# Edging Toward Equity









Creating Shared Opportunity in America's Regions



Center for
Justice, Toleranc
& Community
University
of California

A project of the Center for Justice, Tolerance, and Community at the University of California, Santa Cruz, with support provided by The Ford Foundation

Report from the Conversation On Regional Equity (CORE)

# Edging Toward Equity: Creating Shared Opportunity in America's Regions

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We thank all those who joined us for the various meetings and discussions over the two year time-frame of this effort. They include: from the Ford Foundation, Miguel Garcia and Rebecca Riley; from the Sustainable Metropolitan Communities Initiative, Paloma Pavel; in Detroit: Karen Aldridge-Eason, Tonie Bell, Dave Campbell, Charlene Crowell, Margaret Dewar, Chris Doby, Dave Egner, Kathleen Fernicola, Anika Goss-Foster, Rosalind Greenstein, Korey Hall, Ponsella Hardaway, Neil Hegarty, Linda Helstowski, Paul Hillegonds, Gloria Jeff, Victoria Kovari, Mark McDaniel, Faye Alexander Nelson, Dave Reynolds, Bill Rustem, Keith Schneider, June Thomas, Richard Thomas, Jim Townsend, Hans Voss, and Heaster Wheeler; and in Los Angeles: Rick Cole, Peter Dreier, Juliet Ellis, Phaedra Ellis-Lampkins, Denise Fairchild, Bahram Fazeli, Marqueece Harris-Dawson, Gilda Haas, Madeline Janis-Aparicio, Angelo Logan, Martha Matsuoka, Penny Newman, Katherine Perez, Mark Pisano, Michele Prichard, Ann Sewill, Anthony Thigpenn, Abel Valenzuela, and Kent Wong.

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Finally, we wish to acknowledge the field into which we are contributing these ideas. From a glimpse in a few leaders' eyes only a decade or so ago, the growing movement for regional equity has become a linchpin for rethinking the landscape of our cities and metropolitan areas. We believe that the style it has evolved — looking for common ground across race, class, and geography, understanding the need to combine economic competitiveness with fairness and sustainability, and putting forth both an idealistic vision of America's promise and pragmatic fixes to today's problems — is relevant for national as well as regional politics. We honor those who have inspired and continue to drive this effort, and hope that this document contributes to an honest discussion about the path ahead.

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# I. What is Regional Equity?

Before September 2005, the image most Americans had of New Orleans was of a vibrant city that had built on its strong cultural heritage to create an attractive destination spot for the growing convention, tourism and leisure industries. The region's vibrant music scene, including strong traditions in jazz, blues and zydeco, was widely known. The bustling French Quarter, a new casino, and new developments along the Mississippi River waterfront proved attractive for tourists and business travelers alike. A convention center, built in 1978 and expanded in the ensuing decades, cemented the region's reputation as one of the best cities in the country for hosting conferences – even when Mardi Gras was not in session!

But, as Hurricane Katrina made abundantly clear to the world, this image of dynamism and prosperity hid a deeper reality of poverty and desperation for much of the region's population. In the post-Katrina media frenzy, amidst the mind-numbing images of destruction came the statistics that tell a story of long term inequality and poverty in the region: 28% of the city's population had incomes under the official poverty line in 2000; median incomes for white households were twice that for African-American households; unemployment in the black community was twice that for whites. Other measures of social distress and inequality were apparent as well: female-headed households were nearly half of all households with children, and over one-fourth of the population older than 25 – the prime base for the workforce – lacked a high school degree or its equivalency.<sup>1</sup>

New Orleans' poverty, racial disparities, and social vulnerabilities were thrust into public view by both Katrina's wrath and governmental failures to respond. Those without their own cars, disproportionately African-American and low-income, were left behind in the evacuation process, resulting in the now familiar scenes of desperation in the Superdome and New Orleans convention center. The French Quarter and upper-income neighborhoods of Uptown and Audubon avoided the worst of the flooding, while residents of poor and predominantly black Lower Ninth Ward and B.W. Cooper neighborhoods lost homes, property, and lives. And the initial steps of recovery, seemingly neutral at their face, seemed designed to replicate the past inequalities, with some urging that the Ninth Ward be turned into wetlands even as poorer homeowners struggled to establish title to, and obtain compensation for, their land and homes.

As the residents of New Orleans and the larger Gulf Coast move ahead in the recovery process, one of the central questions that underpins these efforts is how to rebuild in a way that does not simply ensure a new iteration of economic desperation and social isolation. Is it possible to build new housing, develop needed infrastructure, redesign transportation systems, and promote the region's economy in ways that don't simply recreate the desperate poverty amidst ostentatious wealth that characterized pre-Katrina New Orleans? To answer these questions, planners, policy-makers, and community leaders are trying to simultaneously build on New Orleans' history of strong vibrant

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<sup>&</sup>lt;sup>1</sup> For more on Katrina and New Orleans, see Manuel Pastor, Robert D. Bullard, James K. Boyce, Alice Fothergill, Rachel Morello-Frosch, and Beverly Wright, *In the Wake of the Storm: Environment, Disaster, and Race After Katrina* (New York: Russell Sage, 2006); Michael Eric Dyson, *Come Hell or High Water: Hurricane Katrina and the Color of Disaster* (New York: Perseus Books Group, 2000).

neighborhoods while also linking these neighborhood rebuilding efforts to regional development strategies that can ensure equity in economic opportunities.<sup>2</sup>

Fortunately, there is now a growing number of cases - in Los Angles, Chicago, Silicon Valley and Detroit, for example - where efforts have been made to revitalize poor parts of America's cities by "thinking and linking" to regional opportunities. In south-central Los Angeles an organizing effort that grew up in the ashes of the 1992 civil unrest challenged \$70 million in public subsidies offered to the Dreamworks Studio, and collaborated to create a new job training program called Workplace Hollywood, one that eventually received more than \$12 million to train and place low-income residents in the regionally-rooted multimedia industry. In Chicago's West Garfield Park neighborhood, a church-based community development corporation, Bethel New Life, has leveraged the neighborhood's Garfield Park Conservancy as a regional resource, and built alliances with suburban white residents to convince the Chicago Transit Authority to not only keep open a transit rail line running through the neighborhood, but to invest \$300 million in capital improvements, helping to make the Lake-Pulaski station a hub for the neighborhood's transit-oriented development strategy.

In Silicon Valley, the AFL-CIO Central Labor Council, in cooperation with People Acting in Community Together (PACT), an organization made up of 13 local faith-based congregations, led a regional campaign to provide 100 percent health insurance coverage for low-income children under five, which resulted in more than 20,000 new kids being enrolled into different health insurance programs within nine months of the initiative being launched.<sup>5</sup> In Detroit, more than 72 congregations from both the central city and surrounding suburbs have banded together in an urban/suburban alliance, focusing on the ways that the region's urban sprawl has devastated not only the central cities, but older suburbs as well, and securing a commitment from Governor Jennifer Granholm to a "fix it first" policy that would use state funds to repair existing roads, sewers, and schools before spending money to build new sprawl-inducing infrastructure.<sup>6</sup>

<sup>&</sup>lt;sup>2</sup> PolicyLink, "10 Points to Guide Rebuilding in the Gulf Coast Region," PolicyLink, <a href="http://www.policylink.org/EquitableRenewal.html">http://www.policylink.org/EquitableRenewal.html</a> (accessed May 31, 2006).

<sup>&</sup>lt;sup>3</sup> For more information on Workplace Hollywood's organizational history, see *James Irvine Foundation Quarterly* "Workplace Hollywood: Creating Opportunity from Behind the Scenes," 1, no. 4 (2002), <a href="http://www.irvine.org/publications/iq/archive/vol1\_issue4/workforce.shtml">http://www.irvine.org/publications/iq/archive/vol1\_issue4/workforce.shtml</a>.

<sup>&</sup>lt;sup>4</sup> Bethel New Life, "About Bethel," Bethel New Life, <a href="www.bethelnewlife.org/about.html">www.bethelnewlife.org/about.html</a> (accessed May 31, 2006); Mary Nelson, "We Build as We Travel," <a href="mailto:Shelterforce Online">Shelterforce Online</a> issue 110, March/April (2000), <a href="www.nhiorg.online/issues/110/nelson.html">www.nhiorg.online/issues/110/nelson.html</a>; Enterprise Foundation "On the Ground with Comprehensive Community Initiatives, Program Profile: Bethel New Life," The Enterprise Foundation, <a href="www.enterprisefoundation.org/model%20documents/1275.pdf">www.enterprisefoundation.org/model%20documents/1275.pdf</a> (accessed May 31, 2006); Manuel Pastor, Chris Benner, and Martha Matsuoka, "The Regional Nexus: The Promise and Risk of Community-Based Approaches to Metropolitan Equity," in <a href="mailto:Community Economic Development in Minority Communities">www.enterprisefoundation.org/model%20documents/1275.pdf</a> (accessed May 31, 2006); Manuel Pastor, Chris Benner, and Martha Matsuoka, "The Regional Nexus: The Promise and Risk of Community-Based Approaches to Metropolitan Equity," in <a href="mailto:Community Economic Development in Minority Communities">www.enterprisefoundation.org/model%20documents/1275.pdf</a> (accessed May 31, 2006); Manuel Pastor, Chris Benner, and Martha Matsuoka, "The Regional Nexus: The Promise and Risk of Community-Based Approaches to Metropolitan Equity," in <a href="mailto:Community Economic Development in Minority Communities">www.enterprisefoundation.org/model%20documents/1275.pdf</a> (accessed May 31, 2006); Manuel Pastor, Chris Benner, and Martha Matsuoka, "The Regional Nexus: The Promise and Risk of Community-Based Approaches to Metropolitan Equity," in <a href="mailto:Community Economic Development in Minority Communities">www.enterprisefoundation.org/model%20documents/1275.pdf</a> (accessed May 31, 2006); Manuel Pastor, Chris Benner, and Martha Matsuoka, "The Regional Nexus: The Promise and Risk of Communities, ed. Paul Ong and Anastasia Louka

<sup>&</sup>lt;sup>5</sup> Christopher Trenholm, Embry M. Howell, Dana Hughes, and Sean Orzol, *The Santa Clara County Healthy Kids Program: Impacts on Children's Medical, Dental, and Vision Care* (Princeton, NJ: Mathematica Policy Research, Inc., 2005), <a href="http://www.mathematica-mpr.com/publications/PDFs/santaclara.pdf">http://www.mathematica-mpr.com/publications/PDFs/santaclara.pdf</a>.

<sup>&</sup>lt;sup>6</sup> Robert Neuwirt, "Promised Land," Ford Foundation Report Spring-Summer (2005), http://www.fordfound.org/publications/ff\_report/view\_ff\_report\_detail.cfm?report\_index=576.

These efforts and others, taken together, are beginning to add up to a new approach to the development of America's urban and metropolitan areas. Sometimes called regional or metropolitan equity, this view argues that urban poverty and suburban sprawl often go hand in hand: resident flight drives city decline and the resulting neighborhood distress provides yet another reason to leave. It is acknowledged that stopping the vicious circle requires the traditional tools of community organizing and development, but many activists and advocates argue forcefully that these efforts will be more effective if supplemented with an "outside game" that can address the broader metropolitan patterns of sprawl, jurisdictional fragmentation, and resource diversion.<sup>7</sup>

It is a movement that has come a long way in the last ten years. Rooted in a resurgence of what some have termed the "new regionalism" – an approach which stresses the emergence of the metropolitan region as a natural building bloc in national and global economies as well as in efforts for environmental sustainability – the regional equity perspective has seen a flowering of literature, activity, and philanthropic interest. With examples now sprouting across the American landscape, a first national gathering in Los Angeles in 2002 that attracted over 600 participants, and a second major summit on "Advancing Regional Equity" in Philadelphia in 2005 that brought together over 1300 investors, activists, and leaders from 43 states, 8 it is becoming increasingly appropriate to think of the movement as less a nascent effort and more a maturing force that needs to think through the next steps and chart the road ahead.

