

Leadership in a New Era

Arthur C. Nelson

More than half of the built environment of the United States we will see in 2025 did not exist in 2000, giving planners an unprecedented opportunity to reshape the landscape. The Federal Housing Act's 701 planning grant program reflected the concerns and attitudes of the first half of the 20th century, and that template shaped America's suburbs, accounting for three-quarters of the nation's growth between 1950 and 2000. The realities of the 21st century are different: Our newest public health concerns relate to low-density, single-purpose development, not the dangers of density; only about a quarter of all households will have children in 2025; and public sentiment increasingly favors integrating land uses. Changes like these will drive the rebuilding of much of America's built environment. For planning to succeed in this new era, I argue that we must understand future demand across all land uses, realistically assess opportunities for redeveloping existing urbanized areas, remove constraints on land use that are inconsistent with modern planning goals, and champion the financial incentives and institutional changes that will make it possible to meet future needs.

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Between 1954 (when Congress passed the 1954 Federal Housing Act, which included the landmark Section 701 planning grant program) and 1980, the federal government spent more than a billion dollars¹ principally to assist suburbanizing jurisdictions prepare land use plans, as well as support state and regional planning (Hoben, 2001).² There has been no steady source of federal funds for local land use planning since. For the most part, those 701 plans were based on a template that dominated planning for the second half of the 20th century. That template had five components, all separated from one another: housing subdivisions, retail centers, employment centers (office and business parks), civic institutions (schools, churches, libraries, etc.), and streets and roads (Duany, Plater-Zyberk, & Speck, 2000). The rationale for that template no longer exists. We need a new template to guide planning into the next era.

The 701 plans prepared by thousands of suburbanizing jurisdictions were shaped by ideas from the years surrounding the Great Depression, as explained by Jackson in *Crabgrass Frontier* (1985). To stimulate the economy, President Franklin Roosevelt and Congress created the Federal Housing Administration (FHA), which insured lending institutions against mortgage defaults, requiring them to reduce down payment requirements and extend mortgage periods in exchange. With homeownership its principal objective, the FHA was clearly biased toward single-family detached and owner-occupied housing from its inception.

To assist local governments with planning for single-family detached homes, the FHA recommended standardized subdivision design practices that later became a template for suburban subdivisions nationwide. Moreover, in its *Underwriting Manual* (Federal Housing Administration, 1939) the FHA openly recommended that subdivision developers use restrictive covenants to prevent the sale of homes to minorities. Mortgage redlining, which designated certain sections of an urban area as unsuitable for FHA-insured mortgages, was common. These efforts were intended to reduce the risk that homeowners would default on their mortgages. It was not until 1949 that discriminatory restrictive covenants were declared unconstitutional. By then the FHA had formed the nation's planning template, including subdivision design standards, mortgage redlining practices which extended into the 1980s (Galster, 1999) and arguably continue in various disguises (Galster & Godfrey, 2005), and a bias toward detached single-family owner-occupied housing.³

Public health concerns were another influence on this template. During the first half of the 20th century, planners worried about the relationship between housing conditions, human congestion, and public health. The prevailing attitude was that many cities were over-populated and that low-density housing would improve public health (American Public Health Association, 1941, 1950; Sloane, 2006).

Other influences worth mentioning include the Federal-Aid Highway Act of 1956, which created the interstate highway system and provided up to 90% federal matching grants for qualifying state and local highways. The Federal Water Pollution Control Act of 1972 (later replaced by the Clean Water Act of 1977) provided federal funding for up to 75% of the cost of expanding or building new wastewater treatment plants. The Supreme Court sanctioned zoning as a constitutional exercise of the police power in *Euclid v. Ambler Realty*. Euclidian zoning assigns each area of a community a specific, narrow range of land uses, resulting in segregation of many land uses that were formerly integrated.

Because of these and other influences, America became a suburban nation during the last half of the 20th century: The share of Americans living in suburban areas⁴ rose from 27% in 1950 (U.S. Census Bureau, 1974) to 52% in 2000 (U.S. Census Bureau, 2002). The suburban population grew by 100 million, from 41 million to 141 million, and suburbia accounted for three-quarters of the nation's population change.

The 21st century will be very different. In 1950 more than half of all households had children, single-person households accounted for slightly more than 10% of all households, and the average household included 3.4 persons. In 2000 only about a third of all households had children, one quarter were single-person households, and the average household contained 2.5 persons. As I will show later, by 2025 only about a quarter of all households will have children and nearly 30% will include only a single person, although the average household size will not change much. The needs of a society dominated by childless households, a growing share of which have only one person, will be different than those of the mid-20th century, when households with children were in the majority.

A growing body of evidence suggests that the very low-density, single-use suburbs created in part based on the 701 planning template have become less healthy than higher-density, mixed-use communities (Ewing, Schmid, Killingsworth, Zlot, & Raudenbusch, 2003; Frumkin, Frank, & Jackson, 2004; Lucy & Phillips 2006). An emerging body of work is also suggesting that higher-density, mixed-use developments are more economically and fiscally efficient land uses than segregated ones (Burchell, Downs, Mukherji, & McCann, 2005; Burchell et al., 1998, 2002).

Recognizing the implications of these emerging trends, Fishman (2005) foresees a "fifth migration,"⁵ wherein mostly upper-income/affluent households and immigrant families return to cities and first-tier suburbs. I consider this the next planning era, and I expect it to affect the outer suburbs as well. In fact, unlike Fishman, I still expect most growth to occur in the outer suburbs. However, he and I agree that the 701 planning template is ill-suited to meet future needs.

What is at stake? Up to \$30 trillion will be spent on development between 2000 and 2025. Half the structures I expect in 2025 did not exist in 2000. With so much change coming, now is the time for planners to craft a new template that meets the challenges of the next planning era. Planners are the only profession charged with shaping the built environment to preserve public goods, minimize taxpayer exposure, maximize positive land use interactions, distribute the benefits and burdens of change equitably, and elevate the quality of life (Nelson, 2000). Although they largely created the 701 planning template, society looks to planners to learn from the past and reshape the future.

How can this be done? First, we must understand the nature of future demand across all land uses. Second, we must assess opportunities for redeveloping existing urbanized areas. Third, we must find ways to remove constraints on land use that are inconsistent with modern planning goals. And, fourth, we must champion the financial incentives and institutional changes that will make it possible to meet future needs. Other professions should join us in these endeavors, of course, but planners have the unique capacity to provide leadership in each of these areas. Framing how we should assert that leadership is the purpose of this Longer View.

Residential Development

In 2025, the U.S. population will exceed 349 million, 67 million more than in 2000 (U.S. Census Bureau, 2005a). No quarter-century of the nation's history will have seen such growth. The demographic characteristics of the population will be very different from the past as well. In 1960, just about half of all households had children. Table 1 shows that only about a third of all households had children in 2000, and by 2025 perhaps just over a quarter will.

Table 2 shows that the nation will add about 32 million households between 2000 and 2025, (Masnick, Belsky, & Di, 2004), but only about four million of these will have children (Masnick, et al., 2004; Riche, 2003).⁶ Single-person households will account for 34% of the growth.

Many single-person households are elderly. Already more people are turning 65 each year than ever before. In 2012 more than a million will turn 65, and in 2025 nearly two million will turn 65 (see Figure 1).

