

school. Hundreds of these "business improvement districts" are now operating in cities throughout the country.

The second strategy is to encourage a regional approach to government, particularly toward tax-sharing. This strategy requires a recognition that the center city cannot and should not have to bear the cost of serving the bulk of the metropolitan area's needy. The growing fiscal and social problems of our center cities have been ignored too long by the suburban jurisdictions. Violent and property crime, homelessness, and drug trafficking know no political boundary. These problems have not been magically confined within the center city limits and have resulted in a new trend of declining property values and quality of life for close-in suburbs throughout the country. An example of the kind of tax-sharing needed can be found in the Minneapolis-St. Paul metro area, where 60 percent of new commercial property tax revenues go to the local municipality and 40 percent go to the other metro area jurisdictions.

In addition, a regional approach could allow for the establishment of an urban growth boundary around the metropolitan area, beyond which jobs and suburban housing could not go, as Portland, Oregon, and nearly every European metropolitan area have done. This would force jobs back closer to, and possibly back into, the center cities as well as protect the rural land around our metropolitan areas from sprawling development. While growth boundaries are not without flaws—they can artificially inflate land prices and thus rents and home prices, for example—they do seem to slow lopsided growth toward predominantly white neighborhoods while maintaining the integrity of downtown.

Los Angeles has already created a de facto regional government in the form of the South Coast Air Quality Management District. This body also increasingly regulates traffic congestion, job growth, and land use. Even five years ago, regional government in the Los Angeles area was considered a fantasy. Today, most metropolitan-area leaders do not question that it is a reality. The next step would be to add social issues to the regional agenda.

A third approach is to encourage affordable and public housing in the near-in and fringe suburbs, enabling low-income residents to live closer to the new jobs. Orange County, California, has in the past required that

20 percent of all new residential projects be set aside for affordable housing. Columbia, Maryland, recently issued a taxpayer-supported bond to build low-income housing for minorities. While these measures are unlikely to be widely adopted, the business community could be a powerful ally. Many companies had a hard time filling lower-level jobs in the near-in suburbs during the 1980s, and this situation will be exacerbated in the 1990s. One promising approach is for corporations to team up with non-profit affordable-housing organizations, such as the Bridge Housing Corporation in San Francisco and Habitat for Humanity, based in Americus, Georgia. An interim measure is the organizing of carpools and setting up of vanpools to bring city residents to distant corporate jobs.

Fourth, we must improve the efficiency of central city public services. The cost of maintaining existing infrastructure and providing services in the center city is higher than the cost of building new infrastructure and providing services in the fringe suburbs, even if the exact cost of delivering social services to the needy is subtracted. The trade-off many companies face is either moving to a suburb with lower costs and fewer social problems or staying in the high-cost center city with overwhelming social problems. It is not hard to see that moving out makes more sense economically.

If present trends continue, the center city's future—and the future of many of the close-in suburbs—is likely to be similar to the present-day fate of Camden and Newark, New Jersey; of Chester, Pennsylvania; or of South Central Los Angeles. The "Camdenization" of our major cities, resulting in their being populated primarily by an underclass in an environment of hopelessness, has obviously begun. It is probable that they 1990s offer the last chance to reverse this trend, because if most of the 24 million new jobs that the Labor Department estimates will be created between 1990 and 2005 are located at the fringe of our metro areas, the downward spiral of the center cities may become irreversible.

As a nation we are used to moving away from our problems, striking out to new frontiers. If the market is allowed to take job growth to the extreme fringe of our metropolitan areas, our center cities may well require full-time military occupation. The fires in Los Angeles are a warning that an escapist strategy no longer works. The cost are too steep and the stakes are too high.

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## GROWTH MANAGEMENT

Douglas Porter, Growth Management Institute

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Let me focus on an aspect of data that we have not

really gone into very much at all and yet is probably one of the most important things that has to be done in this whole data area. That is the data management, or data handling, or communication, or intergovernmental coordination aspects of this whole data problem.

The ways that data are used and shaped within the public policy context is just as important as coming up with numbers. In fact, I would go as far as to say that data are only as good as their impacts on policies and actions.

We've discussed the changing political decision-making and there's more to that than simply producing good data. We can have all the good data in the world and it's not necessarily going to make anything happen if we don't understand how it's going to operate within a policy context. I'd like to discuss this further and point out some of the problems that I think we have before us.

Planners all over the nation are enthusiastic about ISTEA and what it promises in the way of boosting the role of planning. In general, regional organizations are starting to really grab hold of this whole area of metropolitan development and where it's going. This suggests that a new day is coming, and we can certainly hope for a more decisive formulation of metropolitan development strategies than we've seen in the last 10, 20, or 100 years, but we also know that MPOs have secured an important role in regional coordination of metropolitan development. They have certainly been acknowledged as a valuable source of basic data on population and households, employment, land use, and more importantly the forecasting mode.