This document is an attempt to contribute to that mapping of the path forward. The earliest phases of regional equity have tended to celebrate the compatibilities of different approaches – the ways in which business and community interests in regional development can be tied together, the deals that can be struck to protect open space and steer development back to communities most in need, and the alliances that can be made between cities and suburbs as they find common ground in the revitalization of metropolitan economies.

Yet tensions and tightropes are emerging as the movement achieves a certain plateau of maturity. Some analysts and advocates, for example, have tended to focus on policy change at state and national levels, seeking to influence top-level policymakers to change the rules of the game that have created our fragmented metropolitan worlds. Others have worried that such policy change will not be sustainable without the crafting of new coalitions based in active and energized constituencies, and thus focus on grassroots organizing and leadership development. Some have stressed commonalities across constituencies, tending to downplay differences by race and space that they worry will divide rather than unite. But others worry that a regionalism devoid of racial analysis and politics will not fully account for America's changing demographics and will weaken any effort in the longer-term.

<sup>&</sup>lt;sup>7</sup> David Rusk, *Inside Game Outside Game: Winning Strategies for Saving Urban America* (Washington, DC: The Brookings Institution, 1999).

<sup>&</sup>lt;sup>8</sup> The 2002 and 2005 summits were developed and convened by Policy Link and the Funders Network. For more information on the summits, see PolicyLink, "Over 500 Community Leaders and National Experts Participate in First National Summit on Regional Equity in L.A.," PolicyLink, <a href="http://www.policylink.org/NewsReleases/11-12-02.html">http://www.policylink.org/NewsReleases/11-12-02.html</a>, (accessed May 31, 2006); and PolicyLink, "Advancing Regional Equity," PolicyLink, <a href="http://www.policylink.org/Summit2005/">http://www.policylink.org/Summit2005/</a> (accessed May 31, 2006).

At the jurisdictional level, some have stressed the compatibility of urban and suburban interests, particularly in terms of better urban design and improved economic conditions. While others have encouraged inner-ring suburbs and central cities to ally against more affluent suburbs in a more "real-politick" approach to redistributing fiscal resources. As for broader systemic change, some have argued that new efforts need to be made at national and state levels, especially through the sort of land use efforts emerging in places like Michigan and economic development efforts in Pennsylvania. Others have argued for a patient "scaling up" to a national level by building region-by-region with the sorts of conversations and visioning exercises that can avoid the corrosive and partisan politics that often dominate national discussions.

The fact that these differences in the regional equity movement are significant does not mean that they are fatal – and our attempt to understand them is not driven by the usual desire to split hairs in search of the "best" strategy, an approach that has often led progressive movements in America to run aground in a sea of recrimination and division. Rather, we think that it may be important to more fully understand these different strands in order to determine intersecting strategies and principles at a critical moment in this movement's evolution. *E pluribus unum* – from many, one – is both a slogan for our own country and, we think, a guiding light for the emerging regional equity agenda.

We begin below by laying out both the emerging perspectives and the opportunities for regional equity. We then turn to the tensions we see in contemporary approaches, stressing the need to weave together policy and community strategies. We then turn to measurement issues: how do we know when a region is "ready" for an equity effort and what markers can be used to declare success? Finally, we attempt to spell out the infrastructure needed to sustain this hopeful movement in the years to come, including the sort of philanthropic investments, community institution-building, and policy transformations that would be most conducive to change.

# II. Why Regionalism and Why Regional Equity?

The regional equity movement has emerged within a broader development in the field of urban affairs in the U.S. that is often referred to as the "new regionalism". The many perspectives that fall under this broad umbrella all share a framework that stresses the importance of the region as a fundamental scale for understanding and addressing urban problems. For economic development professionals, the regional economy is an increasingly important scale of economic organization, as the driving industrial clusters of today are more likely to be in information and knowledge driven sectors, which depend critically on the skill level of the local workforce, the quality of life in the region (which attracts more talented labor), and the nature of regional physical and institutional infrastructure, including transportation systems and regional community college and University systems. For urban planners and environmentalists, especially those in the "Smart Growth" movement, a regional perspective has become increasingly important as it has become clear that redirecting growth to central cities is essential for limiting suburban sprawl and preserving open

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<sup>&</sup>lt;sup>9</sup> Allen John Scott, Regions and the World Economy: The Coming Shape of Global Production, Competition, and Political Order (Oxford and New York: Oxford University Press, 1998); Michael Storper, The Regional World: Territorial Development in a Global Economy (New York: Guilford Press, 1997).

space and farmland on the urban periphery. For many public sector officials, a regional approach has emerged as a way for more efficiently delivering public services, reducing the hassles many businesses experience when grappling with multiple jurisdictions and regulations, and as a way of addressing the fiscal crises facing many older urban centers, particularly in the Midwest and northeast. 11

A regional approach has also emerged amongst a range of constituencies focused on equity issues, many of whom work on community development and issues facing disadvantaged workers.<sup>12</sup> One strand of this 'regional equity' approach has focused on the relationship between cities and suburbs. This view stresses the role of municipal authorities as regional actors, and focusing on the potential mutual gain for inner-cities, lower-income inner-ring suburbs, and indeed entire metropolitan regions from

### **Defining Regional Equity**

We are among those who seek to build a prosperous and inclusive America. Current patterns of metropolitan development in America have created isolation, inequality, and political marginalization for many groups in society. Patterns of concentrated poverty, concentrated wealth, and racial segregation not only strain our community values but also impair our economic vitality. Building inclusive and equitable regions is important for both social justice and economic competitiveness.

Achieving regional equity means considering both people and place. A competitive and inclusive region is one in which members of all racial, ethnic, and income groups have opportunities to live and work in all parts of the region, have access to living wage jobs and are included in the mainstream of regional life. It in also one in which all neighborhoods are supported to be vibrant places with choices for affordable housing, good schools, access to open space, decent transit that connects people to jobs, and healthy and sustainable environments.

To achieve regional equity, we need strong civic institutions that allow all residents to be politically engaged and have significant input into public decisions. To build these institutions we need a movement that has a moral center, links with daily life experiences and values, and has the capacity to mobilize across constituencies and place. Such a civic and movement infrastructure should leverage both market forces and policy change to achieve prosperity and equity at a regional level.

Because regional fortunes are affected by policy at federal, state, and local levels, regional action can occur in many arenas and reform efforts offer multiple opportunities to achieve progress and build power. Linking together regional efforts can create a national movement with the potential to forge a sense of common destiny for people and communities across the nation.

recognizing their common fortunes.<sup>13</sup> A second broad variant of this equity oriented regionalism has emerged in the labor movement, particularly with the revival of central labor councils and the AFL-CIO's Union City initiatives. Strategies used by these groups include working on a regional level to raise skill levels and retain "good jobs", such as through workforce and economic

<sup>&</sup>lt;sup>10</sup> For a recent summary of Smart Growth principles and challenges of implementing them, see Anthony Downs, "Smart Growth: Why We Discuss It More Than We Do It," *Journal of the American Planning Association* vol. 71, no. 4 (2005): 367-378.

<sup>&</sup>lt;sup>11</sup> For a good recent review of local government finances, see Bruce Wallin, *Budgeting for Basics: The Changing Landscape of City Finance* (Washington DC: The Brookings Institute, 2005). For a review of links between fiscal health, economic competitiveness and smart growth, see Mark Muro and Robert Puentes, *Investing in a Better Future: A Review of the Fiscal and Competitive Advantages of Smarter Growth Development Patterns* (Washington, DC: The Brookings Institute, 2004).

<sup>&</sup>lt;sup>12</sup> For a general review, see Scott Bolens, "In Through the Back Door: Social Equity and Regional Governance," *Housing Policy Debate* vol. 13, issue 4 (2003).

<sup>&</sup>lt;sup>13</sup> Myron Orfield, Metropolitics: A Regional Agenda for Community and Stability (Washington: Brookings Institution Press and Cambridge: Lincoln Institute of Land Policy, 1997); Myron Orfield, American Metropolitics: the New Suburban Reality (Washington, DC: Brookings Institution Press, 2002); David Rusk, Cities without Suburbs (Washington, DC: Woodrow Wilson Center Press, 1995).

development initiatives, while also raising the floor for the lowest-skilled workers by pursuing living wages, affordable housing, and community benefits agreements.<sup>14</sup> A third broad approach to equity-oriented regionalism has emerged in the community development field, as practitioners have gained a deeper appreciation for the many ways that unequal access to regional employment and geographically biased investment patterns have undermined the effectiveness of even the best neighborhood-based development initiatives. In this view, the key step is to understand the nature of outside forces and gain opportunities to connect to the regional economy, and influence regional development and decision making processes.<sup>15</sup>

At the core of the diverse set of voices that constitute the regional equity movement are two broadly shared perspectives. First, regional patterns of development and the policies that have contributed to them have been responsible for many of the challenges facing low-income and older communities. Second, developing regional strategies to counteract these processes at a regional scale provides promising avenues for promoting equity in our cities, suburbs, and rural areas.

Within this broad umbrella, however, are a range of different perspectives. Equity can have many different meanings. To one set of ears, it means fairness – a just set of outcomes based on an understood set of principles and reward systems. To another set of ears, it refers more to process: as long as the distribution of resources is arrived at in a transparent and even-handed way which involves citizen engagement and decision-making, the relative equality in outcomes may be of little concern. To yet another set of ears, equity has perhaps a more common meaning: participation in the ownership of the assets of our society.

Regional equity generally lifts up all three of these concerns: relative fairness in the actual rewards, full participation in the process, and a capacity to defend person and community that is often afforded most directly by the independent ownership of property or assets. The signature feature of *regional equity* is that it attempts to lift up these issues of outcomes, process, and ownership at the level of the region.

### Regional Development and Regional Inequality

The increased attention to regional sources of inequality has emerged in part from a long and frequently frustrating experience of trying to alleviate persistent poverty in inner city neighborhoods. All too often these efforts have had only minimal impact, even in regions where suburban centers were thriving. Regional equity approaches have helped draw increasing attention to the ways that

<sup>&</sup>lt;sup>14</sup> For early iterations of this perspective, see AFL-CIO Human Resources Development Institute, *Economic Development:*A Union Guide to the High Road (Washington, DC: AFL-CIO Working for America Institute, 1998); Daniel D. Luria and Joel Rogers, "New Urban Agenda," *Boston Review* February/ March (1997). For discussion of Central Labor Councils and regional unionism, see Immanuel Ness and Stuart Eimer, *Central Labor Councils and the Revival of American Unionism: Organizing for Justice in Our Communities* (Armonk, N.Y.: M.E. Sharpe, 2001); Jill Kriesky, editor, *Working Together to Revitalize Labor in our Communities: Case Studies of Labor Education-Central Labor Body Collaboration*, University and College Labor Education Association (Orono, ME: University of Maine, 1998).

<sup>&</sup>lt;sup>15</sup> Manuel Pastor Jr., Peter Dreier, Eugene Grigsby, and Marta López Garza, Regions That Work: How Cities and Suburbs Can Grow Together (Minneapolis: University of Minnesota Press, 2000); Jeremy Nowak, "Neighborhood Initiative and the Regional Economy," Economic Development Quarterly vol. 11, no. 1 (1997); Peter Dreier, John Mollenkopf, and Todd Swanstrom, Place Matters: Metropolitics for the Twenty-first Century (Lawrence, KS: University of Kansas Press, 2001).

unequal regional patterns of development and the policies that facilitate them are in large part responsible for the very social challenges facing not only low-income communities in the inner city, but many inner-ring and older suburbs as well.