These changes will affect housing demand, and thus, the appropriate planning template. Low suburban land prices coupled with inexpensive transportation has meant that millions of American households could buy single-family detached homes on modest to large lots. Many of the costs of this type of development (see Burchell et al., 2002), have been spread broadly across society rather than incurred directly by suburban homeowners. The advantages of suburban homeownership are not trivial and include: space and relative privacy, a broad set of communities to choose from, tax advantages, investment appreciation, and arguably a high quality of life relative to alternatives (Burchell et al., 2002). The suburban template (homes on large lots) has largely delivered desirable communities at an affordable price.⁷ However, this housing type dominates the national housing market, as shown in Table 3, and some argue the template has failed to address growing demand for different housing products (Levine, 2006).

Emerging evidence suggests that the housing units existing in 2003 are unlikely to meet housing needs through the first quarter of the 21st century. The first several years after 2000 were characterized by record low home mortgage rates, inexpensive energy, and favorable construction prices. But now mortgage rates have begun to climb toward historically normal levels (see Freddie Mac, 2006), energy prices have increased (Deffeyes, 2003) and prices for construction materials have risen (see EEF, 2004; Guido, 2004; Reynolds, 2005) due to greater global competition. These factors combined with changing demographic characteristics may influence the future demand for housing.

One important market signal is already evident: For the first time, condominium and cooperative resale prices exceed those of detached homes and townhouses in two of the four regions (Northeast and Midwest) and nationwide. Because price appreciation rates for condominiums and cooperatives are substantially higher than those of detached and townhouse homes in all regions, their prices may be poised to overtake detached homes in the other two regions by 2010.⁸ The following indicates how several real estate development professional groups have interpreted trends for their clients recently.

The demographic trends continue—empty nesters move back into cities for more convenient lifestyles while their children delay marriage and build careers in urban nodes. . . . High gas prices and suburban congestion also stimulate more interest in urban alternatives.

Table 1. Percent of households with and without children, 1960, 2000, and 2025.

	1960	2000	2025
Households with children	48%	33%	28%
Households without children	52%	67%	72%
Single-person households	13%	26%	28%

Sources: U.S. Census for 1960 and 2000; author’s 2025 projections based on Riche (2003) and Masnick, Belsky and Di (2004).

Table 2. Projected household change, by type, 2000 and 2025.

	2000 ^a	2025 ^a	Change ^a 2000– 2025	Share of change
Total households	108,000	140,000	32,000	100%
Households with children	35,000	39,000	4,000	12%
Households without children	73,000	101,000	28,000	88%
Single-person households	28,000	39,000	11,000	34%

Note:

a. In thousands of households rounded to nearest million.

Sources: U.S. Census for 2000; author’s 2025 projections based on Riche (2003) and Masnick, Belsky & Di. (2004).

. . . Transit-oriented development . . . almost can’t miss. . . . New mixed-use town centers in the suburbs are also one of the hottest development trends. . . .⁹ (Urban Land Institute & PriceWaterhouseCoopers, 2006, p. 14)

What do households want? Housing preference surveys routinely find that most people prefer single-family detached homes on large lots.¹⁰ The most recent survey was conducted by the National Association of Realtors and Smart Growth America, and found that 57% of respondents preferred a single-family house on a one-acre lot (Belden, Russonello, & Stewart Research and Communications, 2004). But such surveys conducted since the late 1990s come to reasonable consensus on demand for other options. (See Malizia and Exline (2000) and Myers and Gearin (2001) for reviews.) The Fannie Mae Foundation (1997) found that between 16 and 19% of a national sample of households preferred townhouses, while a survey by the National Association of Home Builders (NAHB, 1999) found 15% preferred townhouses. The NAHB study also

**Persons
turning
65**

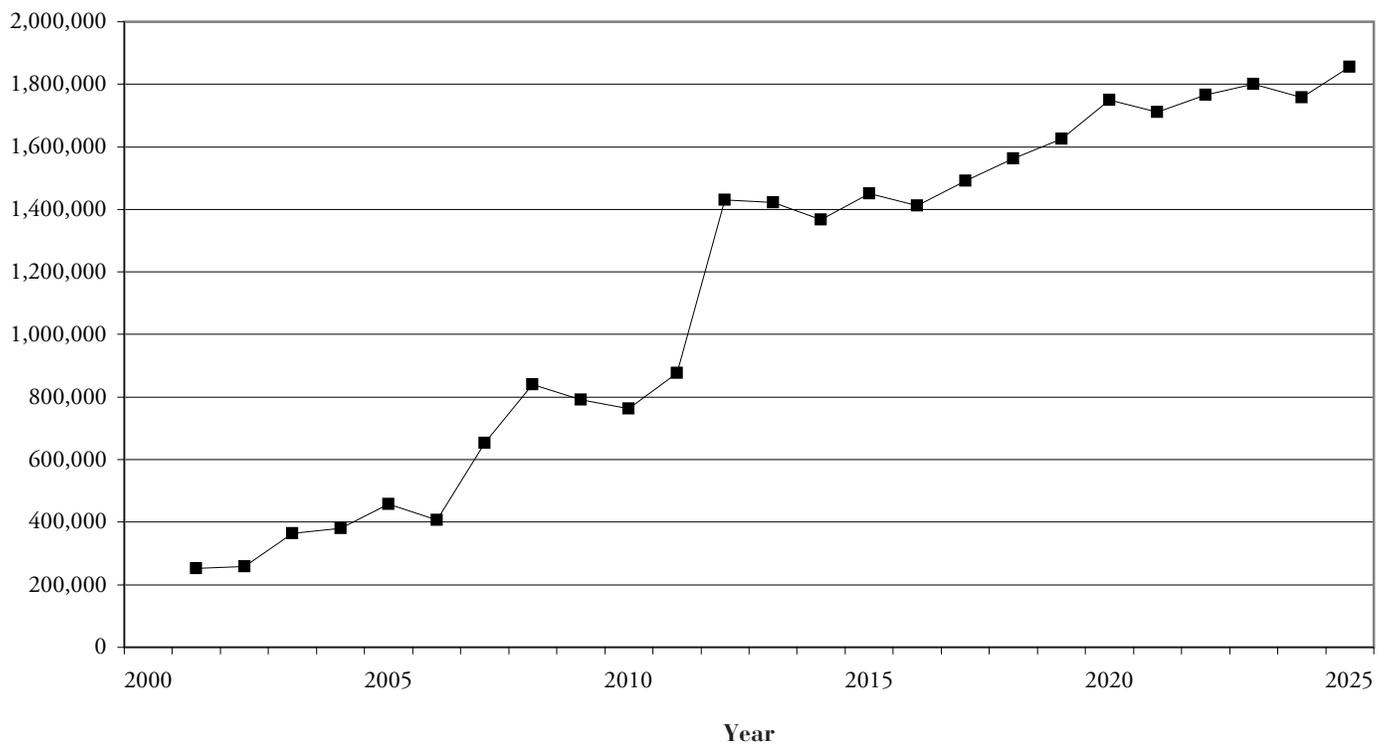


Figure 1. Persons turning 65 annually, 2001 to 2025.