At the same time, we understand that MPOs have been criticized as the weak links in the government's chain. By the way, I was struck during the day with the fact that we keep talking about links, and almost always there's another word that goes with that—weak links. We seem to have a lot of weak links, and I would suggest that it's the interaction of a whole set of systems and programs, and ideas and concepts that are the problem here more than the individual things themselves.

MPOs are highly susceptible to pressures from individual local governments to add and delete projects. They're also subject to pressures from state DOTs who control final decisions for highways and sometimes transit. We know that transportation planning is generally underfunded. It's carried out in the absence of enforceable regionwide development strategies, or regional plans. The completed plans have no force of law to compel implementation by either the state or local governments.

ISTEA may have changed some of that, and we certainly look forward to what it seems to promise in that regard. ISTEA also requires that we are going to have to change our ways of doing business a little bit in the way of data collection and handling. After 30 years of refining our methods, our procedures, and our collection and analysis of data, we know that we have data problems that simply won't go away. Three types

of problems that I see with data right now are: 1) shortages of the right kind of data; 2) unsatisfactory means of defining public policy contexts for that data; and 3) shortcomings in the governance system that uses the data, and that produces plans, and that finally decides to do things.

As far as I'm concerned, ISTEA will heighten these problems and not solve them, but will make them important enough so that we actually set about doing something to solve them.

We all know that the numbers game is the thing that MPOs play best and most like to do. They like to track trends. They like to make forecasts. We also know that it's technically tricky and very difficult, and we've seen plenty of evidence of that here today.

Nevertheless, we do understand the basic importance of data collection, data management, and data forecasts as the foundations for all plans. The trends that we look at refuse to stay put, especially in rapid growth areas where forecasts and plans actually are most important. Every 10 years we get a check on where we are; a check on reality. In between, we know there are many swings and many guesses and a lot of wrong answers.

I don't need to remind you of the horror stories of where MPOs have guessed wrong. In my own recent work, I was working on a New Jersey infrastructure plan for the state, and I had to use an impact study that was done by the Rutgers Center for Policy Research. I was trying to match that up with some work that the Office of State Planning had done over the last couple of years. It was very interesting to find out that the Rutgers Center was using a set of numbers as their basic long range projection of employment and population that was a third lower than the Office of State Planning had used in its discussion of infrastructure needs. The State of New Jersey is still trying to figure out what set of numbers to use. They think they understand it's probably somewhere between the two, but they still don't know.

If we have that kind of scale of magnitude problems with an entire state, I can imagine the kinds of problems we get into in regions.

I had an opportunity to look at the growth in the Las Vegas area by looking at the projections of population there. Before the 1990 Census came out, there were four different projections that have been made fairly recent of population in the valley. The county planning department had estimated a population increase from 1980 to 1990 of 362,000. The local business group had estimated 341,000 during that same period. Two outside research firms went completely the other way and talked about 224,000 and 197,000, a difference of 110,000 from top to bottom, and the census count came right in the middle 278,000.

The county planning department was working on the assumption that the population had actually grown 30 percent more than it had. The outside research firms expected something on the order of 30 percent less than they actually got. With this kind of variation in population forecasts at the end of a census period, we've got some real problems understanding what we ought to be planning and what we ought to be building in the way of infrastructure.

We know that we have a lag in recognizing trends of five, or six, or sometimes more years, and that is particularly acute in high growth periods where we understate the trends. Of course, in low growth periods we tend to overstate them.

Then, of course, we have the problem of how we sort out growth between metropolitan areas. For example, I'll explain an incident involving WASHCOG.

WASHCOG, in thinking about its employment increases in the Maryland area, decided that the employment that was expected there was going to require so much housing that much of the housing was going to have to be supplied from outside the metropolitan area and assumed that Baltimore would, probably, be that location, and that we could expect a lot more commuting from Baltimore to Washington area industries.

Baltimore, on the other hand, didn't like the idea that it was going to be a bedroom suburb for Washington and didn't figure much of that into their projections at all. So, they don't have nearly as much housing projection there as WASHCOG thinks they, probably, ought to have, and they still haven't really worked out where that housing is going to go. This kind of intra-metropolitan, or intra-MPO, problem is going to increase in the future as the MPOs grow together. There are going to be more of them having to deal with that kind of problem.

None of this deals with the spread of metro development outside the official metropolitan areas. As we all know, many of our MPOS and many of our regional agencies actually deal with a small part of the real action area for metropolitan development.

We point out that even reputable agencies sometimes miss the mark, and there are lots of hazy policy areas where their responsibilities are unclear, but the experience today, certainly, calls for more diligent tracking of the changing key variables. This will certainly call for more staff, more budget, and better access to the real numbers.