Despite signs of renewal in many central cities, the decentralization of economic and residential life remains the dominant growth pattern in the United States. As Brookings researcher Alan Berube has shown, rapidly developing new suburbs—built since the 1970s on the outer fringes of metropolitan areas—are capturing the lion's share of employment and population growth. In the largest metropolitan areas, the rate of population growth for suburbs from 1990 to 2000 was twice that of central cities – 18 percent versus 9 percent. Suburban growth outpaced city growth irrespective of whether a city's population was falling like Baltimore or staying stable like Kansas City or rising rapidly like Denver. Even Sun Belt cities like Phoenix, Dallas and Houston grew more slowly than their suburbs.<sup>16</sup>

Suburbs dominate employment growth as well as population growth. As economists Edward Glaeser and Matthew Kahn have demonstrated, employment decentralization has become the norm in American metropolitan areas.<sup>17</sup> Across the largest 100 metro areas, on average only 22 percent of people work within three miles of the city center and more than 35 percent work more than ten miles from the central core. In cities like Chicago, Atlanta and Detroit, employment patterns have radically altered, with more than 60 percent of the regional employment now located more than 10 miles from the city center. The American economy is essentially becoming an "exit ramp economy", with new office, commercial, and retail facilities increasingly located along suburban freeways.

With suburbs taking on a greater share of the country's population and employment, they are beginning to look more and more like traditional urban areas. In many metropolitan areas, the explosive growth in immigrants in the past decade skipped the cities and went directly to the suburbs. While suburbanization rates for ethnic minorities still lag those of whites, they risen dramatically over the last two decades (see Figure 1); as a consequence, William Frey notes that racial and ethnic minorities now make up more than a quarter (27 percent) of suburban populations, up from 19 percent in 1990.<sup>18</sup>

<sup>&</sup>lt;sup>16</sup> Alan Berube, Gaining but Losing Ground: Population Change in Large Cities and Their Suburbs in the 1990s (Washington, DC: The Brookings Institution, 2002).

<sup>&</sup>lt;sup>17</sup> Edward L. Glaeser, Matthew Kahn, and Chenghuan Chu, "Job Sprawl: Employment Location in U.S. Metropolitan Areas," *Census 2000 Series* (Washington, DC: The Brookings Institution, May 2001), http://www.brookings.edu/es/urban/publications/glaeserjobsprawl.pdf.

<sup>&</sup>lt;sup>18</sup> William H. Frey, "Melting Pot Suburbs: A Census 2000 Study of Suburban Diversity," *Census 2000 Series* (Washington, DC: The Brookings Institution, June 2001), <a href="http://www.brookings.edu/es/urban/census/frey.pdf">http://www.brookings.edu/es/urban/census/frey.pdf</a>.

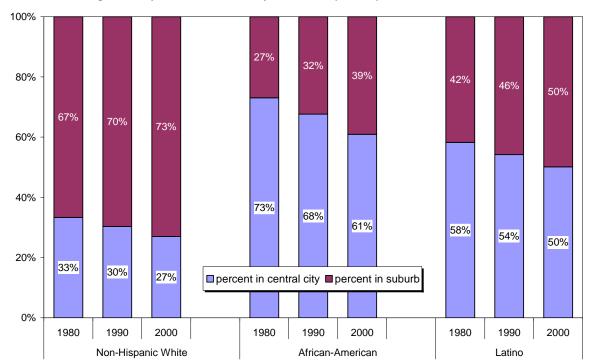


Figure 1. City and Suburb Rates by Ethnic Group for Top U.S. Metro Areas, 1980-2000

Data from U.S. Census for all metropolitan areas with populations greater than 500,000 in 2000.

Even with these profound changes, most metropolitan areas in the United States remain sharply divided along racial, ethnic, and class lines. America's central cities became majority minority for the first time in the nation's history during the 1990s and, while generally improving, have poverty rates that are almost double those of suburban communities. As metropolitan scholar Myron Orfield has shown, suburban diversity also tends to be uneven, with many minorities and new immigrants settling in older suburbs that are experiencing central city-like challenges—aging infrastructure, deteriorating schools and commercial corridors, and inadequate housing stock. <sup>19</sup>

As economies and opportunity decentralize and low-income minorities continue to reside principally in central cities and older suburbs, a wide spatial gap has arisen between low-income minorities and quality educational and employment opportunities. Poor children growing up in neighborhoods of poverty are consigned to inner city schools where less than a quarter of the students achieve "basic" levels in reading, well below the nearly two thirds registered for suburban children. Similarly, inner city residents are cut off from regional labor markets where entry-level jobs in manufacturing, wholesale trade and retailing (that offer opportunities for people with limited education and skills) are in more ample supply. And, strikingly, such communities are often forced to pay higher prices

<sup>&</sup>lt;sup>19</sup> Myron Orfield, *American Metropolitics: The New Suburban Reality* (Washington, DC: The Brookings Institution Press, 2002).

for basic necessities, including food, housing, insurance, and banking services, stressing already scarce assets.<sup>20</sup>

These patterns – of extensive growth in some communities and significantly less growth in others, and of racial, ethnic, and class stratification across the metropolitan landscape – are all inextricably linked. Poor schools in one jurisdiction push out families and lead to overcrowded schools in other places. A lack of affordable housing in thriving job centers leads to long commutes on crowded

freeways for a region's working families. Expensive housing — out of the reach of most households — in many close-in neighborhoods creates pressures to pave over and build on open space in outlying areas, as people decide that they have to move outwards to build a future. Jobs follow suburbanites and opportunity diminishes in the cross-cutting pressures of employment suburbanization and urban gentrification.

In short, America's unbalanced growth patterns have imposed enormous social and economic costs on low- and moderate-income minority families.

# Sprawl: Is It Market or Policy?

Mary Gonzalez: Several years ago, the Gamaliel Foundation did some research and uncovered that there are over \$600 billion dollars expected to be spent on transportation in the greater Chicago area. The city of Chicago was to receive only 15 percent of the money when they have 40 percent of the population. Myron Orfield describes how in developing the wealthy suburb of Minnetonka, over \$360 million in public funds were required – but only \$30 million came from the people who purchased the homes. The rest was government subsidy to people of wealth. In Buffalo, Cleveland, St. Louis, Gary, Indiana, Toledo, Kansas City, Newark, Hartford and many other cities, it can be shown that for every home built in the suburbs, a house is abandoned in the inner city; for every church built in the suburbs, a church closes in the inner city; for every mall built in the suburbs, whole business strips are abandoned in the city. Gary, Indiana has been in nearly continuous decline for over 40 years, yet if one goes up in a helicopter and looks at the whole region, the region itself is doing okay – thousands of homes have been built and billion-dollar malls have been created. If one were to play the process on fast forward, one could almost hear and feel the "giant sucking sound" of capital and opportunity being drained from Gary into its suburbs.

These consequences are what principally concern and animate the regional equity movement. But making progress cannot be the province of equity advocates alone – they need to build ties with others, often those with more power, who are also negatively impacted by the current scenario.

### Who Else is in the Game

Partly because of this coalitional imperative, the regional equity approach has highlighted how America's unbalanced metropolitan growth patterns pose significant competitive and fiscal challenges – raising the possibility that regional equity advocates can find common ground with business, municipal and environmental leaders. The irony is that, as Bart Harvey notes, "we are organized around competitiveness-- but we are not preparing our society and our people for the future."

Unbalanced growth, for example, undermines the economic efficiency of metropolitan markets. Some of this is fairly obvious in metropolitan areas that are literally "stuck in traffic." Traffic congestion—a product in large part of growth patterns that are low density and decentralizing—has

<sup>&</sup>lt;sup>20</sup> Matthew Fellowes and Bruce Katz, *The Price Is Wrong: Getting the Market Right for Working Families in Philadelphia* (Washington, DC: The Brookings Institution Center of Urban and Metropolitan Policy, 2005), <a href="http://www.brookings.edu/metro/pubs/20050404">http://www.brookings.edu/metro/pubs/20050404</a> PriceIsWrong.pdf.

become the bane of daily existence in most major metropolitan areas. Such congestion places enormous burdens on employers and employees alike and substantially reduces the efficiency of labor and supplier markets. A recent study by the Texas Transportation Institute of 75 urban areas in the US found that the average annual delay per person was 26 hours or the equivalent of about three full work days of lost time.<sup>21</sup>

Moreover, there are significant economic consequences that arise when cities and older communities fail to reach their true potential. As *Business Week* has noted, "cities still seem best able to provide business with access to skilled workers, specialized high-value services, and the kind of innovation and learning growth that is facilitated by close contact between diverse individuals." Indeed, as Harvard economist Edward Glaeser has argued, the density of cities offers the perfect milieu for the driving forces of the new economy: idea fermentation and technological innovation. These broader theories on human capital formation and metropolitan growth help explain why metropolitan areas without strong central cities—Detroit, St. Louis, Cleveland, Milwaukee—are having so much difficulty making the transition to a higher road economy.

Others have noted that suburban economic fates are less disconnected than suburbanites might think. One key aspect of this has been the recognition of the geographic spread of poverty, with many inner-ring suburbs now facing similar problems of disinvestment, job loss and middle-class flight. Thus, there are emerging common interests between inner-cities and many lower-income inner-ring suburbs – and community-based organizations like Detroit-based MOSES have sought to build on this insight by bringing together churches across the region for a common agenda of policy change.

A more far-reaching view even insists that fortunes of suburbs and inner cities within a regional context are fundamentally linked. Evidence is emerging, for example, that that suburban and city incomes increasingly tend to rise and fall in tandem and that concentrated poverty and related social distress, whether in city or suburb, can become an economic drag on the region as a whole. Similarly, the congestion and intra-regional competition that is characteristic of fragmented, sprawling metros wastes valuable resources and can lead to ineffective and contradictory economic development strategies.

There are even environmental costs to consider. Intriguing research from Rachel Morello-Frosch of Brown University suggests that places with higher levels of the sort of segregation and separation induced by sprawl also experience higher levels of cancer-causing air toxics for everyone.<sup>24</sup> Her argument: when you think you're parking pollution in someone else's backyard rather than your

<sup>&</sup>lt;sup>21</sup> Texas Transportation Institute, 2003 Mobility Study (College Station, TX: Texas Transportation Institute, 2003).

<sup>&</sup>lt;sup>22</sup> "Bright Lights, Midsize City," *Business Week*, November 2, 1998, 22. This article reviewed the findings of a study by Regional Financial Associates indicating that businesses that relocated their operations from rural to urban areas experienced sharp increases in productivity.

<sup>&</sup>lt;sup>23</sup> Edward Glaeser, "Demand for Density," *Brookings Review* 18, no. 3 (2000): 12–15.

<sup>&</sup>lt;sup>24</sup> Rachel A. Morello-Frosch and Bill Jesdale, "Separate and Unequal: Residential Segregation and Estimated Cancer Risks Associated with Ambient Air Toxics in US Metropolitan Areas," *Environmental Health Perspectives* 114, no. 3 (2006): 386-393, <a href="http://ehp.niehs.nih.gov/members/2005/8500/8500.pdf">http://ehp.niehs.nih.gov/members/2005/8500/8500.pdf</a>; Russ Lopez, "Segregation and Black/White Differences in Exposure to Air Toxics in 1990," *Environmental Health Perspectives* 110, Supplement 2 (2002): 289-295.

own, you inevitably get more of it in general. Sharing the burdens as well as the wealth tends to induce more pressure for source reduction and clean-up that can improve everyone's health.