Source: Author's calculations based on U.S. Census Bureau (2005a, 2006b).

showed that up to a quarter of people over age 55 preferred townhouses over other housing types. The Fannie Mae study (1997) also found that 14% to 18% preferred apartments. The apparent preference for condominiums ranges from 9% to 14%, according to Myers & Gearin's (2001) interpretation of surveys conducted in the 1990s. Although most households prefer single-family detached units, 37% to 57% prefer such homes on small lots (defined as 7,000 square feet or less), also according to Myers and Gearin's (2001) survey interpretations.¹¹ It is important to note that these surveys were conducted at a time when baby boom households still had many children living at home, with retirement looming still a decade or so ahead.

Although there have been no comprehensive surveys of housing preference since 1999, one recent stated-preference survey conducted in 2002 appears to corroborate the demand for small lots. Levine and Frank (in press) conducted a survey of 1,455 metropolitan Atlanta households to assess, among other things, their willingness to trade-off smaller

lots and cul-de-sac streets for more amenities (sidewalks, narrower connected streets, shops and services, parks, sense of community, etc.). Among those living in single-family detached neighborhoods (most on lots of over one quarter acre, which the study defined as large) they found that about 40% would trade large lots for smaller ones in exchange for those amenities. This figure is consistent with the lower estimate of demand for small lots noted above.

The problem with preference surveys, of course, is that what people say is not necessarily how they behave. (For example, perceived crime and poor school quality in central cities may overwhelm preferences for the physical design of central city neighborhoods when households actually choose their locations, raising the question of how much impact physical design alone can have.) I would suspect them more if they had been conducted by planning interests, but only the study reported by Levine and Frank (in press) involved a public agency, in cooperation with the Urban Land Institute. All the other studies reviewed above were conducted

Table 3. Occupied housing units by type, 2003.

	Percent
Multi-family housing (apartments, condominiums, etc.)	25.4%
Housing units on small lots (townhouses and units on lots under 1/6 acre ^a)	20.5%
Detached housing units on large lots (1/6 acre or larger)	54.2%

Note:

a. Estimated as all units on lots under 1/8 acre and half the units on lots between 1/8 and 1/4 acre.

Source: Adapted from U.S. Census Bureau, 2004, Table 2–3.

by the development industry to inform the development industry. While they clearly show a majority preferring single-family detached homes (at least 60%), the preference for alternative housing types developed from these surveys is not trivial, as Table 4 shows.

Table 5 estimates occupied housing unit demand by type in 2025 using the 2003 distribution of units by type shown in Table 3 and the results of the development-industry housing preference surveys summarized in Table 4 plus a midpoint between the two. With changing demographics, homeownership at a historically high rate,¹² and rising energy and construction prices, maintaining the 2003 distribution of housing units by type may be unlikely. The preference survey results also suggest that the market is currently significantly oversupplied with detached single family homes on large lots relative to demand in 2025.¹³ Levine and Frank’s (in press) work supports this conclusion.

The main point of our work is this: for the majority of our sample, preferences for a more compact/mixed-use/pedestrian-and-transit orientation were positively correlated with the desire for change in the physical design of one’s neighborhood. When generalized to the study population, this suggests a systematic undersupply of compact development, relative to current demand. If there were no such undersupply, one would expect people who prefer walkable neighborhoods to sort themselves into areas consistent with their preferences at the same rate as people who prefer auto-oriented neighborhoods. We interpret this to be partially attributable to the presence of binding regulatory constraints (such as zoning) and lending policies that favor conventional development and limit the supply of alternatives to sprawl. (Personal communication from Jonathan Levine, May 31, 2006)

Even the midpoint projection, that 39.6% of demand for homes will be for homes on large lots, suggests that the existing supply of large-lot homes is sufficient to meet demand in 2025. Of course some existing large lots will be redeveloped, meaning there will be at least some market for new large-lot homes in 2025, but it seems likely to be small. Put differently, the market demand for new homes through 2025 may be almost exclusively for attached and small-lot units.¹⁴

There is a final consideration: Some number of existing housing units will be replaced either because of disaster, owner preference, or conversion to another use. Nationally, existing homes are replaced at the rate of about 0.6% annually, compounded (Nelson, 2004a). The total demand for housing units from all these sources is summarized in Table 6.

Nonresidential Development

I estimate demand for nonresidential development, including retail, office, warehousing, government, civic, and all other nonresidential structures in Table 7. (See also Nelson, 2004b.) I assume that most jobs need space, and thus that the number of workers drives demand for non-residential space, now and in the future. In 2000, the U.S. labor force numbered 141 million (Toossi, 2002), with many millions holding two or more jobs. I interpolate from Toossi’s projections a 2025 labor force of about 167 million, or 26 million more workers than in 2000. Using

Table 4. Summary of housing preference survey results.

Preferred housing type	Share of total demand
Attached housing total	38%
Apartments	14%
Condominiums	9%
Townhouses	15%
Small-lot detached housing (less than 1/6 acre)	37%
Large-lot detached housing	25%
	100%

Note:

Share of demand for townhouses is based on interpretations of surveys by Myers and Gearin (2001), and is not weighted to reflect the age distribution of households in 2025.

Sources: Author’s analysis.

Table 5. Projections of 2025 housing unit demand^a by type.

Unit type	2003		% distribution matches 2003			% distribution matches survey results			% distribution midway between 2003 and survey results		
			% distribution	Demand ^a	Net new units ^a needed	% distribution	Demand ^a	Net new units ^a needed	% distribution	Demand ^a	Net new units ^a needed
Attached	27,000	25.4%	25.4%	35,000	8,000	38.0%	53,000	26,000	31.7%	44,000	17,000
Small lot	22,000	20.5%	20.5%	29,000	7,000	37.0%	52,000	30,000	28.7%	40,000	18,000
Large lot	57,000	54.2%	54.2%	76,000	19,000	25.0%	35,000	-22,000	39.6%	56,000	-1,000
Total	106,000	100.0%	100.0%	140,000	34,000	100.0%	140,000	34,000	100.0%	140,000	34,000

Note:

a. In thousands of units, rounded to the nearest million.

data from the Energy Information Administration (2005) and the Society of Industrial and Office Realtors (2005), I estimate that there were about 81 billion square feet of occupied and vacant nonresidential space in 2000, or about 573 square feet per labor force member (Nelson, 2006).

To understand how telecommuting and the Internet will influence the need for nonresidential space in the future, consider that between 1992 and 2003, a period during which Internet hosts grew from fewer than 1 million to more than 150 million and reached most American households (Hellwig, 2006), per capita space for retail, office, medical, and service activities actually rose from 145 square feet to 149 (Nelson, 2006). Salomon and Mokhtarian (1997) projected that there would be 25 million telecommuters by 2000, yet there were only about 9 million by 2005 (Korzeniewski, 2005). Hence I assume these influences will not reduce future space demands significantly.

Thus Table 7 assumes a constant 573 square feet per labor force member, suggesting that the United States will need about 96 billion square feet of nonresidential space in 2025, or about 15 billion square feet more than existed in 2000. However, data from the Energy Information Administration (1995, 2005) indicates that the useful life of a non-residential building ranges from 17 years for retail structures to 65 years for offices and institutional buildings such as schools. Conservatively assuming nonresidential buildings will have average useful lives of 50 years (Birch, 1991) I conclude that about 63 billion square feet of nonresidential space may require conversion to another use or replacement between 2000 and 2025. Thus to accommodate both the growth and replacement I expect, the United States will need about 78 billion square feet, or nearly as

much again as existed in 2000. If my assumption of a nonresidential building's average useful life underestimates the frequency with which buildings are left vacant and become derelict, even more space will need to be constructed to meet future needs.

