 in 1970, 61 percent had completed at least four years of high school or some college, in contrast to only 40 percent in 1960—a percentage increase nearly twice that for whites in the same category.

These examples are not meant to distract attention from the many real problems facing minority and low-income populations today. Nor can such trends and improvements be expected to necessarily continue at present rates. Such improvements as those mentioned may be very much a function of the absolute level from which one starts. The fact that the rates of improvements for whites are relatively less than those for blacks and other non-whites, may actually reflect the increasing difficulty (for whites) of obtaining improvements as the absolute level increases. If this is so, then non-whites can be expected to also encounter similar difficulties as their level of improvement rises.

Nevertheless, the above examples do point up the existence of a rather significant and growing segment of the non-white population which is “out-performing” the national averages in some of the trends discussed above, as well as other socio-economic and demographic patterns. It is certain that these pattern shifts will manifest themselves in some set of revised housing preference structures. An improved housing policy will recognize these shifts and incorporate them within the frame of general urban policy.

The Poor

You may charge, and justifiably so, that the discussion thus far has been dealing with the higher-income segment of the population which can most easily exercise its preferences in the private market and take care of itself. The charge is precisely correct. However, it should be emphasized that the presence of this group and the explicit integration or incorporation of this group in the design of housing and urban policy is too often neglected. It provides the strength of the private market which historically has always been most influential on what housing and urban pattern actually emerges.

Any policy which concentrates only on the segment most in need of assistance and subsistence operates in a dangerous vacuum. For instance, placing a public housing project in a middle income, integrated community may begin or accelerate a change of that community to low-income, non-white, since the middle-income, white market may simply exercise its mobility and exit. However, having already examined the middle and upper income segment and argued for their integration into an overall policy, attention can now be turned to the lower-income group.

Here the analysis is drastically in need of decomposition since, as we have found time and time again, there are real dangers in treating all low-income people alike. It should also be emphasized that there is a great deal of movement between these various sub-groups when one looks at statistics on the percentage of low income population which is of a given age category, educational category, and marital status.

The simple passage of time will change some of these relationships for the existing population, and migration will change others. Action taken by the population such as marriage, education, and finding of employment, and increases in earnings will adjust other figures. But the analysis herein is not designed to be comprehensive, or to do the needed job of social and economic modeling or demographic and longitudinal analysis. It is rather to suggest some concepts and to encourage that type of important work to be actively continued.

The housing policy (when viewed as a part of urban policy) for the poorer segment of our society must be dynamic instead of static and cross-sectional. In other words, it must look at the flow of persons both geographically and over time, rather than making policy decisions based only on observations of people at one point in time and their immediate requirements. It should be structural rather than structure-oriented. That is, it should be cognizant of the structural shifts of the population and the underlying structural trends at work within the population, rather than concentrating only on the short-run provision of structures for that population.

For instance, a program that builds large public housing projects each with a 50-year physical life, may have any one of at least three negative impacts. First, the physical presence of the projects could adversely change the geographical area in which they are situated, further attenuating the need for more public housing. Second, the allocation of funds to such permanent structures could cause a redistribution of funds away from programs which would improve the ability of the residents occupying the structures to purchase other shelter in the private market. Third, it could, because of the structures' immobility and physical resistance to design change, cause them to become functionally obsolete far before they are physically deteriorated.

Thus, perhaps we should consider whether some physical structures for the poor should be of a more temporary nature, such as mobile homes. Mobile homes and prefabs provide very satisfactory temporary or short-term housing, and have the advantages of a relatively small capital investment per unit, the ability to replace, remodel, add on, and move the structures. One might adopt the model that we want our mistakes to be temporary and our successes to be permanent. If we are in great doubt about the housing requirements of the inner-city, perhaps we should begin to meet them on a more temporary basis.

One of the complaints about the inflexibility of housing is that it cannot be bought by the pound or by the square foot. Factory built module structures or mobile home facilities do have the decided advantage that they can, to some extent, be bought by the square foot. The low-income individual, who buys a 10 x 40 mobile facility to place in the inner-city for perhaps temporary sharing with two other bachelors, can then use the facility for temporary housing in the inner-city when he marries, before his first child becomes of school age. Then if he wishes, he can move the facility to the suburb, adding another 10 x 40 feet, expanding his square footage as his family size grows. Of course, this is attendant upon changes in present local zoning regulations and practices. As his income and family size both reach the stage for him to acquire a "stick built" structure, he can trade in his two 10 x 40 mobile homes, together or separately.