The shared fiscal costs of unbalanced growth are also enormous. Low-density development increases demand for new infrastructure (e.g., schools, roads, sewer, and water extensions) and increases the costs of key services like police, fire and emergency medical services. Then there is the substantial impact of abandonment in older communities on the property values of nearby homes as well as the implications of concentrated poverty for additional municipal services in the schools and on the streets. Ultimately, these factors lead to reduced revenues, higher taxes and over-stressed services for older communities.

Yet it is not just the older communities that suffer. Mark Muro and Robert Puentes of the Brookings Institution estimate that adopting rules that would force a more compact style of development over the period 2000-2025 could reduce road-building costs at the national level by nearly 12 percent, save 6 percent on water and sewer spending, and also reduce annual spending for operations and service by 4 percent.<sup>25</sup> More balanced growth could free up funds to address other concerns, including the investments in education, job training, and social supports necessary for the advancement of lower-income groups through the economic ladder. Equity proponents, in short, have fiscal as well as other reasons for pushing for smarter growth – and fiscally strapped state and local officials have reasons why including equity in their policy prism might serve their interests as well.

# Regionalism (or its lack) on Purpose

The opportunity for change is here. These patterns of regional inequality have not emerged simply through market forces or inevitable demographic trends. This disparity is the direct result of past and present government and business policy, as local government structure, and state and federal policies, together have promoted suburban sprawl and urban fragmentation. Federal housing policy dating from the 1930s and especially after World War II, for example, facilitated single-family housing development on "greenfield" sites at the urban periphery, while ignoring the need for affordable homeownership policies in dense, urban neighborhoods. Transportation policy focused on freeways and auto-dependent development, neglecting urban mass transit systems. Fragmented local government structures contributed to urban decline, as middle-class whites fled to the suburbs to escape the rising tax burden of maintaining an older urban infrastructure.<sup>26</sup>

The policy bias continues, including a failure to invest in central city schools, weak tax structures in aging cities and suburbs, transit systems that often do not connect low-income communities with job centers, and zoning strategies that constrain housing that is affordable at all levels. These are not just municipal or regional decisions. Federal and state transportation policies, for example, generally support the expansion of road capacity at the fringe of metropolitan areas and beyond, enabling people and businesses to live miles from urban centers but still benefit from metropolitan life. The

<sup>&</sup>lt;sup>25</sup> Mark Muro and Robert Puentes, "Investing in a Better Future: A Review of the Fiscal and Competitive Advantages of Smarter Growth Development Patterns," *Discussion Paper* (Washington, DC: The Brookings Institution Center of Urban and Metropolitan Policy, 2004).

<sup>&</sup>lt;sup>26</sup> Wim Wiewel and Joseph J. Persky, editors, *Suburban Sprawl: Private Decisions and Public Policy* (Armonk, NY: M.E. Sharpe, 2002).

deductibility of federal and state income taxes for mortgage interest and property taxes appears spatially neutral but in practice favors suburban communities, particularly those with higher income residents. Federal and state environmental policies have made the redevelopment of polluted "brownfield" sites prohibitively expensive and cumbersome, increasing the attraction of suburban land.

What policy has wrought, new policy can undo. But we may not be able to get there unless we confront one of the other aspects of sprawl: the fact that it has become the physical manifestation of segregation by race and income. Our current metropolitan landscape includes unequal fortunes, few opportunities for public participation, and extraordinary gaps in home and business ownership. Countering the underlying sprawl is essential to addressing broader issues of equity in American society – but countering our underlying fragmentation and willingness to be divided by race and space is equally essential.<sup>27</sup>

This is a tough challenge for regionalists. Americans are notoriously uncomfortable talking about race or class. And there is a tendency towards insisting that "we're all in it together" – and, as the economic and environmental evidence suggests, in many ways we certainly are. How much race should be lifted up as an explicit concern by organizers and policy makers is a topic widely debated in the regional equity movement, but the fact that it is an underlying driver of the pattern is not. This is one reason why some have termed the regional equity movement as the "new civil rights movement" for the 21<sup>st</sup> century.

# Looking Ahead: Alliance and Democracy

The new interest in regions as a level for equity concerns does not simply stem from the notion that the region is a problem – there is also a sense that new solutions and alliances may be found there as well. As noted earlier, the movement for regional equity is itself connected to a resurgence of what some have termed the "new regionalism." Harkening back to an earlier era when planners insisted that regional consolidation could produce more efficient government; advocates have argued that a regional approach can reduce the fiscal strains induced by duplicative services and the ever expanding suburban geography. Adding to the fiscal rationale has been a broader economic argument: globalization has resulted in a reconfiguration of economic space, the metropolitan region has assumed prominence as a level at which industrial clusters form and are sustained, and it is crucial that business promotion and public-private partnerships be organized at that level as well.

These economic arguments have been complemented with a series of propositions about the natural and human environment. Concerns about environmental sustainability, once addressed at broad national and global scales, are increasingly addressed at the level of bioregions. Environmental advocates have lifted their sights to the driving causes of land degradation and increasing pollution, arguing that anti-sprawl or "Smart Growth" approaches can protect open space and species, and help trigger a whole new era of decreased automotive use. Architects and designers have likewise joined the bandwagon, with "New Urbanists" insisting that the restoration of public space and public purpose will only be achieved in the context of more compact, neighborhood-oriented development – and that this will be best facilitated through regional strategies that steer growth to

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<sup>&</sup>lt;sup>27</sup> john A. powell, "Addressing Regional Dilemmas for Minority Communities," in *Reflections on Regionalism*, ed. Bruce Katz (Washington, DC: Brookings Institution, 2000).

designated areas.

Can there be alliances with the other elements of the new regionalism? Equity proponents, often frustrated by their failure to significantly reduce central city poverty in particular and widening national inequality in general, have sometimes seen casting their lots with regionalist business partnerships and smart growth movements as one route to making political and policy progress. After all, the civic efforts associated with new regional thinking often stress that economic growth can be compatible and even enhanced by environmental protection, and that both can lead to generating and redirecting resources toward the inner city communities most in need. It is a new and hopeful alliance of interests, often under the banner of "regional stewardship," that suggests new arenas for compromise and collaboration.

But while the language of the "three E's" –economy, environment, and equity – suggests that contradictions are few and possibilities many, working out the compromises between perspectives and priorities can be hard in practice. Advocates of competitiveness strategies often think that first you must right the economic ship, *then* you can address social inequality; equity advocates worry that they will be among the first to be cast aside if the ship once again runs into stormy economic weather and want to be assured of their place on board. Environmental and smart growth proponents are pleased with land use boundaries that contain sprawl but equity proponents are concerned if these are not coupled with mechanisms to insure that any resulting gentrification of central cities does not result in massive displacement of residents. And the debates, while often centered on arguments over root causes and priorities, are also fundamentally about differences in the capacity to affect and sustain decisions.

There are even sharp differences between some of the various proponents who have equity as their central focus. Some stress the need to emphasize race and grassroots organizing, while others stress common interests and moving policy makers; some emphasize the inequities of the market and the positive role for the public sector while others emphasize market-friendly strategies and the role of private investors; some stress the importance of swaying key policy makers and their staffs while others stress the need to build a new community-based leadership that can fundamentally move politics and power.

As regional equity advocates, we have had all these debates ourselves, always with the understanding that lifting up difference is not about division but about clarification. For despite the different approaches to regionalism and regional equity we have outlined here, there is really a single broad goal that animates the work of regional equity: the pursuit of the good life.

Indeed, part of what motivates our work and those of others in this field is a desire to strike a new balance between imperatives, sectors, and communities. We find ourselves rooted in an older progressive tradition that recognizes that competitiveness is an important precondition -- but that part of what makes it both progressive and perhaps persuasive is the notion that both social well-being and competitiveness should be equally valued goals in any development at the front end, rather than having social well-being come in at the back end.

Yet the "good life" is about more than figuring out how to both do "good and do well." The good life is also about the fullness of democracy and voice, that is, about the encouragement of civic engagement and participation.

We would suggest that part of the charm of the regional level is that such democratic practice is not only possible but necessary: because there are so few governmental structures at a regional levels but so much emerging demand for regional governance, public-private alliances have launched a series of conversations, conferences, and visioning exercises. As a result, the conversation about regional equity represent an important opportunity for real conversations about the broader issues of social values and economic balance – and because they are face-to-face, race-to-race, and space-to-space, such conversations can perhaps overcome the fragmentation and policy paralysis wracking American society.

# III. What are the Opportunities?

Regionalism presents an opportunity for new organizing and new solutions. Infusing a regional perspective into traditional work for social justice and community development not only offers a more complete picture of the drivers of disparity, it can also help secure new allies and conceive new strategies.<sup>28</sup> But it is not always a natural match for those who are more accustomed to community-level change nor is it a smooth transition for municipal authorities who may jealously guard their local prerogatives. Moving ahead requires a strategic focus on issues that are "ripe" – that present opportunities at the regional level, resonate on a local level, and generate new and sometimes unexpected partnerships.

Sometimes the issues themselves can be unexpected. For example, in the Mayfair neighborhood of San Jose, a largely Latino immigrant enclave where Cesar Chavez did his first urban organizing, residents were being encouraged by funders to place a more regional lens on their work. This was presumably to take the form of allying with other communities in the larger Bay Area on issues of workforce development, affordable housing, tax flows, or mass transit. Yet none of these traditional areas were the "hook" that brought the community to the region: instead, it was health care.

Because of a perceived gap in health care and health insurance, Mayfair organizers had trained a group of *promotoras* (or health promoters) to go into the community and inform residents of primary health care programs, clinics, and public health services. The problem was that many in the largely immigrant community were unable to qualify for state programs, particularly those that required proof of legal residency.

The solution to this stumbling block came from an unusual source: an organizing effort that brought together other community groups and the Santa Clara County Central Labor Council to press the City of San Jose and Santa Clara County to devote dollars attained through a settlement with tobacco producers to offer health insurance for all children who could not qualify for any other program. Mayfair turned loose its *promotoras* to shift from health education to coalition building for health, and wound up with a victory that provided health insurance to all the kids in the community

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<sup>&</sup>lt;sup>28</sup> For more examples of regional opportunities, see Angela Glover Blackwell and Radhika K. Fox, "Regional Equity and Smart Growth: Strategies for Advancing Economic and Social Justice in America," *Translation Paper* (Coral Gables, FL: Funders Network for Smart Growth and Livable Communities, 2004), <a href="http://www.policylink.org/Research/TranslationPaper/">http://www.policylink.org/Research/TranslationPaper/</a>.

as part of insuring all kids in the county – and the experience helped convince local leaders that sometimes a regional lever was exactly the right tool for resolving a neighborhood problem.<sup>29</sup>

Of course, not everything is regional. There are many efforts that have to be pursued at a local level and many changes that must happen at a state and national level. And the idea that the region might be an effective entry point does not take away from those other efforts. In the Mayfair case, for example, the regional lever could never have been pulled in the absence of local organizing efforts that, while not adequate to fully address the problem, built the leadership for regional intervention. Still, understanding the intersecting geography of change is crucial to building a movement for regional equity – and to finding both the points where there can be a sort of regionalist "epiphany" for organizers and effective policy levers.

# The Geography of Change

In our view, the regional equity agenda is necessarily multi-level: while it should be aware of the opportunities now available at the intersections between regional decisions and local organizing, it must also attempt to alter federal and state policies to help central cities and older suburbs, where most low- and moderate-income families live, and connect these families to broader educational and employment opportunities.