Implications

During the 2000s, construction in all sectors averaged \$1.1 trillion annually (U.S. Census Bureau, 2005b). Projected to 2025 and including modest compounding, I estimate that construction during the period 2000 to 2025 will top \$30 trillion. Although I expect over half of all development on the ground in 2025 will not have existed in 2000, even more important is that by 2025 much of society will have been spatially rearranged. An increasing number of empty-nesters, young professionals, and others will choose the city and first-tier suburban locations over outer suburban ones. According to Fishman (2005), they will drive up housing prices beyond the reach of many existing residents who may then be pushed to the suburban fringe and exurbs. Rising energy prices and declining demand for suburban homes on large lots may reduce the value of these homes, yielding important implications for the future.

First, the American dream of owning one's own home may result in millions of senior households living in auto-dependent suburban homes which have lost value compared to smaller homes in more central locations where many of their services will be located.¹⁵

Second, as the value of large homes on large lots far from central locations erodes, they could become affordable

Table 6. Projected housing units to be constructed, 2000–2025.

	Units to be constructed (millions)
Units to be constructed to accommodate growth	34.5
Units to be constructed to replace/rebuild/convert ^a existing occupied units	17.0
Total occupied units ^b in 2025	51.5

Notes:

- a. Share of units to be replaced, rebuilt, and converted assumed to be equal to the share of housing units existing in 2000 in excess of the number reported in the 1990 Census plus those built during the 1990s.
- b. This table includes only occupied units. Roughly 10% of all housing stock remains vacant year-round, and only 3% of the housing stock is for seasonal use (U.S. Census Bureau, 2006a). Some of these vacant units may become occupied or, perhaps more likely, replaced entirely with new occupied housing units, or new types of development, or simply removed physically, creating urban green spaces.

Table 7. Projected nonresidential square feet to be constructed, 2000–2025.

	Sq. ft. (millions)
Space to be constructed to accommodate growth	15,000
Replacement space	63,000
Total space	78,000

Source: Author’s analysis based on Energy Information Administration (1995, 2005) and Birch (1991).

housing for millions of households in the future. Many millions of these homes have more than 4,000 square feet of living area (U.S. Census Bureau, 2004) and may be easily subdivided internally to accommodate two, three, or more families. (If this were to happen on a large scale it could replace other sources of housing units.) This could cause fiscal stress in the localities where these homes are located (see below). And because those homes are not accessible to transit, low- and moderate-income households displaced to suburban fringe locations from central cities and first-tier suburbs may have greater difficulty reaching jobs than they do now.

Finally, such a scenario turns workforce housing and jobs-housing balance concerns upside down. Ever since John Kain wrote of spatial mismatch between low-income

centrally located households and the jobs they could not get to in outlying suburbs (Kain, 1992), planning and public policy has been preoccupied with rectifying the situation. Past solutions included expanding job opportunities in central cities, improving accessibility to suburban employment centers, and changing zoning practices to allow a wider variety of housing options near those centers. In Fishman’s scenario, empty-nesters, young professionals, and other affluent households move to cities and first-tier suburbs, where they outbid low- and moderate-income households for housing and enjoy the advantages of proximity to work and urbane leisure. This scenario actually exacerbates problems of proximity between jobs and housing because rather than being clustered, low- and moderate-income households are dispersed toward the suburban fringe, as in developing countries.

This would also increase the risk of mortgage failure for homes on large lots, especially at the suburban fringe. If Table 4 is correct, many millions of homes on large lots will lose value between now and 2025. Thus many households may come to owe more on their mortgages than their homes are worth, and some may choose to default rather than pay off these mortgages (see Fletcher, 2005; Hudson, 2006). Others may choose to ride out what they hope is a temporary cycle, deferring both relocation and reinvestment in their existing residences as a result. This could leave many millions of older homeowners in poorly maintained, suburban homes on large lots. Even a less extreme outcome like my midpoint scenario will have this effect on some households.

Such scenarios cause the property tax base of suburban fringe jurisdictions to erode, and because low-density development is more expensive to maintain than higher-density development (see Burchell et al., 2005), such jurisdictions are likely to become fiscally stressed in the future. Lucy and Phillips (2006) have already found evidence of this in some of the most rapidly growing metropolitan areas.

A similar phenomenon may occur for nonresidential development. A survey of nonresidential developers by the Urban Land Institute and PriceWaterhouseCoopers (2004) asked in which of 13 types of areas they would advocate investing over the next several years. Four of the top five types of areas were: proximate to transit stations, in pedestrian-oriented suburban business districts, in inner-ring suburbs, and in central business districts. At the bottom were such locations as suburban strip commercial centers, suburban business parks, and exurbia. Their conclusions match mine, as the supply of the areas they recommended is constrained, while demand for them continues to grow, making them good places to invest.¹⁶

There are important environmental implications as well. Stone (2005) shows that modern commercial buildings and associated black asphalt parking lots produce ozone. This effect could be ameliorated if relatively low-cost, high-albedo products or additives were used to roof new structures, reroof old ones, and resurface parking lots. Given the amount of new nonresidential construction I expect between 2000 and 2025 this could greatly reduce the heat-island effect within a generation.

New development at higher densities could also lead to energy savings. Decentralization of development since the 1960s has also resulted in increasing losses in energy transmitted to residential consumers, as illustrated in Figure 2. During the period 1960 to 2004, the energy lost in transmission to residential consumers more than doubled from less than 20 to more than 40%.

Finally, it is possible that with greater demand for locations in cities and first-tier suburbs, and outer suburbs declining in value, pressure to develop in farming regions and on sensitive rural landscapes may diminish. The rearrangement of the population may also enhance the economic viability of alternative transportation options, even in some of the outer suburban areas.

Toward a New Planning Template

In this section, I suggest two templates to help planners prepare for the opportunities created by the future I have described above, the barriers that must be overcome within planning, and a set of changes needed in larger social institutions in order to achieve planning goals in the new era.