Other possible lessons that might be integrated into housing policy have been taught to us in the free market by the occupants of such diverse sets of housing types as the "swinging singles pads" and college housing. Here there has been a market willingness of people to accept a relatively small per person space allocation in order to obtain recreational and social amenities, in the case of the swinging singles, or low cost housing convenient to work, employment or educational facilities, in the case of college residents.

There would appear to be a series of regulations and rules of thumb in both HUD regulations and local building codes (for example, relating to square foot of room space per occupant or size of bedrooms) which may well have little relevancy in contemporary living needs. We see from the conversion of single-family homes to multifamily housing in many areas that people seem to survive quite well below the "official" standards. Therefore, we should think of such things as bedrooms which are 9 x 9 and perhaps ceilings of 7½ feet instead of 8 feet, or we can think of dormitory type arrangements.

Programs which temporarily subsidize the consumer of housing and allow him to make a choice of how to spend those funds on housing, would be better incorporated in a housing policy than programs which allow him to spend the same funds only on some fixed permanent structure either in the suburbs or the inner-city. That is, by tying the housing allowance subsidy to the needs of the specific consumer rather than to specific dwellings, housing policy can be in closer coordination with the operation of market forces. Of course, one may expect short-run increases in prices of the existing stock. However, the merits of such programs—allowing the subsidized consumer to make his own choice in the market place, better matching of consumer demands and housing supply, reduced public controversy over the location of subsidized projects—warrant more serious consideration.

Further, it is consistent with housing policy goals to give lower income couples, with children of primary and secondary school age, access to the better quality schools and to newer industrial employment in the suburbs. One possible program to do this is to provide such families with downpayment, principal, and interest funds for the purchase, and rental supplement funds for the rental, of suburban housing. If one wants to give the family an incentive to be self-sufficient one could put three, five, or ten-year termination dates on this subsidy so that as income rose, it would not be immediately taken away in the form of higher housing occupancy payments, but rather could go temporarily for further needs with the housing payments to rise later.

Alternatively, or additionally, the subsidy could stop after the last child had finished high school and was ready to enter college or the work force. Housing subsidy programs tied in some way to various stages of the family life-cycle are not unheard of in other countries, and should not be excluded from consideration. Such programs may indeed provide some incentive for the family to move back to the inner-city.

Since this article is intended to be a beginning, conclusions at this time seem somewhat inappropriate. A variety of hypotheses have been offered to structure the analysis. Wherever possible, data were presented in support of the stated ideas. In other cases ideas, trends, and changes have been suggested as possible hypotheses to be tested as future data become available. A few general observations, nevertheless, can be made.

"Broadly speaking, the inner-city can still be seen as a staging ground for the young and relatively affluent, previous to their sojourn to the suburbs."

Broadly speaking, the inner-city can still be seen as a staging ground for the young and relatively more affluent, previous to their sojourn to the suburbs. The central city also continues to be on the receiving end of large portions of the poor, the unemployed, and racial minorities. At the same time, core areas are beginning to show signs of having the potential for receiving those suburbanites who later in life choose to move back to the city.

Housing policies should recognize this potential while at the same time helping to give more mobility to those who have been relegated a "permanent" place of residence in the center of our urban areas. How well we formulate housing and urban policies to accommodate and encourage this mobility while changing the timing of exits from and returns to the city may well determine the future of the central and suburban areas of our cities.

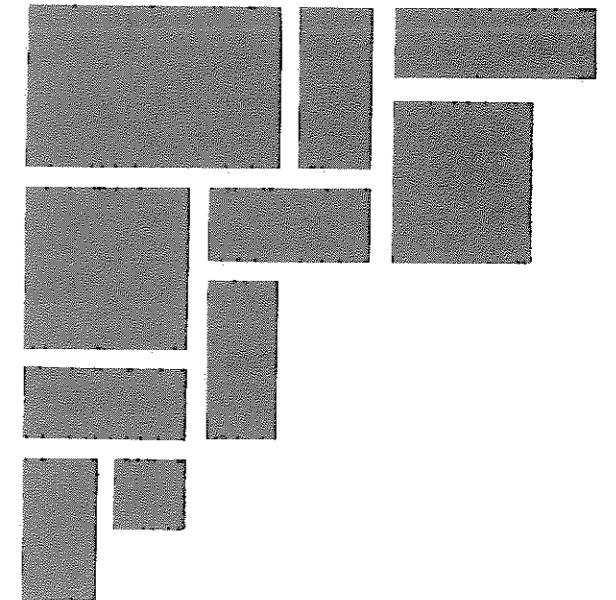
It is clear that our central cities no longer serve all the same social and economic functions as in the past. It is not at all clear that such changes need spell the center city's doom. What has been suggested here is that housing policy, as a part of a broader urban policy, can and should be utilized to guide the changes and underlying trends occurring in our central cities, suburbs and metropolitan areas, rather than fighting or ignoring them.