Theoretically, that might help to fix some of this problem, but there's another kind of problem which is the main thing I'm trying to get at here. That is with the public policy input. If public policy is going to shape

those numbers instead of just direct trends, there are going to be some things that public policies will have to say about what those numbers should be. How we get that; where to get it; and how to evaluate it, are some key problems we have today. Regional plans, for instance, are either non-existent or are amalgams of local plans. Most metropolitan areas have no real regional development strategy, and what plans there are, are not forcible enough to significantly influence future development patterns. We all know the grand regional exercises that take place looking at this kind of pattern of development, that kind of pattern of development, the evaluations that go on, and when things get settled out they look an awful lot like what's been going on in the last five years.

That doesn't say we shouldn't go through those exercises. It does say that maybe we ought to understand a little more about what is happening and where things are likely to go.

Finally, we have a perception and not the reality that most plans are not really sound expressions of future realities at all, and that most people believe what Chris Leinberger had discussed involving market factors generally ending up overriding public policy.

We have a regional forecasting process that is frustrating, but when we look at the small area forecast or the small area numbers we find an even less satisfactory situation because we depend on policy inputs from local governments, and more particularly, on policy inputs from local plans. Unreliable they are. They really provide a frail foundation for information. Frequently, they're obsolete. They're skewed by wishful thinking. They're hampered in their implementation by local regulations. They're changed overnight to suit developer proposals.

As an example of how that can happen, a year and a half ago we did some calling around to some areas to find out what local people and MPO were doing with information flow back and forth. Aurora, Colorado was a great example because at one point the MPOs found out that it had reported it was going to have six new regional shopping centers. Aurora is a growing place, but it's not growing that fast.

The Denver black box didn't even have room to put six regional shopping centers, so somebody at the MPO level just said we're going to take three out of the six and put them in, in some fairly arbitrary way. The numbers were wrong, and the Aurora folks never did understand what that all meant for them because they never looked at the numbers that hard. Besides, the Aurora people knew that those shopping centers were all developer proposals. That is, they were things that developers had in mind that somehow found their way

into the comprehensive plan or were reported back up to COG. COG dealt with it in their way. COG never did tell Aurora how they dealt with it.

The planner, in Aurora, said that he could probably have found out those kinds of things if he'd asked, but he didn't really ask, and he didn't really understand whether they had received the numbers back or not. I'm sure they did, but this is another problem that often happens. The numbers come back. They look like numbers. They don't look like maps. Planners can't read numbers. They can only read maps. They don't understand what the implications of those things are, and they take a quick pass through the numbers. They may understand that there are some major things happening here, and they catch some major glitches that are out of control. They try to fix those. We go through a negotiation process that you're all familiar with. We try to come up with some compromise, but that doesn't mean they've really gone through the numbers in detail. It certainly doesn't mean that any public official at all bothers to look at those things.

The Aurora planner did make one suggestion. He said, "If those numbers could come back to us in map form, we might pay a lot more attention to them." That's an idea.

This leads to the next point. We have a system of intergovernmental transfer of information which has a lot of gaps, a lot of inconsistencies, and a lot of problems because we're still dealing with it at a handicraft level in almost all of our MPOS.

In most metropolitan areas, a circumstance where—and this is another aspect of that problem—local governments are free to accept or free to ignore regional forecasts. They're free to implement or resist regional plans. That's what MPOs have to deal with. Even states that require local governments to plan, and there are a bunch of those, now often don't have a system in place to coordinate those local government plans at a regional level.

The MPOs know about these problems, and they know that there are only some of the constituent local governments that are capable of competent planning or capable of interacting with regional planners in a technically sophisticated way. They certainly try to deal with it in a variety of ways.

In many cases, the data input from local governments is very sketchy, and regional inputs back to the local government actions are almost untraceable. MPOs muddle along as well as they can, and constantly consult with local planners and negotiate differences in a variety of ways. That leads to some situations which I will now quickly run through from our interviews. We've found these kinds of problems in a number of places.

First, local governments that claim the entire projection of regional growth for their own based on their great expectations of what's going to happen, and how much they're going to annex, and how much development they can expect. They're very reluctant to back down to a reasonable level.

Second, local governments that don't want the regional allocation, that actually want the down zone and want the full back—that either don't want jobs or don't want housing, and we'll argue about that.

Third, regional agencies that acquire the reputation of always being right so that local governments are almost afraid to deal with them. The regional agencies claim their numbers are the best, which they probably are. Local governments have other ideas on those numbers, and the regional agency is often not terribly interested or bothered about looking into those local differences.

Then we have regional planners who find no one to talk to at the local level because the local planners aren't interested in numbers. They don't want to look at the results and sometimes don't understand them well enough to be able to deal with them.