Energy lost in transmission as percent of energy consumed at residence

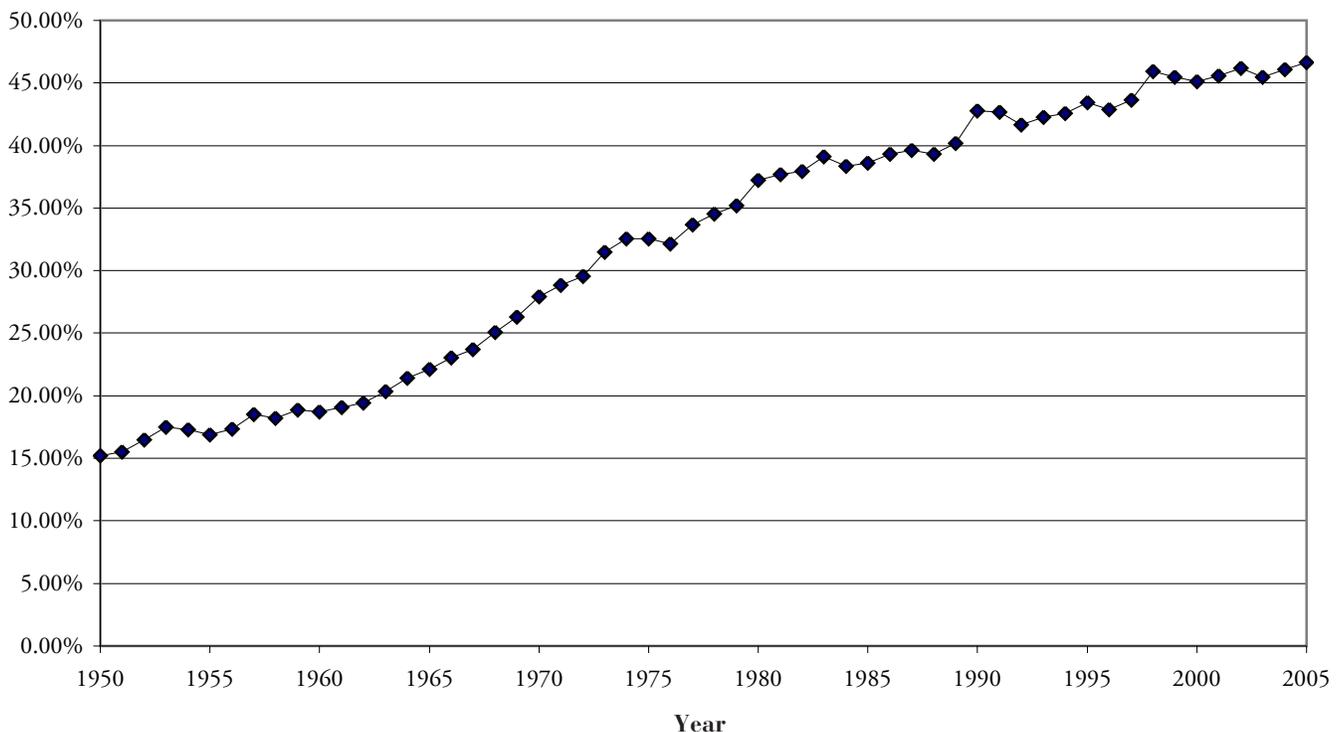


Figure 2. Percent of energy lost in transmission to residential consumers, 1950 to 2005.

Source: Author's analysis using data from the Energy Information Administration (2006).

Central cities normally experience development followed by stagnation, decline, sometimes blight, and then often, but not always, renewal (Bourne, 1974). Lucy and Phillips (2006) have shown that outer suburbs undergo a similar cycle, yet may be less resilient and more resistant to renewal than central cities and first-tier suburbs because they have mostly homogenous housing stocks and non-residential buildings of roughly the same age. By contrast, central cities and many first-tier suburbs are richly diverse; their structures and areas are in different stages of deterioration and ripeness for conversion, so that as one part of a city declines another part is renewed (Belmont, 2002; Hudnut, 2003). Lucy and Phillips (2006) and Levine (2006) note that most zoning controls in outer suburbs inhibit renewal and thus facilitate decline. Declining suburbs are found everywhere, including in otherwise burgeoning metropolitan areas (Lucy & Phillips, 2000).

Assuming that metropolitan areas exceeding one million residents in 2000 make up a constant share of the population, I project that they will add about 37 million new residents between 2000 and 2025, accounting for about 55% of the nation's growth. I project that outer suburbs in those metropolitan areas will grow by about 25 million, equal to about two-thirds of projected growth. Thus I outline below two templates; one for central cities and first-tier suburbs, and the other for outer suburbs.

Template for Central Cities and First-Tier Suburbs

Being in the center of their metropolitan regions, central cities and first-tier suburbs are poised to absorb a large share of growth over the next 20 years (Puentes, 2006). I estimate that central counties in metropolitan areas larger than 1 million residents in 2000 (which are a reasonable proxy for central cities and their first-tier suburbs) will grow by at least 12 million between 2000 and 2025, absorbing about 20% of the nation's growth.¹⁷

What is the role of planners in central cities and first-tier suburbs? While these areas seem already built-out, they still offer many opportunities for infill and redevelopment (Suchman, 2002). Although planners do not have special knowledge of potential investors, they are well positioned to understand the market for local redevelopment projects. They also play an important role in engaging stakeholders (especially nearby neighborhoods) in working out general land use parameters. In the early 1980s in Arlington County, Virginia, planners helped neighborhoods and investors identify acceptable uses around metropolitan Washington's heavy-rail transit stations. The plan focused future development at the stations while also preserving established neighborhoods. This had the desirable effect of reducing

neighbors' not-in-my-backyard (NIMBY) reactions to change when it came. The Urban Land Institute gave Arlington County its Award of Excellence, and the U.S. Environmental Protection Agency gave Arlington its award for National Excellence in Smart Growth for this forward-looking planning and its results.

Arlington County is successful because it planned to fill a particular market niche, which, while small, is growing. There may be other opportunities for planners to facilitate greater use of fixed rail in the future. For example, a study conducted for the Federal Transit Administration (FTA) by the Center for Transit-Oriented Development (2004) shows that about half of the new housing needs in metropolitan areas with rail transit could be met within walking distance (one half mile) of existing or planned fixed-rail transit stations.¹⁸ In 2000, about 7 million households lived within half a mile of fixed-rail transit systems, and by 2025 the FTA study estimates this may grow to 14 million. During the same period, these metropolitan areas will add about 16 million households (growing from 52 to 68 million). This means that 45% or more of future growth may occur near existing lines, considering the new and expanded rail systems announced since the FTA study was published.

Downtowns, including those emerging in suburbs, are not likely to absorb a large share of the nation's growth, although many will be essentially rebuilt. In 2000, downtowns accounted for less than 1% of the nation's population (Birch, 2002). Nonetheless, downtowns will play an increasingly important role as a niche, and planners can help position downtowns to attract a share of the future population (Leinberger, 2005). One of the challenges facing central cities and first-tier suburbs is assuring that new developments, especially those oriented to transit, improve the quality of community life. Bryce, Studley, Oakley, and Manomaitis (2005) provide an approach to guide planning for transit oriented development.

Template for Outer Suburbs

The outer suburbs of metropolitan areas with more than 1 million residents in 2000 will grow by at least 25 million people between 2000 and 2025.¹⁹ Failure to recognize redevelopment and infill opportunities may cost outer suburban communities dearly. Lucy and Phillips (2006) show that hundreds of suburbs made up mostly of single-family detached homes are already facing economic and fiscal challenges. Home values in many hundreds of outer suburbs once flush with tax revenue are now in decline, compromising the fiscal integrity of their local governments. What can their planners do?

One of the first things planners can do is make realistic projections of land use needs. Does the current supply of

land zoned for large-lot homes reflect reality? Can the community sustain itself fiscally with only large-lot homes, given weakening demand for them? These assessments can help communities reconsider the wisdom of their current zoning (see Levine, 2006).