The regional-local link has often been the starting point – and it is an important one. In our travels to Detroit and Los Angeles, we were impressed by several stellar efforts. The Detroit office of the Local Initiatives Support Corporation (LISC), for example, has developed a remarkable new program that has given incentives to community development groups if they create partnerships between Detroit neighborhoods and neighborhoods in the immediately adjoining suburbs – and they require that these groups include race relations training in their capacity building, attempting to insure that they will have the skills to build bridges across race as well as geography. Put alongside the work of MOSES, a community organizing effort that is bringing together central city and suburban congregants to define common interests and agenda, the work in Detroit is giving real meaning to the city-suburb alliance so frequently mentioned in the literature but so infrequently realized in practice.

In Los Angeles, regional-local links have also been front and center. L.A. has been host to a constellation of groups that have come together to win a series of Community Benefits Agreements, which are essentially attempts to guarantee better local outcomes from regional attractions and job generators. The most recent agreement, secured in late 2004, was a landmark effort connected to the expansion of the Los Angeles Airport, key to the future economic growth of the region but also one where environmental and other costs have been highly localized in adjacent minority communities. Eschewing past divisions, labor unions, community organizations, environmentalists, and school officials worked together to secure \$500 million for soundproofing houses and classrooms, creating job training and local hiring programs, and creating opportunities for local minority-owned firms to participate in the business growth. Along with the efforts of others to

<sup>&</sup>lt;sup>29</sup> Manuel Pastor, Chris Benner, Rachel Rosner, Martha Matsuoka, and Julie Jacobs, *Community Building, Community Bridging: Neighborhood Improvement Initiatives and the New Regionalism in the San Francisco Bay Area* (Santa Cruz, CA: Center for Justice, Tolerance, and Community, UC Santa Cruz, 2004), <a href="http://www.cjtc.ucsc.edu/docs/r Community Building Community Bridging.pdf">http://www.cjtc.ucsc.edu/docs/r Community Building Community Bridging.pdf</a>.

create a housing trust fund and secure living wages, the work in Los Angeles is laying the groundwork for a new vision of "growing together" across the region.<sup>30</sup>

Yet many of these local-regional linkages are working against the less supportive dictates of other levels of government. The federal government and the states, for example, exert enormous influence on growth patterns, often setting the "rules of the development game" in ways that encourage the decentralization of population and the economy and the concentration of urban poverty. Federal policy, including regulatory and administrative decisions and tax and spending programs, all send strong signals to consumers and the market about what and where to build. States are particularly important in influencing growth and opportunity patterns because they set the geography and powers of local governance, establish the fiscal playing field for municipalities and school districts and shape the economies of places through their investments in education, health care, and research and through their regulation of multiple sectors and segments of the economy.

In general, federal and state policies have concentrated poverty rather than enhanced access to opportunity. Until recently, for example, federal public housing aimed at the very poor generally housed them in special units concentrated in isolated neighborhoods. According to housing scholar Margery Turner, more than half of public housing residents still live in high poverty neighborhoods; only 7 percent live in low poverty neighborhoods where fewer than 10 percent of residents are poor. Even newer federal efforts, like the low-income housing tax credit program, are generally targeted to areas of distress and poverty, not to areas of growing employment.

Yet we now know that concentrating poor families in a few square blocks undermines almost every other program designed to aid the poor—making it harder for the poor to find jobs and placing extraordinary burdens on the schools and teachers that serve poor children. Moreover, this is merely one of a suite of policies that lower the costs—to individuals and firms—of living and working outside or on the outer fringes of our metro regions, while increasing the costs of living and working in the core. They push investment out of high-tax, low service urban areas and into low-tax, high-service favored suburban quarters, while concentrating poverty in the central city core.<sup>32</sup>

Given this background, the regional equity movement must build on the local-regional examples that have been emerging. The next phase for the regional equity movement as it matures will involve working at multiple levels and with significant coordination to challenge the current federal and state practices that create and exacerbate racial, ethnic, economic, and spatial disparities.

<sup>&</sup>lt;sup>30</sup> John Broder, "Los Angeles Groups Agree to Airport Growth, for a Price," New York Times, December 17, 2004, A22.

<sup>&</sup>lt;sup>31</sup> Margery Austin Turner, "Moving Out of Poverty: Expanding mobility and Choice Through Tenant-Based Housing Assistance," *Housing Policy Debate* 9, no. 2 (1998): 373–394.

<sup>&</sup>lt;sup>32</sup> Radhika K. Fox and Sarah Treuhaf, Shared Prosperity, Stronger Regions: An Agenda for Rebuilding America's Older Core Cities (Oakland, CA: PolicyLink and Community Development Partnerships Network, 2005), <a href="http://www.policylink.org/Research/OlderCoreCities/">http://www.policylink.org/Research/OlderCoreCities/</a>.

# Transportation for Regional Equity

Metropolitan America faces a daunting set of transportation challenges—increasing congestion, deteriorating air quality, and crumbling infrastructure—that threaten to undermine its competitive edge in the global economy. At the same time, spatial mismatches in the labor market and the skewed design of transportation routes often make it difficult for low-income residents to access regional employment or shopping opportunities.

To address these twin issues of competitiveness and fairness, the federal government should continue to expand the responsibility and capacity of metropolitan transportation entities. These institutions are, after all, in the best position to integrate transportation decisions with local and regional decisions on land use, housing, and economic development. At the same time, states should be required to tie their decisions more closely to the demographic and market realities of metropolitan areas. Both states and metropolitan areas should be encouraged to work together on major commercial corridors and to knit together what are now separate air, rail and surface transportation policies.

Besides governance reform, metropolitan areas also need access to more substantial financial and regulatory tools and policies. A "Metropolitan Transportation Fund" should be created to provide metropolitan areas with the predictability of resources required for long term planning and the flexibility necessary to tailor transportation solutions to individual markets. The Bus Riders Union in Los Angeles, for example, has helped better connect residents to the region's opportunities through both its efforts to shift resources to bus lines and its Countywide New Service campaign which seeks to expand service to reach job centers, schools, and hospitals. The fund and all other federal programs should treat highway and transit projects equally in terms of financing and regulatory oversight. Transportation reform could encourage the greater use of market mechanisms—such as tolls and value pricing—to ease congestion on major thoroughfares at peak traffic times. London's recent experimentation with congestion pricing, in particular, offers lessons for large American cities and metropolitan areas, and the proceeds could be used to expand transit access for those more reliant on public transportation.

New resources, including tax credits, should also be made available to stimulate development around existing light rail and other rail projects. Transit-oriented development has become quite popular at the local level, particularly as some suburban residents decide to forego long commutes and settle closer to the city. But it has also become a key took for revitalization for low-income communities. The Lake-Pulaski station development by Bethel New Life in Chicago was already mentioned but it is not an isolated case – in Oakland, California, for example, redevelopment around the Fruitvale transit station, the result of organizing and planning by community organizers and developers, has resulted in new space for non-profits, a health clinic, restaurants and stores, and both affordable and market-rate housing.<sup>33</sup> In Columbus, Ohio, the Linden Transit Center, servicing bus rather than rail, includes childcare, job training, and health care facilities and has been the linchpin for the successful redevelopment of a whole urban neighborhood. Yet financing for such efforts is often complicated.

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<sup>&</sup>lt;sup>33</sup> For more on Fruitvale, see Elizabeth Blish Hughes, "In Transit," Ford Foundation Report Spring (2004).

Both Bethel and the Unity Council, the prime community-based mover in Fruitvale, went through significant hoops planning their development and packaging the finance. Targeted tax credits, particularly if focused on poorer areas, as well as changes in banking regulation to facilitate mixed use development, could spur a new round of community and private investment.

A metropolitan transportation agenda should also hold all recipients of federal funding to a high standard of managerial efficiency, programmatic effectiveness, and fiscal responsibility. To that end, transportation reform should establish a framework for accountability that includes tighter disclosure requirements, improved performance measures, and rewards for exceptional performance. Transportation reform should also increase the practical opportunities for citizen and business participation in transportation decision making. States and metropolitan areas should be provided the funding to experiment with state-of-the-art technologies for engaging citizens, particularly low-income citizens, in public debates.

How do we make such change happen? We are impressed by the impact of such intermediaries as the Surface Transportation Policy Project and their ability to move federal policy – slightly perhaps but notable nonetheless – in the direction of offering more choices and more equity of access at the local and regional level.<sup>34</sup> Community organizations themselves have also shown that they can harness the power of transportation agencies to better suit their interests: in northwest Indiana, for example, Reverend Cheryl Rivera helped bring together a group of congregations in both largely black Gary and mostly white Hammond, to force the formation of a new regional transportation authority that would offer better access between separate cities; and in Detroit, MOSES has combined community organizing with a lawsuit designed to enhance Detroit's representation in regional transportation decisions.

Whatever the mechanisms, organizing for transportation equity must operate at multiple levels: regional, state, and national. Again, this is an opportunity for those in separate regional efforts to find common ground with respect to policy change—to link across regions, strengthening each others efforts and forming a constituency that cannot be ignored at the state and national levels.

# Housing To Promote Regional Equity

Federal and state housing policy must be recast to fit the new metropolitan reality. As noted above, the uneven residential patterns in most metropolitan areas are placing special burdens on older communities and limiting the educational and employment opportunities of a wide cross-section of families. Local efforts to spread both burdens and opportunities, such as insuring that all localities in a region provide their fair share of affordable housing, are necessary, but they are often working against a federal tide that has long subsidized suburbanization and sprawl.

A new federal and state housing agenda must expand housing opportunities for moderate and middle-class families in the cities and close-in suburbs while creating more affordable, "workforce" housing near job centers. Ideally, federal policies should help regional elected leaders balance their housing markets through zoning changes, subsidies and tax incentives so that all families—both middle class and low income—have more choice about where they live. A new federal housing

<sup>&</sup>lt;sup>34</sup> For more information on the Surface Transportation Policy Project, see Surface Transportation Policy Project, "About Us," Surface Transportation Policy Project, <a href="http://www.transact.org/">http://www.transact.org/</a> (accessed May 31, 2006).

agenda can build on what is happening at the regional level, including the replicable models of balanced housing policies that are already emerging in the metropolitan areas of Minneapolis, Portland, Seattle, and Washington, D.C.

To achieve these ends, federal and state tax incentives should be expanded to boost homeownership in places where homeownership rates are exceedingly low. Incentives could include a tax credit that goes directly to first time homebuyers (as in Washington, D.C.) and a tax benefit that entices developers to construct or renovate affordable homes (like the existing tax credit for rental housing). Such incentives would enhance the ability of working families to accumulate wealth and contribute to the stability of neighborhoods by lowering the costs of homeownership.

In addition, the federal government should continue its efforts to demolish and redevelop distressed public housing and promote economic integration in federally assisted housing. The HOPE VI program, which has replaced old-style public housing with more attractive units and mixed-income opportunities, should be renewed for another decade of investment and its reach should be extended beyond public housing to privately-owned but distressed housing projects financed by the federal government. The federal government should also make it easier in all housing programs to serve families with a broader range of incomes, particularly in neighborhoods with high concentrations of poverty.

To enhance housing choice, the federal government should invest more substantially in vouchers that support low-income renters search for housing. A national goal of a million more vouchers over the next decade sets an ambitious, but achievable, target. Vouchers have consistently proven to be the most cost effective and market-oriented of federal housing programs and, more than any other housing program, enable low-income parents to base their housing decisions on the performance of local schools.