It is unrealistic, to be sure, to assume that the natural trend of future events will return our inner-city areas to their past pinnacles of economic and social prominence, to those romanticized centers of a past civility. At the same time, however, it is most unnecessary, not to mention unwise, to let the rest of the metropolitan area grow and prosper primarily at the expense of the central city. To do this is to continue to abandon the inner-city and allow it to degenerate into what George Sternlieb has alluded to as a veritable "sandbox," where the rest of urban society "parks" those less productive and less desirable segments while it goes on about its pursuit of the "more serious things" in life.

I have suggested there are underlying social, economic, and demographic trends beginning to surface which will not allow this to happen if we recognize them in time and encourage their continuance. Perhaps this piece has helped to place the housing component of this problem into a more meaningful context. Certainly additions to the discussion will help us all to reach more useful and substantially better housing policy prescriptions, and improve the position and scope of housing policy in the scheme of that much sought after "national urban policy."

R. Bruce Ricks is president of his own real estate finance and investment consulting firm specializing in analysis of potential fields of business opportunity. Formerly, he spent three years as Chief Economist and Director, Office of Economic Research, Federal Home Loan Bank Board, in Washington, D.C. where he directed programs for the analysis of economic, financial, and housing market conditions for board policy decisions.

Ricks holds a B.S., M.B.A. and Ph.D. in Finance and Real Estate from the University of California at Berkeley.



In Print

The Ultimate Highrise: San Francisco's Mad Rush Toward the Sky! Bruce Brugman and Greggar Sletteland, editors. San Francisco Bay Guardian Books, San Francisco, 1971. 255 pages, illustrated.

The land developer is a perfect target for the new action-oriented Public Interest Groups (PIGs). When they are ready to begin a crusade, the public knows who the villain is—he deals in multi-million dollar projects or is a part of a large corporation; they can also see what he has done wrong—it's there on the landscape for 24-hour a day viewing. The developer is not like those other evil people who daily threaten the public interest anonymously and do so in ways so subtle that the public does not even know it's being hurt. What a relief it must be to the PIGs to have such an easily identified, visible target as the developer.

In *The Ultimate Highrise*, highrise development has been exposed for doing the following:

1. Far from "subsidizing" the municipal budget, as claimed by real estate interests, the downtown highrise district actually contributed \$5 million less than it cost in 1970.

2. Property tax payments from the downtown, instead of providing relief for homeowners through assessments on expensive new highrises, actually declined by 16 percent as a proportion of the city total over the decade of the skyscraper boom.

3. Head-spinning growth in downtown land values "rippled out" to all San Francisco neighborhoods, causing assessment increases as high as 380 percent and leading, in many cases, to destruction of a neighborhood's original character.

4. Changing patterns of land-use, and other highrise-related phenomena, drove 100,000 middle-income San Franciscans to the suburbs and damaged the city's delicate demographic balance.

5. Highrises not only failed to provide new white collar jobs for San Franciscans, but caused the loss of 14,000 blue collar jobs.

6. Highrises were the prime villains in tripling the city's welfare costs over the decade.

7. Transportation facilities to serv-

ice skyscrapers cost taxpayers a staggering \$5 billion over a ten-year period.

8. Police costs for protecting the downtown highrise district averaged at least ten times the cost for protecting the rest of the city.

9. Highrises cause vast amounts of air and water pollution which will cost the city close to \$1 billion to clean up.

In the study by the staff of the San Francisco Bay Guardian, these "findings," and a host of other ills, are attributed to the 495 buildings over 72 feet high in San Francisco's CBD. While not denying that any of the nine conditions exist, the basic assumption that they are caused by highrise development is certainly open to severe criticism.