Second, they can assess housing demand in outer suburban communities realistically. Not all the affluent, empty-nester, and young professional households will be attracted to cities and first-tier suburbs. Maybe most will not. But it is increasingly unlikely that many will want homes on large lots. Planners can conduct or contract for market studies to estimate demand for different kinds of housing in outer suburban communities over the next generation. They must also provide leadership to encourage creative housing solutions such as accessory dwelling units to accommodate demand for small homes by young people, elderly people, and people in life transitions, and inclusionary zoning, especially for affordable housing (Porter, 2004).

Third, outer suburban communities have some unique strategic opportunities as a result of their abundance of land. Planners should consider ways to take advantage of their land bases to create niche markets attractive to those who value open space (see Daniels & Daniels, 2003; Randolph, 2005).

Fourth, while cities and first-tier suburbs often lack large tracts of land under common ownership, creating significant barriers to redevelopment, many suburbs possess large, well-located tracts of commercial land belonging to a single owner. Because retail uses are usually redeveloped or converted within 20 years and low-rise office buildings within 60 years, over a 25-year period a large share of these commercial properties should become ripe for conversion to more intensive uses. The floor-area ratio of a site is the gross area inside buildings on the site divided by the site's land area. For a land tract of 100,000 square feet, a FAR of 0.20 (typical of shopping centers) means the building encloses 20,000 square feet, with the balance usually devoted to parking, loading, and other paved surfaces. Redeveloping existing low-intensity land uses to FARs of just 1.00 may absorb all new future demand for retail, office, and attached housing in outer suburban communities with only a modest increase in parking costs.²⁰ By facilitating redevelopment of commercial centers along major streets planners can help protect established suburban neighborhoods from real or imagined land use intrusions, reducing potential NIMBY opposition.

Fifth, although most outer suburban communities are not accessible by transit, those that are could engage a planning process to take advantage of this. Many suburban commuter rail stations fail to maximize their economic potential. For example, nearly half of the stations along the

Virginia Railway Express's commuter rail 20-mile route from Fredericksburg to Lorton (the outer suburban segment) have no urban-scale development around them. There are no studies assessing the extent to which development occurs in and around commuter rail stations.

The challenge for planners in the outer suburbs is to organize land uses and infrastructure investments to meet current development pressures while preparing for future down cycles and shifts in market demand. There may be little time to waste.

Barriers within Planning

Levine (2006) observes that there is now a mismatch between what many suburban governments allow (single-family homes on large lots) and where the market is heading (attached homes and small-lot options). Levine also observes that some scholars and commentators claim that planning innovations (such as cluster development, new urbanism, and the like) give people the communities that planners think they should have, instead of the large homes on the large lots that they truly prefer. Yet, as I noted earlier, the large home on a large lot is a product of a federally sanctioned planning template.

What can planners do? Several approaches seem to be gaining favor nationally. First, planners should question whether land uses need be separated at all. Some certainly may, but we are no longer in the 1920s, when a Euclid, OH hog-rendering plant could locate adjacent to residences. Euclidian zoning needs to give way to zoning that favors mixed land uses. Second, innovations such as form-based codes, and conceptualized pre-platting (where general plan maps illustrate desired lot, street and public space configurations), permit a high quality built environment that anticipates change. Although they may not be applicable broadly, they can facilitate redevelopment of older areas facing economic decline. Third, communities should consider using financial incentives and concessions to encourage redevelopment they want in the long term, but whose rates of return would be insufficient to attract investors. Tax abatement, fee waivers, tax-increment financing, below-market financing, and other techniques could be considered, all of which carry relatively low to modest risk to local governments.²¹ Fourth, when reviewing development proposals requiring land use decisions, communities should consider how easily the proposed development might be converted to serve other uses once the intended use is no longer viable. Planning in advance for such renewal is not common, but can make communities more resilient in the long term.

Institutional Challenges

Planners have no direct influence over institutional lending practices or federal biases, but this does not mean they should be silent. Consider the institution of mortgage lending. Under the “drive until you qualify” mentality of mortgage financing, lenders typically do not permit a household’s monthly mortgage principal, interest, tax, and insurance payment to exceed about 28% of household income. Average households spend about 40% of their incomes on housing and transportation (Bureau of Labor Statistics, 2006), with about 26% for housing and 14% for transportation. This implies that if transportation costs could be reduced by half (perhaps by locating closer to employment centers) households could spend 33% of their income on housing, likely pleasing homebuyers as well as improving transportation efficiency. Because households with low transportation expenditures generally get no special breaks from the home mortgage industry, they are pushed to travel further than they would have preferred. However, Fannie Mae is sponsoring a pilot product called a location-efficient mortgage to address this concern (National Resources Defense Council, 2006). Because energy costs are also not considered in the mortgage-lending calculation, but are an increasingly large share of housing costs, similar energy-efficient mortgages are also being tested in five states (U.S. Department of Housing and Urban Development, 2006a). Still, these efforts are not part of the mortgage lending mainstream.

It is also true that the federal government and most states give preference to home ownership over renting. Homeowners can deduct their mortgage interest and property taxes from their federal taxable income. Many states also give preferential property tax treatment to homeowners, thereby shifting property tax incidence in part to rental housing.²² These policies create incentives for people to own their own homes. Yet while home ownership is desirable for many millions of households, it depends upon location²³ and life-cycle stage; it is not appropriate for all households everywhere. For a fair comparison between the economic costs of renting versus owning, see National Multi Housing Council and National Apartment Association (2004). Policies that benefit home owners may be difficult to change politically, but evening the playing field for rental housing will be important as the population changes.

The property tax system in the United States also penalizes land improvements and encourages speculation, leading to inefficient land use patterns. In most of the nation, property taxes are based on the combined value of improvements and land, and on land’s value in its current use rather than on its market value in its most valuable use

(Ladd, 1998). By taxing improvements, the system discourages density and intense investment. Taxing property based on its current use encourages property owners to keep their property in low-value uses, like surface parking lots in urban centers. Owners thus become speculators, since it costs them little to hold land off the market until the price becomes very high. In the meantime, development is delayed and displaced to more distant locations. If all land were taxed based on its highest market value, land use would be more intensive, land speculation would be reduced, and development would be more compact, especially if the land use regulatory system becomes more forward looking. Land-value taxation is not a cure-all but it does reshape the land use investment, development, and especially the planning landscape to enhance value. Such an approach would likely make fiscal systems more resilient. In a sense, planning would play a much more important role under such a system, since it would determine the type, scale, and intensity of land use and the tax system would reinforce it by taxing land based on its market value considering its highest-and-best use.

Regional and/or metropolitan governance systems need to be modernized as well. While there may be some fiscal efficiencies associated with governmental fragmentation (Fisher, 1996), it creates numerous other externalities in complex metropolitan regions (O’Sullivan, 2007). Since fragmented local governments are not required to act in the broader regional or metropolitan interest they make decisions that worsen jobs-housing imbalance, prevent equal access to economic opportunity, and impose higher tax burdens on those with the lowest incomes (Downs, 1994). Most of the solutions that have been proposed (including regional tax-base sharing, regional asset financing, regional fair-share housing, regional transit and alternative transportation mode planning and investment, and regional environmental management) have been ad hoc (Foster, 2001). Crafting governance systems so that all jurisdictions depend on the others for long-term vitality is key (Greenstein & Wievel, 2000).