We have local planners and public officials who are simply overwhelmed with the amount of data that can come back out of all the computer runs. While in most jurisdictions planners will scan for the obvious glitches, they seldom reflect that output in local plans. They seldom take those numbers, go back and say well, now we've got to fix our local plan to look like these numbers. It almost never happens.

Looking ahead, we can see some more problems emerging. The concept of the jobs—housing balance idea has come up here already. I suggest to you that as that concept gets more and more applied, it's going to create more and more problems and ask for and need data. How to get information that allows matching of employment incomes to housing prices, for instance, on a small area basis, is one that comes to mind immediately, and that's a kind of data collection effort that we just don't have a good fix on now, and the whole problem, of course, of employment locational data that we've just mentioned.

How to make transportation plans that are supposed to support land use policy; how to make those operable when local governments are almost free to manage their own land use regulation the way they want to, and even in spite of their own plans, in many cases: this is California, and you have a consistency requirement. Many West Coast places do. That doesn't mean it always works that way, and, certainly, in the rest of the country, there aren't those requirements necessarily. We have all sorts of interesting problems with plans that don't look like plans when they finally get implemented and,

therefore, don't ever match up to the regional plans, the regional forecasts.

Then we have an interesting question about how we wrap the major growth management tools that are increasingly used by local governments into the whole process. Adequate facilities ordinances are one such example which often sets standards at the local level for capacities that are required before you can develop.

If those standards don't have much conformity throughout a region, they can certainly play havoc with how they fit with any kind of a transportation planning exercise. They can cause growth slowdowns and stoppages if there isn't enough capacity, and that, too, can certainly upset a lot of predictions and projections. So how do those kinds of concurrency problems at the local level, and for that matter at the state level, get translated into a transportation planning process? That's the question.

I'd like to pick up on something Neil Pedersen said, how to take the environmental concerns more seriously than we have in the past. We do have a tremendous number out there that are causing a lot of citizen action on open space and habitats for endangered species, wetlands, and certainly air quality. Air quality has been focused on very heavily. I think the other problems are equally valid. We really don't have much information in wetlands and endangered species habitats. We simply don't have much information at the region, and often at the local level, to tell us even what is there. So there isn't even much of an inventory to work from.

The Corps and EPA are working on various kinds of advanced identification projects and programs, but they haven't gone very far with those. Many local jurisdictions simply don't have that kind of data available.

To conclude my main themes, that local planners and local governments are simply not sufficiently engaged or energized in the process of transportation planning at this point. They don't have much incentive to provide good, realistic data, and often they're simply not budgeted and staffed enough to spend enough time to do it. They often don't have an easy way or don't understand how to use the output data that comes out of the transportation planning process and, therefore, that suggests a stronger type of regional coordinating role. You hate to use the word coordination because it means all things to all people. Certainly, a stronger regional direction of what goes on in a region in the way of setting standards, but also in some basic enforcement incentives to catch the attention of local officials.

Local agencies need a lot of help in making the time and staff available to do the kind of job they need to do. Unfortunately, this kind of thing tends to be one of those demands on local staff that gets a low priority. Yet, local

staffs could provide a lot of help in doing much more in collecting essential data if they had the right incentives, and those incentives might have to be financial. We also need to have better data on how regional agencies and local governments interact. We spent some time talking about collecting data, looking, doing surveys, and so forth. I think there's a great deal of information we need to find out about just how this interaction works.

#### DISCUSSANTS

Alvin R. Luedecke, Texas Department of Transportation, and Paul Smith, City of Los Angeles

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Alvin R. Luedecke

ISTEA has created a whole new arena for states and MPOs to deal with. From Texas' standpoint, we've always worked with the MPOs to determine the demographics in urban areas. Land use has not always been presented on time in all of our 25 areas. It has not always been from the same datum, nor was there ever any obvious attention given to social issues.

More detailed land use will be necessary since the measure of the TCMs will ultimately fall in nonattainment areas and will focus not only on what the land use is for, but to what degree is land use contributing to pollution or congestion.

One example would be to look at the demographics of a particular large employer. It may be necessary to find out, in the future, is that employer supporting an active carpool program? Are they on a transit line? Are they serviced by an HOV facility, or is this one of the typical companies, in Texas, whose incentives is to provide each and every employee a parking space.

The era of economic development in the past, in the Texas DOT, has been much more reactive than proactive in supporting economic development. Until recently, our emphasis has been highways and transit. As everybody knew, roads were the source of all economic development. It was like a "field of dreams". You know, if you build it, they will come.

In recent years, at the state level, economic development has come about on an almost project-by-project basis. Because economic development is the responsibility of another state agency in Texas, our communication and coordination has not always been on target. Nor have we, from a pure transportation planning perspective, tried to develop a database to address economic development. We've always seen ourselves in a reactive mode when presented with an opportunity to develop a facility that might support major development.