In this book, because two things happen in the same place or at the same time, they are identified as causally related when in fact this is not the case. Specifically, just because the middle class has fled to the suburbs of San Francisco at the same time that an office building boom has occurred in no way proves a causal chain of events exists between the two. In fact, if simultaneous occurrence is taken as the sole basis for proving a relationship, it is just as logical to conclude that the flight of the middle class actually caused the highrise boom.

In response to the nine findings of the book's chapter on economics, the only answer that can be given is that the first finding, the cost-revenue loss, is probably not the case, and while the other findings may have some degree of validity, it is hardly enough to make a case against highrise development or the developers of these structures.

Knowing the Raymond Green study upon which *The Ultimate Highrise* methodology is based, it is difficult to believe that a case can be made either proving a loss or a gain in a strict accounting, quantifiable sense. The Green study which was financed and published by ULI fully acknowledged the limitations of the methodology—something that is noticeably absent in the *Guardian* reporting. It provides an estimate of costs-revenue, not conclusive proof one way or the

other. The state-of-the-art in cost-revenue analysis has not advanced much since the Green study was completed, which can only lead to one conclusion: that a case cannot be made either way.

The real question is not whether there was or was not a \$5 million deficit in the cost and revenue of the San Francisco highrise district. The question that should be addressed, if an economic approach is to be taken, is what is the cost versus the revenue of alternative forms of land use—in this case, highrise versus accommodating the same office space in low-rise structures? While the answer to high-density versus sprawl may be no more precise than the single-use pattern cost-revenue determination, the magnitude of the difference is surely larger than \$5 million, and intuitively, would support highrise, rather than sprawling uses. The demand for office space is real—developers did not create the demand in San Francisco or elsewhere—rather, they simply have met it with an adequate supply of office space. The villain, if any, is the national economy which has created an 11.1 percent rise in the number of office-space-consuming white collar workers in the last 20 years.

Even if highrise development could be shown to cost more to service than it supports in revenue, this still would not make a very convincing argument against highrise development. If a cost-revenue deficit exists, it can be corrected by changing the revenue side—if that is the public's choice. Taxes could be raised for high-rise development, rather than halting the development.

There are many good reasons for being upset about highrise development as it now occurs and developers as well as the public and groups such as the Bay Guardian ought to be actively involved in remedying these problems. There is a clear responsibility for ensuring that our cities are aesthetically pleasing places in which to live and that our cities are economically efficient. But arguments such as those presented in *The Ultimate Highrise* do little to serve these goals because of their reliance on emotional rhetoric and questionable evidence. **E.E.M.**

Coming Soon

The following ULI publications are scheduled for release in the near future.

Research Report 19

The Role of Site Value Taxation in CBD Redevelopment
by R. W. Archer

Technical Bulletin 69

New Towns: A Guide to Title VII of the Housing and Urban Development Act of 1970
by Hugh Mields