The Canvas Beckons

A regional visioning movement is spreading across the nation. Duncan & Clark (in press) will provide an inventory of notable visioning efforts of the past decade. These efforts focused mostly on desirable urban forms, affordable and workforce housing needs, sensitive landscapes, community character, and so forth. The new visioning movement uses technology to inform citizens and evaluate scenarios relative to community goals. These visioning exercises

estimate future land use needs based on demographic shifts; assess opportunities for redeveloping nonresidential areas, especially in low-intensity strip commercial and suburban activity nodes; evaluate the role of transit in facilitating infill and redevelopment; and develop metrics to monitor progress in implementing the regional vision. Planners may want to study these efforts and apply the most relevant elements to their communities.

In this Longer View, I see planners presented with a new canvas on which to sketch America's built environment over the next generation. Between 2000 and 2025 nonresidential construction may equal the entire volume of nonresidential space existing in 2000. New residential construction may equal half of all residential units that existed in 2000. The composition of American households will be very different from the past. In 2025 only slightly more than a quarter of all households will have children and more than quarter will be singles, yet zoning codes in place across the nation today assume the greater prevalence of households with children. Clearly, market forces are poised to reshape America's built environment over the next generation and beyond. Because of their skills and values, planners have a special role in guiding how this happens. There is no better time for leadership.

Notes

1. There is no formal accounting of funds expended through the 701 program. Hoben (2001), a former administrator of the program, notes that "in the 1970s, the annual grant total zoomed from \$25 million a year to more than \$125 million (about \$300 million in today's dollars)." The billion dollar estimate in 2006 dollars seems conservative considering the program lasted 35 years.
2. Hoben (2001) notes that most of the funds went initially to towns with populations under 25,000, and later 701 planning grant funds were shared between smaller, suburbanizing jurisdictions and state and metropolitan planning efforts. As a practicing planner throughout the West during the 1970s, I and my professional planning colleagues came to view 701 planning grants as the principal source of planning funds for suburbanizing jurisdictions.
3. The U.S. Department of Housing and Urban Development notes that over the FHA's history more than 33 million homes have been insured along with more than 47,000 multi-family housing projects. (U.S. Department of Housing and Urban Development, 2006b). There is no firm figure for units per multi-family structure, but 100 is commonly used, implying that perhaps five million multi-family units have received FHA assistance over its 60-year history, or roughly 13% of the total.
4. Calculated as the percent of persons living in standard metropolitan statistical areas outside central cities in 1950 (U.S. Census Bureau, 1974) and percent of persons living in the suburbs of metropolitan statistical areas in 2000 (U.S. Census Bureau, 2002).
5. The first four migrations were (1) pioneers settling North America, (2) movement from farms to factory towns, (3) relocation from farms and the hinterlands into large metropolitan areas, and then (4) decentralization from large cities into suburbs and exurbs within commuting range of central cities.
6. Riche (2003) projected households by type including family households with and without children, and nonfamily households including single-person households. Masnick, Belsky, and Di (2004) also projected family and nonfamily households to 2025. They used data that were not available to Riche. For 2000, Riche estimated 68.4% family households while Masnick, Belsky, and Di put the figure at 68.8%. For 2025 the figures were 67.1% and 67.5% respectively. Though they are clearly very similar, I use Riche's distribution because it breaks out households with and without children, and single-person households. On the other hand, I use Masnick, Belsky and Di's higher number of total households in 2025 because it is based on more recent census projections (Census, 2005).
7. For current commentaries, see Levine (2006) and Lucy and Phillips (2006).
8. This conclusion is based on sales data available online from the National Association of Realtors (2005).
9. Other observations in a similar vein have appeared in this publication every year since 2000, and on Robert Charles Lesser & Company's corporate website, <http://www.rclco.com/>
10. Home-purchase preference surveys usually do not show how people would make trade-offs. To address this problem, Myers and Gearin (2001) observe that the NAHB (1999) asked respondents to trade-off housing size, lot size, type, and other attributes when given choices on how to spend \$150,000 for a new home. The survey found that as households age, an increasing percentage prefer townhouse living opportunities in an urban environment, rising from 9% among householders aged 25–34 to 24% for householders older than 55. They also surmise that one third to one half of respondents prefer smaller lots to larger ones.
11. According to Myers and Gearin (2001), the surveys defined a small lot as one-sixth of an acre. Small lot is defined here as one quarter acre because this conforms to the American Housing Survey categories.
12. Between 1965 and 1995 the average home ownership rate was 64.5% (Chambers, Garriga & Schlagenhauf, 2005). Between 1995 and 2005 it rose to a high of 69.2% (U.S. Census Bureau, 2006a). Reasons for the increase include more flexible mortgage instruments and during the early 2000s historically low mortgage interest rates. For example, the average annual rate for a 30-year fixed mortgaged with 20% down was 7.38% in 1972, rising to a peak of 16.63% in 1981 before leveling to the middle to high 7.00% range in the late 1990s. Between 2000 and 2003, however, rates fell from 8.05% to 5.83% and stayed below 6.00% through 2005. (Freddie Mac, 2006) Coincidentally, the home ownership rate fell from a peak of 69.2% in the fourth quarter of 2004 to 68.5% in the first quarter of 2006 (U.S. Census Bureau, 2006a).
13. To be conservative, I do not present the high range of preferences based on the same surveys in the main text. It is: 51% for attached units, 28% for small lots, and 21% for large lots. The resulting demand in 2025 would be for 71, 39, and 29 million units respectively for attached, small lot, and large lot units, or a difference between 2003 and 2025 of 46 million, 7 million, and –18 million units respectively.
14. Robert Charles Lesser & Company, a national market analysis firm, has conducted market studies consistently showing 25 to 33% of housing demand to be for attached and small-lot detached homes ("Consistent market found for NU," 2001). If one assumes this, all new housing constructed between 2000 and 2025 would have to be of these types.
15. I am indebted to an anonymous reviewer for this insight, referencing Jonathan Franzen's novel, *The Corrections*.

16. I am indebted to an anonymous reviewer for this insight.

17. This estimate is based on a constant-share apportionment of growth between 2000 and 2025 for central counties in metropolitan areas of more than one million residents in 2000 based on population change during the 1990s, using the U.S. Census Bureau (2005a) projections.

Given the extent to which market factors reviewed earlier shift demand toward central cities and first-tier suburbs, these estimates may be low.

18. Using geographic information system technology and census data, this study evaluated the demographic characteristics of residents within one half mile of the 3,341 existing and 630 planned fixed-rail stations in the U.S. as of the early 2000s. Using additional census data for the metropolitan areas where fixed-rail is located or will be, the study projected the population and demographic characteristics of metropolitan areas and estimated the share of the future population that may be attracted to areas near fixed-rail stations. I encourage readers to review the report for its methodological details, findings, and planning implications. The study does not assume any more fixed-rail systems or stations than existed or were planned in the early 2000s.

19. This estimate is based on a constant-share apportionment of growth between 2000 and 2025 in non-central counties of metropolitan areas with more than 1 million residents in 2000 based on population change during the 1990s, using the U.S. Census Bureau (2005a) projections.

Given the extent to which market factors reviewed earlier shift demand away from rural and exurban areas, these estimates may be low.

20. Smith (2005) suggests that mixed land uses reduce parking demand by up to a third. Thus I estimate this would allow a doubling of typical low-intensity FARs from 0.20 to 0.40 without going to decked or underground parking. Decked parking costs about half as much per stall as underground parking and may be amortized with modest parking fees or low-interest public-sector loans provided to facilitate more intensive development.