Besides these additional investments, more substantial governance and statutory reforms will be necessary to promote greater housing choice for low-income families. The federal government should, for example, shift governance of the housing voucher program to the metropolitan level. The current federal voucher program is administered by thousands of separate public housing bureaucracies operating in parochial jurisdictions. Competitions should be held in dozens of metropolitan areas to determine what kind of entity—public, for-profit, nonprofit, or a combination thereof—is best suited to administer the program.

The federal government should also make it easier to allocate low-income housing tax credits to areas of growing employment, not only to areas of distress and poverty. And existing funds should be invested in creating a network of regional housing corporations to develop and preserve affordable housing in suburban areas. A national network of regional housing corporations can build on the achievements of community development corporations, many of which can naturally graduate to operate at the metropolitan level.

The creation and expansion of mixed-income and high opportunity communities is also a key to improving schools and other public services, as well as reducing crime. There is a serious chicken and egg problem here, because middle- and upper- income families don't want to move into areas with poor schools and high crime, while it is hard to improve either schools or crime as long as the poverty concentration is high. Hence, revitalizing distressed neighborhoods requires focusing on

improving housing, schools, and public safety all at once in areas limited enough to show visible positive change.

Our insistence on federal and state levers does not mean that local authorities can rest. Indeed, one method to secure regional "opportunity-based" housing is through an eminently local approach: inclusionary zoning. Inclusionary zoning is a strategy in which developers are required to make some percent of the units they develop affordable at various levels, often in return for being allowed to build more densely or otherwise gain variances to local zoning regulations. Such regulations help insure that housing affordability is spread thoughout a region, creating new opportunities for deconcentrating poverty and/or slowing gentrification. Such local strategies are important because federal housing subsidies are fast disappearing (even though they've largely reinforced the economic segregation of poor minorities in the past). Inclusionary zoning by local authorities creates a way to leverage markets to generate affordable housing without public or philanthropic subsidies — although the devil comes in the details, and it is essential to insure that inclusion is really inclusive of those who earn the least income.<sup>35</sup>

There are also important opportunities for local and regional leaders to push for mixed-income housing that can lead to more economic integration and individual mobility. The Atlanta Neighborhood Development Partnership, for example, once concentrated on improving the capacity of community development corporations (CDCs) and building affordable housing in the central city of Atlanta – but it has since taken on the dual tasks of both attracting middle income workers back to Atlanta and creating opportunities for low-income residents in the region's rapidly growing suburbs. It has launched a number of successful mixed-income projects in the city and worked with regional leaders in a Mixed Income Communities Initiative that seeks to change policy in a way that will facilitate the placement of affordable housing in city and suburb alike. For Atlanta and other places, one "hook" to attract business and other interest is to think of affordable housing as "workforce housing" – that is, creating the mix of rentals and ownership opportunities that allow a region to serve the diversity of workers needed in America's new economy.

But the federal and state governments can help by providing incentives – and being more insistent about the disincentives. Many wealthy communities will only open up their communities if they are denied something they want. To this end, the federal government should prohibit lucrative federal highway investments in communities that have been found in violation of federal civil rights laws or otherwise have engaged in exclusionary housing practices. And those in the regional equity movement, often working apart in their own metropolitan areas for changes in zoning and land use,

<sup>35</sup> Karen D. Brown, Expanding Affordable Housing Through Inclusionary Zoning: Lessons from the Washington Metropolitan Area (Washington, DC: Brookings Institution Center on Urban and Metropolitan Policy, 2001), <a href="http://www.brook.edu/es/urban/urban.htm">http://www.brook.edu/es/urban/urban.htm</a>; R. Burchell, C. K. Conine, R. Dubin, D. Flanagan, , C.Galley, E. Larsen, D. Rusk, A. Schnare, B. Tetreault, and R. Tustian, "Inclusionary Zoning: A Viable Solution to the Affordable Housing Crisis?" New Century Housing vol. 1, no. 2 (2000); Alan Mallach, Inclusionary Housing Programs: Policies and Practices (New Brunswick, NJ: Center for Urban Policy Research, 1984); Kalima Rose, Brad Lander, and Karoleen Feng, Increasing Housing Opportunity in New York City: The Case for Inclusionary Zoning (Oakland, CA: PolicyLink and the Pratt Institute Center for Community and Environmental Development, 2004), <a href="http://www.policylink.org/Research/NYIZ/">http://www.policylink.org/Research/NYIZ/</a>; PolicyLink, Expanding Housing Opportunity in Washington, DC: The Case for Inclusionary Zoning (Oakland, CA: PolicyLink, Fall 2003), <a href="http://www.policylink.org/Research/DCIZ/">http://www.policylink.org/Research/DCIZ/</a>.

<sup>&</sup>lt;sup>36</sup> Atlanta Neighborhood Development Partnership, *Making the Case for Mixed Income and Mixed Use Communities: An Executive Summary* (Atlanta: Atlanta Neighborhood Development Partnership, 2004), <a href="http://www.andpi.org/mici/">http://www.andpi.org/mici/</a>.

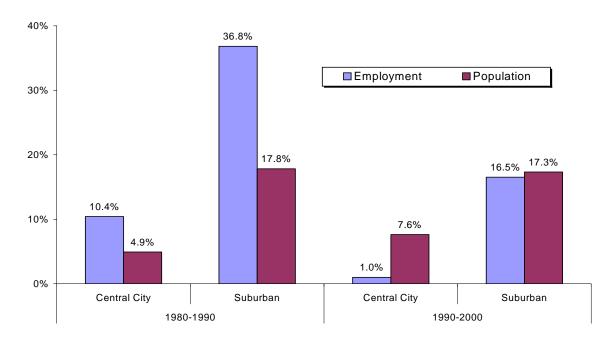


Figure 2. Growth in Central City and Suburban Employment and Population, America's Top Twenty-Five Metro Areas

could come together and scale up for policy change at the federal level that would make all their work for housing justice that much easier.

# Workforce and Economic Development for Regional Equity

Workforce and economic development is another area ripe for intervention. Clearly, there are issues of spatial mismatch, particularly as the suburbanization of employment has proceeded over the last several decades, especially in America's largest metropolitan areas (see Figure 2). But the power of a regional approach goes far beyond just connecting urban residents with suburban employment.

The growing globalization of the economy and the shift to information and knowledge-intensive industries as the drivers of urban economies also creates substantial challenges for our metropolitan areas. There is growing bifurcation in employment opportunities between many low-wage service jobs and high-skilled knowledge-based occupations, a decline in family sustaining jobs for many working class and middle class Americans, an expansion of the working poor due to the growth in sub-living wage jobs, and new challenges to high-skilled jobs from highly educated but lower-paid professionals in places like India, Eastern Europe and Russia. These are all challenges that an equity oriented workforce and economic development strategy must take seriously and address.

Regional equity advocates have tended to focus on the fairness side of the equation: we are impressed by the widespread emergence of living wage laws throughout the country as well as the connections that have been made about the economic, social, and environmental costs associated with the continuing expansion of big-box retail. But "closing off the low road" through wage floors and development impediments is not enough – regional equity proponents need to offer a new vision of the economy that combines strategic growth, improved mobility, and an upgraded base.

Strategic growth implies identifying and prioritizing support to those competitive industries that provide family sustaining jobs to the 75% of the American workforce that lack a four year college degree. Such an approach does not imply that "high-tech"-based economic development strategies should be abandoned—to the contrary, these industries are important drivers of economic growth, are important for maintaining U.S. technological sophistication and provide valuable employment opportunities, particularly for those fortunate enough to complete college education. But strategic growth strategies must recognize that jobs in many high-tech sectors are inaccessible to a large portion, if not the majority of the American workforce and that a single-minded focus on high-tech growth strategies is likely to promote greater inequality.

Strategic growth strategies must also recognize that there are many dynamic, globally competitive growth opportunities in industries that can provide good jobs for people with specialized technical degrees and on-the-job experience that is more accessible than four-year college degrees. The specific industries will differ significantly in different metropolitan areas, but include many technologically sophisticated and quality-oriented manufacturing sectors, logistics and transportation, health care, construction, entertainment, and certain business and professional service industries.

Promoting these industries requires effective coordination at a regional scale as well as close cooperation between different economic development entities in the process of developing a shared vision of priority industries. Technical assistance programs, workforce development and educational programs, including those in regional community college systems, should be aligned with the needs of these priority industries. State-level policy should be oriented towards supporting regional industry partnerships in priority industries, like is being done in Washington, Pennsylvania and a few other areas of the country.

In addition to promoting strategic growth, a second major focus of equity oriented workforce and economic development initiatives should be on expanding economic mobility, thereby facilitating cross-firm "career staircases" in regional labor markets. There is now a growing body of experience around the country in building effective 'workforce intermediaries' that can meet this goal of expanding mobility. Effective intermediaries should have strong ties with both employers and workers, be organized around clusters of firms and occupations (which helps in identifying viable career opportunities), be networked with community colleges and other regional education and training institutions, and either have a strong worker membership base (such as through a union) or have a strong community-base and pay attention to building social networks for workers, not just focus on basic skills and training.<sup>37</sup> Improving mobility also requires paying attention to the spatial distribution of jobs within a regional labor market and working to direct new job investment in locations close to mass transportation networks and other locations that are more accessible to disadvantaged sectors of the population.<sup>38</sup>

<sup>&</sup>lt;sup>37</sup> See Robert Giloth, editor, Workforce Intermediaries for the 21<sup>st</sup> Century (Philadelphia: Temple University Press, 2003). For an earlier review, see Bennett Harrison and Marcus Weiss, Workforce Development Networks: Community-Based Organizations and Regional Alliances (Thousand Oaks, CA: Sage Publications, 1998).

<sup>&</sup>lt;sup>38</sup> For more on spatial mismatch, see Steven Raphael, "The Spatial Mismatch Hypothesis and Black Youth Joblessness: Evidence from the San Francisco Bay Area," *Journal of Urban Economics* (1997); Michael A. Stoll, *Job Sprawl and the Spatial Mismatch between Blacks and Jobs* (Washington, DC: Brookings Institution, 2005), <a href="http://www.brookings.edu/metro/pubs/20050214">http://www.brookings.edu/metro/pubs/20050214</a> jobsprawl.pdf.

Finally, growth and mobility by themselves are inadequate to promote a regional equity oriented economic development strategy unless they are also linked with efforts to raise the base level of wages in low-wage jobs in the region. There are a variety of strategies that groups around the country are pursuing to achieve this objective. Some, such as raising the minimum wage, or advocating for labor law reform to facilitate union organizing in low-wage service sectors, require action at the state and federal level. Other strategies, like pursuing living wage ordinances, promoting community benefits agreements, or linking economic subsidies to minimum job standards (subsidy accountability) have been pursued at a project, municipal, county or even regional level.<sup>39</sup>

Regional Central Labor Councils (CLSc) have been critical to these efforts. <sup>40</sup> The national AFL-CIO's "Union Cities" program consists of a set of goals designed to strengthen the labor movement from the local level up to the national level by placing a renewed emphasis on organizing, holding public officials accountable, electing union members and friends of working families to public office, developing a rapid response solidarity network, and forming coalitions. <sup>41</sup> In addition to the CLC efforts, individual unions have taking on innovative roles in organizing. The Hotel Employees and Restaurant Employees (HERE) union in San Francisco and Las Vegas has developed some joint training programs with employers that lift the bottom even as they enable workers to build lifelong skills that will also improve service. <sup>42</sup>

Again, multi-level strategies – national, state, and regional – are necessary. But just as necessary is a new realization that advocates for regional equity must do more than insist that the fruits of growth be fairly distributed – they must also contribute to the development of new economic strategies that create the base for regional, state, and national expansion. And we can do this better if regional equity efforts begin to share a general vision of how the economy should work, who it should benefit, and what federal and state policies need to be altered so that local efforts for justice can bloom.