Next Month in Urban Land

New Towns Defined

ULI Future Meetings

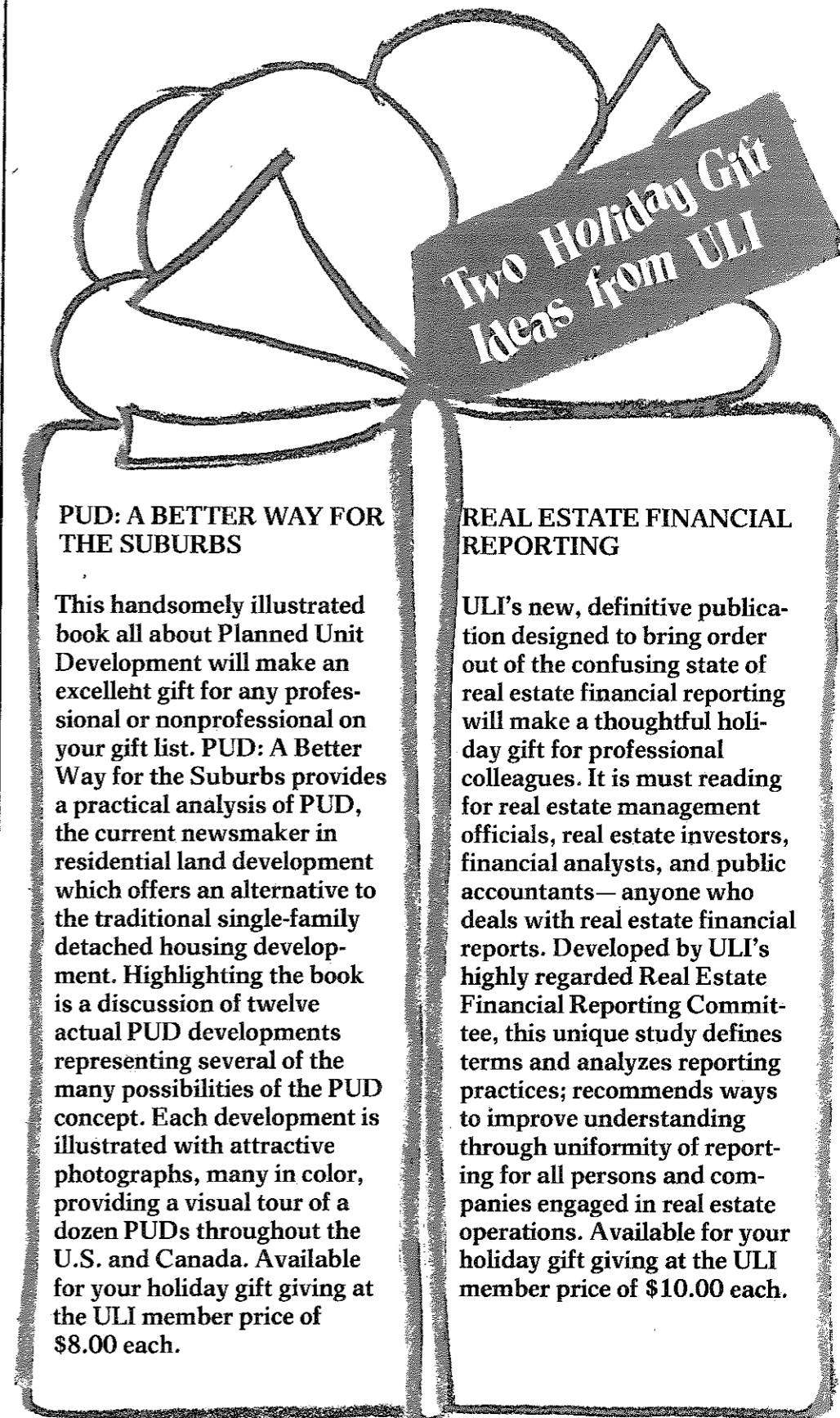
1973

May 14-16
Radisson South Hotel
Minneapolis, Minnesota

October 22-24
Sahara Tahoe Hotel
Lake Tahoe, Nevada

1974

April 23-25
Walt Disney World
Orlando, Florida



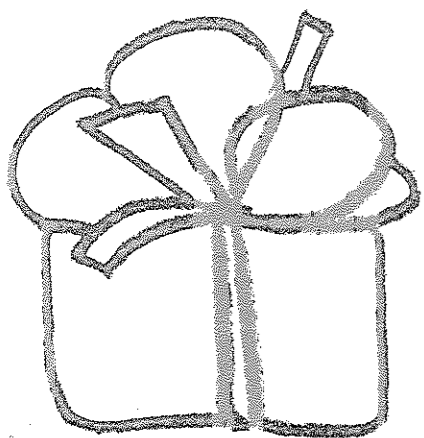
PUD: A BETTER WAY FOR THE SUBURBS

This handsomely illustrated book all about Planned Unit Development will make an excellent gift for any professional or nonprofessional on your gift list. PUD: A Better Way for the Suburbs provides a practical analysis of PUD, the current newsmaker in residential land development which offers an alternative to the traditional single-family detached housing development. Highlighting the book is a discussion of twelve actual PUD developments representing several of the many possibilities of the PUD concept. Each development is illustrated with attractive photographs, many in color, providing a visual tour of a dozen PUDs throughout the U.S. and Canada. Available for your holiday gift giving at the ULI member price of \$8.00 each.

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There appear to be three basic reasons for the move toward state and Federal control of development and use of land. The first reason is the failure of the private development community and local governments to make the wisest and best use of land. One needn't look far for examples of mindless urban splatter (it's not even sprawl), destruction of limited environmental resources, even the alienation of many by a landscape of flashing neon signs, plastic fast-food stands—all ensnared with overhead power lines and ribbons of traffic-jammed highways. The failure of those charged with the responsibility of planning and developing the land is there for all to see every day, and it is set in concrete and steel for many years in the future.