21. Leinberger (2005) argues that “patient” capital is needed to help make desirable projects financially feasible. The problem with many infill projects is that near-term rates of return are below market rates, meaning the developments are either not built or require public subsidies. Leinberger advocates for a special source of funds that does not need market-rate returns and can wait for whatever returns may come. I suggest that many forms of public subsidies or concessions used to make a project financially feasible should be leveraged and not given away. For example, over a 15- to 20-year period, property tax abatement can have a major effect on private investor rates of return, especially after the first 5 to 10 years. Instead of outright abatement, the local governments might accept an equity position in the project. At the end of an investment period, the local government would receive all the abated taxes back plus nominal interest, perhaps equivalent to its tax-exempt rate plus one or two points.

22. In California, for example, owner-occupied homes pay property taxes based on their purchase price (adjusted nominally for inflation), but rental property owners pay property taxes based on current market values. In Louisiana owner-occupied homes are taxed based on their market value less \$75,000, but rental housing is assessed at market value. For details, see Education Commission of the States at <http://www.ecs.org/clearinghouse/32/14/3214.htm>.

23. On their website (www.nahb.org) the National Association of Home Builders ranks metropolitan areas by their affordability. Yet homes purchased in the 1990s and sold in 2006 in most of the metropolitan areas more affordable than the national average would not have recouped inflation-adjusted costs, even after considering tax advantages.

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Comment on “Planning Leadership in a New Era”

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In his Longer View, Nelson makes us aware of the unprecedented amount of urban development and redevelopment we can expect in the next two decades. Using information on consumer preferences, demographics, and space requirements, he predicts that households without children will exercise preferences for new housing and neighborhoods that are inconsistent with long-standing suburban development patterns. Nelson’s views complement and extend the arguments posed in an earlier Longer View by Fishman (2005). Nelson argues for new templates to guide future development. He calls on planners to take leadership roles in the urban development and redevelopment process, and to use their knowledge of development futures effectively. In this comment, I will address consumer preferences, alternative strategies for planners, and the leadership role Nelson advocates.

Although Nelson interprets data on consumer preferences correctly, this information may not be terribly reliable. First, the samples are self selected rather than random, meaning we do not know that they represent the general population. Furthermore, the responses may be heavily influenced by the data collection method, since, for example, results from visual surveys are quite different than results from telephone surveys (Malizia, 1999). Finally, as Nelson notes, people often do not behave in ways that are consistent with the preferences or opinions they express. Certainly, no obesity epidemic would exist in the United States today if we acted on our desires to eat healthily and be physically active.

I also see Nelson’s predictions as contingent on factors he does not discuss. Ability to pay shapes consumer preferences. The shift in demand Nelson anticipates will depend upon continued productivity gains and workers having sufficient bargaining power to increase wages. If real wages stagnate, affordability could become the overriding consideration of most new households, trumping their location preferences.

As for alternative strategies, Nelson provides many useful ideas about what planners can do. He offers two

templates, one for planners located in central cities and first-tier suburbs, and one for more distant suburbs. These templates are best thought of as points of departure, as we know there is great diversity both within and between metro areas (Lucy & Phillips, 2000). Planners should network with others located in places having similar population and geographic sizes, vintages of housing stock, proximity and access to central cities, and economic bases, in order to articulate templates customized to their specific communities. Indeed, suburban areas form a mosaic of problems and opportunities (Personal communication from David Phillips, June 23, 2006).

In general, changing development regulations or broader public policies is a sound way to influence development patterns and outcomes. But planners' technical knowledge of new types of zoning and land regulation may not overcome local political support for exclusionary zoning based on Euclidian principles. Regional or state-level authority may also be needed to insure that new mixed-use development is also economically and ethnically integrated (Personal communication from Jonathan Levine, June 25, 2006).

Nelson also calls for "financial incentives and concessions" (p. 402) because development consistent with the long-term public interest may conflict with short-term financial return requirements. I disagree. If it is true that consumers prefer and can afford new forms of development, real estate developers and investors will respond; these markets are not that inefficient. Rather than worrying about ways to increase returns or reduce development costs, planners should find ways to make urban development and redevelopment more predictable. Clear development regulations, explicit plans for the timing and location of public infrastructure, and development reviews that are consistent and take a reasonable time to complete all reduce development risk and uncertainty, as Burby, Salvesson and Creed argued in *JAPA* recently (2006). Lower risk translates directly into lower return requirements, which should increase the amount of private capital seeking urban development and redevelopment opportunities (Malizia, 2003).

Nelson challenges planners to take a leadership role in the urban development process as do Myers and Banerjee (2005) and Olshansky (2006) in previously published *Longer Views*. Yet unless they enter politics and become public officials, it is difficult for me to envision how professional planners will become local leaders. Planners in the private sector are beholden to clients and pursue their interests. Planners in the non-profit sector effectively advocate for constituents, but rarely have the influence or resources to exert leadership. Planners in the public sector influence urban development primarily by attending to

process. They promote community visioning, formulate plans consistent with these views, encourage public participation and communication, facilitate formal development reviews, and provide information to competing stakeholders. An open, democratic, participatory, transparent planning process is considered good planning.

This is not to say that planners working in the public interest lack principles or substantive ideas about how to "make great communities happen." The problem is that since the 1950s, the theory of planning has focused on the planning process, whether based on the rational model, its variants, or alternatives. While traditional planners were applying the Section 701 template, other planners were successfully broadening the concept of urban planning beyond the built environment to the social and economic realms. This broader domain led them to be concerned with behavioral theory. The broader planning paradigm that evolved embraced positive (evidence-based) theories about cities and normative (value-based) theories about process. But in the process, normative urban theory (how a good city should be formed and should function), has been lost. Not surprisingly, normative debates about what are "good cities" or "good development patterns" involve architects, landscape architects, geographers, urban sociologists, journalists, lawyers, and real estate developers more often than planning academics or practitioners. As long as planners are taught to foster participation and be guided by what emerges from participatory processes, they may facilitate worthwhile development goals and objectives, but by definition they will never assume leadership positions. This may not be a bad thing, since for most planners leadership is not remunerated and can even undermine job security.

Still, what may be valid for most planners need not apply to all planners. Nelson and others are trying to legitimize the leadership role for planners, and a cadre of professionals and academics may well take up the challenge (Personal communication from Dowell Myers, July 4, 2006). Fortunately, the founders of the planning profession have much to offer budding planner-leaders. Specific knowledge of and orientation to the future was one of their basic tenets. Another was seeing things whole on a regional scale. Yet another was shaping urban growth and change in ways that promoted the public interest. In combination these gave rise to long-range, comprehensive, public-interest oriented, regional planning.

Contemporary planner-leaders can build on this holistic regional vision, responsibly applying principles of sustainable development, democracy, private property, and competitive markets to place and space. It would be possible to fashion a normative urban theory, though this is

easier said than done. Such a theory would provide the substance needed to enlarge the scope of professional practice. To reach this high bar will require commitment, intelligence, persistent and sustained effort, and wisdom. Where this high level is attained, leadership opportunities based upon the fundamental tenets of urban and regional planning may soon follow.

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