# Sharing Taxes, Sharing Planning

Housing, transportation, and economic development policies are at the core of regional equity strategies, but there are a range of other policies that can be placed within a regional context and pursued to help promote expanded opportunity for disadvantaged people.

One of the most frequently discussed is regional tax base-sharing.<sup>43</sup> Such plans have been implemented in various places, most extensively in the Minneapolis-St. Paul area, but on a more limited basis in other regions as well (e.g. a regional sales tax sharing program in Pittsburgh-Allegheny County). Regional tax base-sharing is a more cost-efficient route to significantly reduce

<sup>&</sup>lt;sup>39</sup> Sephanie Luce, "Lessons from Living-wage Campaigns," Work and Occupations 32, no. 4 (2005): 423-440.

<sup>&</sup>lt;sup>40</sup> Immanuel Ness and Stuart Eimer, editors, *Central Labor Councils and the Revival of American Unionism* (New York: ME Sharpe, 2001).

<sup>&</sup>lt;sup>41</sup> AFL-CIO Human Resources Development Institute, *Economic Development: A Union Guide to the High Road* (Washington, DC: AFL-CIO Working for America Institute, 1998).

<sup>&</sup>lt;sup>42</sup> Annette Bernhardt, Laura Dresser, and Erin Hatton, *Moving Hotels to the High Road: Strategies That Help Workers and Firms Success* (Madison, WI: Center on Wisconsin Strategy, 2003).

<sup>&</sup>lt;sup>43</sup> Myron Orfield, Metropolitics: A Regional Agenda for Community and Stability (Washington, DC, Brookings Institution, 1997).

major disparities in tax base per household than the large additional level of investments needed for revitalizing some central cities. Moreover, some argue that state legislatures may well find it more politically palatable to mandate a regional tax base-sharing plan than relieve the public clamor for property tax reform through coming up with an alternate source of state revenue.

Yet the idea of regional tax-sharing has not made much headway in recent years. In California, for example, a bill that was passed by the Assembly in 2002 proposed a relatively modest strategy: run a pilot experiment in the rapidly growing Sacramento region that would take the growth in sales taxes generated from new retail development, and split it across the region, with one third going to the local jurisdiction, one-third for regional sharing on a per capita basis, and one third to reward "Smart Growth" development (with the funds in the latter third either accruing to the local jurisdiction if the development fit "Smart Growth" criteria or accruing to a regional fund that would finance such development if it did not). A better remedy against the fiscalization of land use and the incentives to sprawl could hardly be found, but the bill ran into a buzz saw of opposition from the League of California Cities, Sacramento suburbs, and other key political actors, and was not passed by the State Senate. This is hardly an unusual example: regional tax-sharing, as sensible as it might be, has not caught fire in other areas either.

Effective regional growth management could also be a key tool in promoting regional equity. Again, there are a few stand-out examples with regard to growth management, with most analysts pointing to the success in Portland, Oregon. Portland has had far greater control over the issue of "what gets built where for whose benefit" than any other region, and inequality in the region has been relatively muted. The city of Portland's poverty rate, for example, is close to the regional average, and average city income is at near-parity with suburban levels. Most notably, within the Portland area disparities in tax base per household and per poor family are minimal, particularly for the city of Portland. This stands in stark contrast to places like Camden and Baltimore, where resource inequities that stem from concentrated poverty and the sprawling away of the tax base have been devastating to the fiscal and economic base. 46

Growth boundaries that could steer growth back to the central city have fared a bit better in contemporary politics. But while they have had important support and impacts in places like San Jose, California – forcing a more careful consideration of new suburban developments and significant attention to infill housing – most politically successful implementations are much weaker than the Oregon version. One set of modified examples come from the states of Maryland and Michigan. Maryland has used state funding incentives to steer growth away from outlying areas and toward central cities and older suburbs. Michigan Governor Jennifer Granhold has created a

<sup>&</sup>lt;sup>44</sup> PolicyLink, *Building a Healthier Sacramento Region: An Analysis of Assembly Bill 680* (Oakland, CA: PolicyLink, 2002), <a href="http://www.policylink.org/pdfs/AB%20680.pdf">http://www.policylink.org/pdfs/AB%20680.pdf</a>.

<sup>&</sup>lt;sup>45</sup> For more on Portland and the debate about the effectiveness of its urban growth boundaries, see Carl Abbott, "The Portland Region: Where City and Suburbs Talk to Each Other — and Often Agree," *Housing Policy Debate*, vol. 8, no. 1 (1997).

<sup>&</sup>lt;sup>46</sup> For more on Camden, see Howard Gillette, Camden After the Fall: Decline and Renewal in a Post-Industrial City, (Philadelphia: University of Pennsylvania Press, 2005). For more on Baltimore, see Myron Orfield, "Baltimore Metropolitics: A Regional Agenda for Community and Stability," Report Prepared for the Citizens Planning and Housing Association (1997).

statewide leadership council on land use which has made a series of recommendations about how to use incentives, infrastructure prioritization, and other mechanisms to slow sprawl.<sup>47</sup>

If one of the regional movement's strengths has been to focus on pragmatic victories even as we insist on progressive visions, it may be the case that tax-sharing and land constraints serve more to point the way to change, than as winnable ideas on the current policy table.

### Different Strokes, Different Folks

The broad opportunities we've outlined here—in housing, transportation, workforce, and economic development—are applicable to every metropolitan region in the country. Yet it is important to recognize the diversity of social, political, and economic circumstances in regions throughout the country. These regional differences create significantly different contexts in each region, and the specific strategies and policies that may work in on region may be inappropriate in other regions. It is important for regional equity advocates to take critical regional differences into account, both in their specific local efforts, and in their efforts to link to a broader national movement.

One of the most basic dimensions of regional differences lies in the level of local government fragmentation. 'Little box' states—those states with many, small, local government units—have more fragmented regional decision making processes, and as a result tend to have higher levels of inequality, more sprawl, longer commute times and slower economic growth. By contrast, 'big-box' states—those states where there has been greater annexing of land into existing cities and as a result, there are fewer, larger municipalities within metropolitan areas—tend to do slightly better in measurements of regional equity and opportunity. This does not mean that regions with fragmented government should focus on consolidating government structures. Indeed studies generally find that while mergers and consolidation of local government can help improve efficiency and fiscal health, without a proactive equity agenda, they do little to improve disparities in schools, housing, and public resources. And the political conflicts that inevitably emerge around consolidation proposals frequently distract from other important substantive concerns. But regions with more fragmented local government structures do face greater challenges in pursuing policy solutions and regional consensus than regions with more consolidated structures, and as a result are probably more likely to pay attention to state-level levers and more informal decision making process at a regional scale.

Another major dimension of regional difference lies in the economic realm, between so-called 'strong market' versus 'weak market' cities. 'Weak market' cities—typically the older manufacturing centers of the Mid-West—tend to face long term economic decline with little job growth, and associated challenges of major population dislocation from the urban core, infrastructure deterioration, high levels of racial segregation, and radical patterns of decentralization. Here the challenges lie primarily in revitalizing the core cities and older suburbs, reclaiming vacant and abandoned properties, and promoting affordable housing options in opportunity-rich

<sup>&</sup>lt;sup>47</sup> Michigan Land Use Leadership Council, "Many Voices are Calling for Wiser Land Use in Michigan," Michigan Land Use Leadership Council, <a href="http://www.michiganlanduse.org">http://www.michiganlanduse.org</a> (accessed May 31, 2006).

<sup>&</sup>lt;sup>48</sup> Jerry Paytas, *Does Governance Matter? The Dynamics of Metropolitan Governance and Competitiveness* (Pittsburgh: Carnegie Mellon Center for Economic Development, 2001), <a href="http://www.smartpolicy.org/pdf/governancematter.pdf">http://www.smartpolicy.org/pdf/governancematter.pdf</a>; David Hamilton, David Miller, and Jerry Paytas "Exploring the Horizontal and Vertical Dimensions of the Governing of Metropolitan Regions," *Urban Affairs Review* vol. 40, no. 2 (2004): 147-182; David Rusk, *Cities without Suburbs* (Washington DC: Woodrow Wilson Center Press, 1995).

neighborhoods in the region. 'Strong market' cities—such as the rapidly growing regions of the Southwest and Florida—face a different set of challenges, with escalating housing prices, traffic congestion, large immigrant populations, and proliferation of low-wage service sector jobs (often filled by increasing immigrant populations). Here, the challenges lie more in promoting affordable housing throughout the region, raising wage and employment standards in low-paid jobs, and promoting more community benefits through the major development initiatives in the region.

Regions throughout the country also differ significantly in their racial composition. The classic picture of white suburbs and black inner city that is often used to characterize city-suburb differences is no longer accurate in any region of the country, as an increasing number of suburban residents are people of color. Yet the levels of city/suburban racial dissimilarity remain significantly higher in the predominantly white/black cities of the North and Northeast, compared to 'melting pot' cities (such as New York, Los Angeles, and Miami), the predominantly white-black cities of the South, or even cities of the South and West that are majority white. These racial differences make for very different political dynamics between cities and suburbs, and different opportunities for regional coalition building.

# Devising a Rural Agenda

The regional equity movement has often seemed to focus on development and opportunity in America's metropolitan areas. Yet part of the geography of change involves recognizing that fifty-six million Americans live in small towns and rural communities, 7.5 million of them in poverty. Forty two percent of rural families are the working poor, earning less than \$35,000 a year. This is clearly an equity concern. Moreover, an important element of the regional equity movement is linking environmental issues of open space, resource stewardship, and environmental health with concerns about social and racial justice. And the trends and conditions in rural areas suggest that poverty and underdevelopment in urban and rural areas are linked, that the remedy may lie in an approach that celebrates the stewardship role of rural residents, and that a new common agenda could create both policy and political opportunities.

Indeed, many of the same dynamics of race, culture, and power that created our hollowed out inner cities are at play in poor rural places: a thin middle class, a few powerful people allocating resources and opportunities, a large vulnerable population that is isolated from the mainstream and caught up in an oppressive climate with little access to the personal or institutional resources that can turn things around and offer either mobility or social change. An elite group of families, the "haves," control everything and the "have-nots" depend on them for jobs, housing, and any opportunity. Like our inner cities, the success stories are too often those who have "gotten out," leaving for greater opportunities in cities, further handicapping those left behind in areas of concentrated poverty.

Moreover, there are parallels to the trends that created poverty in America's hollowed out inner cities after World War II. Demographers Kenneth Johnson and John Cromartie argue that there have been three large "population redistribution trends" in America: urbanization, suburbanization,

<sup>&</sup>lt;sup>49</sup> William Frey, *Melting Pot Suburbs: A Census 2000 Study of Suburban Diversity* (Washington DC: Brookings Institution Center on Urban and Metropolitan Policy, 2001), http://www.brookings.edu/es/urban/projects/census/freyexecsum.htm.

and interregional migration from the "rustbelt" to the "sunbelt." Between 1940 and 1970 those living on farms declined by 700,000 a year, and the outmigration trends continue today, especially of those who are younger and better educated. This outmigration was accompanied by growing suburbanization on the outskirts of metropolitan areas, creating sprawl and the "exurbanization" that continue to threaten the character of rural communities on the metropolitan fringe. These were the fastest growing places in the 1990s, and in 2004 nearly 33 million Americans lived in these areas.