This happened for many complex reasons—some seemingly rational, some clearly scandalous. But the results are there, and we know we could have done better. For half a century in some areas of the country, the traditional tools of land use control, and the basic interaction of a market economy have clearly not worked to produce the kind of man-built and natural environment which we all desire. The failure is clear.

With the evidence so visible, it is not surprising that the public should demand something be done. Tired of a war on poverty, a war in Vietnam, a waning civil rights movement, the crisis-hungry public turned to a crusade to save the environment. And they come armed with the awareness that even a small group can, through courts, demonstrations or other action, make some very fundamental changes in the way things are done in our society.

While some may view the environmentalists and their concern for the way land is used as a strange group representing a way-out opinion which is bent on destroying basic institutions and customs, it must be realized that the concern is far more widespread and basic than that. The concern is perhaps fundamental to our American way of life—the basic philosophy that if there is a problem, we can find an answer.

What is new about the environmental action is that it has suddenly become a major national issue and the public, in the recent tradition of our moon-landing and other space accomplishments, wants things to be changed in a very short time. Never mind that many of us and the organizations we represent have spent lifetimes grappling with the problem of land use and development, only to make modest achievements. And I want to include among these organizations not only the Urban Land Institute and the Michigan Society of Planning Officials, but also the old and respected conservation and environmental organizations such as the Conservation Foundation, and others. Problems which we have spent years tackling in our daily lives and vocations without ever seeing our concern addressed on the front pages of the newspapers, or on the morning news, are today among the major issues facing this nation. It is this public awareness with the problems of planning and development that is the second reason why we have the Federal government in the process of enacting legislation which could lead to the control of private land use and development.

The third reason is simply that politicians at all levels are ready and willing to respond to the public's cry for solutions. And they are ready to get something on the record immediately, even if it means patchwork, conflicting, and short-sighted programs and laws. I do not mean to fault our legislatures for responding to an issue as important as land use, but I do find it regrettable that the issue cannot be more calmly approached and more rational remedies found.

Taken together, the failure of the private developer and the local official, the public's awareness, and the state and Federal officials' willing response, these are the basic reasons why we have a National Land Use Act, very likely to become public law—not in this session of Congress—but most probably in the next.

Is it necessary that land planning be conducted at the state level and be monitored by the Federal government? I think the answer is a qualified yes, but not for the reasons I have just presented. There is a legitimate role for both the states and the Federal government, but not because of the apparent failures or the public's demand that something be done.

What is going to be accomplished by shifting control to higher levels of government is the possibility that where self-interest, or local parochialism conflicts with the well-being of the larger community, the community's welfare will be better served.

State and Federal government officials are no more enlightened nor endowed with superior ability than the private developer or local government official. They merely serve a different self-interest and, hopefully, they will carry out their responsibilities in a manner worthy of the trust they are being given.

Are state and Federal planning and controls necessary? The answer is yes, if it means assigning responsibility for development which has more than local impact to the appropriate level of government, and not requiring layers of approval and red tape. The answer is yes, if it means modernizing and standardizing outmoded building codes and other controls over development. The answer is yes, but not as a panacea for all the problems of land use. If anyone thinks that the shifting of controls to higher levels of government is going to solve all the problems, he will be considerably disillusioned by the results.

FEDERAL LAND USE CONTROLS?

by Roy P. Drachman

We clearly need to have well-thought out local, state, and national land use policies—policies that specifically define our goals and the resources we are trying to protect, preserve, and use intelligently. We must have each level of government control those areas of land use necessary to serve the greater community without restricting either the private sector or local government from doing its job properly. We need to have concern for our environment, but we must also use land for housing, employment centers, stores, and educational, medical, and transportation facilities.

A land use policy and associated controls will have an impact on the local property tax base and on individual land owners; this, as well as other economic and social impacts of the policy, must be considered and provided for. To carry out a policy as comprehensive as this, money will be needed to experiment with new tools of land use control, to inventory our resources, and to administer an effective program. We need to consider whether the Department of the Interior is the appropriate agency to administer a policy governing private and urban lands.

In closing, I want to address a final need which cannot be met by the Federal or state government. That is the need for each of us in land planning and development to continue doing the best job possible to ensure that the landscape we leave to future generations fulfills the needs of man and nature.

Federal Land Use Controls? is excerpted from a speech ULI President Roy P. Drachman presented on October 12 before the Michigan Society of Planning Officials. The full text is available upon request.