Johnson and Cromartie also show that the West and South's share of population grew from 44 to 58 percent between 1950 and 2000, as people responded to "regional deconcentration of manufacturing jobs, the emergence of a service based economy, public investment in transportation, and communication infrastructure that disproportionately benefited the South, and the growing importance of amenity-based migration." That said, nine out of ten rural residents in the South live in low education counties, 85 percent live in persistently poor counties, 70 percent live in low employment counties, and 1 in 3 live in counties that are losing population. Overall, 13 million Americans live in rural areas that are neither adjacent to metropolitan areas nor advantaged by high amenities. Slightly over 8 million live in remote, high amenity, rural counties.

Looking at demographic and socio-economic trends as we enter the 21<sup>st</sup> century, we can identify three types of rural communities emerging in America. First, there are rural areas on the outer rim of America's suburbs, exurban communities at the metropolitan fringe, threatened by sprawl as families seek more affordable housing, even at the cost of very long commutes. These new residents put pressure on housing costs that further press long term, low-income residents, and change the character and environment. Second, there are more remote rural communities with high amenities – lakes, seashore, mountains, and other resources that attract urban residents for recreation and retirement. Early research suggests that increased employment opportunities are offset by higher costs of living for long term and low-income residents, and many fear growing divides between gated wealthy neighborhoods and the rest of the county where workers and long term residents live. In both the adjacent and high amenity areas we are seeing growing numbers of foreign born families and workers, creating new challenges for inclusive and equitable policies. These new in-migrants may exacerbate inequalities by changing the housing market, making affordable housing for long term and poor, often Latino, residents a serious problem. Finally, over seven million rural Americans live in chronically poor areas, often predominately minority communities, where they struggle (just as inner city residents do) with a legacy of decades of underinvestment and oppressive control by local elites. These are areas of startling low education and extreme physical isolation, long dependent on natural resource economies (such as timber, mining, fishing, ranching or farming) that now are hard hit by permanent job loss brought on by global competition.

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<sup>&</sup>lt;sup>50</sup> Kenneth M. Johnson and John B. Cromartie, "The Rural Rebound and Its Aftermath: Changing Demographic Dynamics and Regional Contrasts," in *Population Change and Rural Society*, ed. William A. Kandel and David L. Brown (Dordrect, Netherlands: Springer, 2006): 28; Kenneth Johnson, "Demographic Trends in Rural and Small Town America," *Reports On Rural America* vol. 1, no. 1 (2006), <a href="http://www.carseyinstitute.unh.edu/documents/Demographics.complete\_file.pdf">http://www.carseyinstitute.unh.edu/documents/Demographics.complete\_file.pdf</a>.

<sup>&</sup>lt;sup>51</sup> Kenneth M. Johnson and John B. Cromartie, "The Rural Rebound and Its Aftermath: Changing Demographic Dynamics and Regional Contrasts," in *Population Change and Rural Society*, ed. William A. Kandel and David L. Brown (Dordrect, Netherlands: Springer, 2006): 28

<sup>&</sup>lt;sup>52</sup> Cynthia M. Duncan, Priscilla Salant, and Chris Colocousis, "Challenges and Opportunities in Rural America: Looking at the Data and Listening to Practitioners," Report to the Ford Foundation's Asset and Community Development Program (2006).

How do we ensure equity and sustainability for America's rural communities? We first need to change our views of rural life and development. For years agriculture has been the defining feature of rural policy: our rural development programs are still within the Department of Agriculture, and the Farm bill is still the big omnibus that affects rural America. But rural America has also been characterized by industrialization, including the growth in good jobs in food processing and other industries that helped stir a rural rebound in the 1970s. And our rural areas, as noted, have also experienced the encroachment of suburban sprawl, particularly in places like California's Central Valley where housing demand not met in the Bay Area has spilled over and caused a sharp increase in both land consumption and housing prices.

We need to understand that agriculture will no longer be the savior, industrialization is reaching limits, and service as a surplus housing market for fleeing urbanites can be destructive to sustainable housing values for existing residents. Recent rulings in the World Trade Organization (WTO), such as the decision that America cannot subsidize big agriculture's production of cotton, threaten American dominance in agriculture. Meanwhile, globalization forces have helped pull away the good blue collar manufacturing jobs that fueled rural industrialization, such as food processing. And real estate development as currently practiced is a sort of unconscious regionalism – rural areas serve as the true exurbs, and the current residents find themselves driven out of both housing and a living.

Rural development policy makers and practitioners should explore moving from a paradigm of promoting rural development through a kind of small scale urbanization and rural industrialization to a paradigm that supports the development of sustainable working landscapes. This is the regional equity strategy for rural America – one that links rural areas to urban areas and cities to the countryside.

Such a strategy could find allies in the burgeoning regional equity movement – and it is clear that rural America needs allies now more than ever. Urban residents who have often looked to rural places for recreation and vacation homes, are beginning to recognize that efforts to protect natural areas and wildlife cannot be at the expense of working people who have relied on those areas for generations – whether in the northwestern timber and fishing areas, or the northeastern forests and fisheries. Furthermore, those living in more remote rural communities provide services and benefits to urban residents, by managing forests that in turn maintain healthy watersheds, for example.

Moving forward means wedding our concern for the livelihoods of rural people and the resiliency of rural communities to the broader national and global concern for environmental stewardship and health (gaining new political allies for rural development). It means building an economy that can sustain a middle class on the signature characteristic of all rural areas: the natural resource base. And it means moving into the 21<sup>st</sup> century with the knowledge that this resource base must be sustained for future generations, in addition to the growing evidence that our natural resources are critical to the health of current generations.

It means moving beyond constantly reminding the rest of America that rural is not just about agriculture any more and also beyond the dead-end of rural "me-tooism": we want roads too, we want hospitals and clinics too, our elderly need services, our schools need support too. It means getting urban America to recognize that their concern about protecting the environment and their need for natural resources tie them to those in rural communities, who are the stewards and producers of natural resources at the same time.

There are examples of exciting efforts to revitalize rural communities in ways that bring together the typical concerns of the regional equity movement. Groups in the rural South like the Enterprise Corporation for the Delta are improving access to financial products and services, and through their Emerging Markets Partnership, working to expand regional capacity through job creation, entrepreneurship, asset development for low-income people, and strengthening infrastructure to be competitive in the new economy. The Nature Conservancy's work in North Carolina has integrated the working landscape efforts of remote communities of color into state wide conservation projects. In the Lake Tahoe area of California, the Sierra Business Council has brought together an unusual mix of business people, agencies, and residents for a regional vision of sustainability. It originally sought to balance economic and environmental health by stressing that the wealth of the region was exactly the natural assets that were so often at dispute – in this sense, those stressing environmental integrity and those wishing economic growth were on the same page. And the Council has since gone on to include measure of poverty and social inequity in its targets. Similarly Coastal Enterprises in Maine and ShoreBank Pacific in the Northwest are building new on the ground experiments that integrate the three "Es" into natural resource sectors.

More direct matching of urban and rural interests is also possible. In 2000, the Community Farm Alliance (CFA) advocated for the State of Kentucky to devote some of the \$3.4 billion they had received in tobacco settlement dollars to help family farmers transition out of growing tobacco towards growing food for new local markets.<sup>54</sup> The origins of this victory stretch back to the 1983 *Cornucopia Project Report,* which documented that despite being a largely agricultural state, Kentucky imported 63 percent of its food. With this information and with the newly acquired state funding, the CFA spearheaded the design and implementation of an integrated, diverse, and long term local food system strategy that has included creating new direct marketing opportunities, such as urban farmers markets, as well as providing loans to farmers for building small-scale food processing plants, diversifying crops and experimenting with innovative production techniques. This statewide project has brought together nonprofits, government, and the private sector and has resulted in new livelihoods for former tobacco growers and greater access to fresh food for urban residents. According to one CFA report the organization sees rural and urban areas as "fundamentally interdependent" and believes that an integrated food system has the "power to enhance the economic and social vitality of Kentucky's farms and urban areas."

One important opportunity was in Western Louisville, where low-income residents frequently lacked access to health and nutritious foods, since commercial grocery stores were dramatically under-represented in the neighborhoods. With funding from the Ford Foundation, the CFA worked with local residents in the Portland neighborhood to develop a Farmer's Market, providing healthy and

<sup>&</sup>lt;sup>53</sup> Sierra Business Council, "Sierra Leadership Institute," Sierra Business Council, <a href="http://www.sbcouncil.org/sls.asp">http://www.sbcouncil.org/sls.asp</a> (accessed May 31,2006); For a review of the Council, as well as other collaborative regional initiatives, see Judith Innes and Jane Rongerude, *Collaborative Regional Initiatives: Civic Entrepreneurs Work to Fill the Governance Gap* (San Francisco: Irvine Foundation, 2005).

<sup>&</sup>lt;sup>54</sup> For more information on Kentucky's share of the Master Settlement Funds from the tobacco industry and Kentucky agriculture plans, see Kentucky Agriculture Development Board, Cultivating Rural Prosperity: Kentucky's Long Term Plan for Agricultural Development (Frankfort, KY: Kentucky Agriculture Development Board, 2002), <a href="http://agpolicy.ky.gov/planning/longterm\_plan.shtml">http://agpolicy.ky.gov/planning/longterm\_plan.shtml</a>.

<sup>&</sup>lt;sup>55</sup> Community Farm Alliance, *Bringing Kentucky's Food and Farm Economy Home* (Frankfort, KY: Community Farm Alliance, 2003), <a href="http://www.communityfarmalliance.org/life.htm">http://www.communityfarmalliance.org/life.htm</a>.

affordable locally produced food in an accessible location, which has subsequently become an important gathering point for building neighborhood cohesion. The project helped link rural and urban constituencies, bridge historic racial divides, and promote rural economic diversification and urban neighborhood revitalization.<sup>56</sup>

The point is simple: while the regional equity movement has tended to focus primarily on metropolitan areas and metropolitan constituencies, a truly national movement will need to have a rural agenda as well. This is important from a policy perspective but also important from a political perspective – building power will mean securing new allies from a variety of sectors.

# IV. What are the Tensions and Tightropes?

It is relatively easy to identify the ways that regional patterns of growth and development in American cities contribute to patterns of inequality in our society. It is also relatively straightforward to identify ways in which the sort of coordinated regional strategies we have suggested above, especially if supported by changes in federal and state policy, *could* have a significant impact in improving economic opportunity for disadvantaged populations and promote greater equity and social cohesion.

In practice, however, actually building regional equity is tremendously difficult. Americans live in highly fragmented metropolitan regions with only weak regional planning institutions and processes. Decades of policy and development practices that have reinforced regional inequality cannot be reversed overnight. Building collective political alliances across the various racial, ethnic, class, and gender components of our society is challenging. Powerful private sector interests and minimally regulated market processes dominate investment decisions within our metropolitan areas, and no amount of repeating the mantra that the economy and equity go hand-in-hand will paper over the very real differences that often exist between business imperatives and community interests.

Building an effective regional equity movement will require serious and honest attention to the very real challenges we face in building these efforts. To understand what these are, we must first lay out an honest vision of what we seek to do – that is, we must acknowledge that we are essentially seeking to build power in order to realize a new vision for the country. And if we take that task seriously, we must be equally honest about the tensions and tightropes groups have experienced around the country as they try to build alliances to promote regional equity.

### Building Power, Building Allies

It would be nice to believe that a rational set of ideas – ones that are well-researched, well-reasoned, and well-intentioned – could successfully wake policy makers from the national nightmare of sprawl and inequality. But the current pattern of development has clearly served *some* interests, however short term those may be. Moreover, policy change is often driven not by just the relative merits of a case but also by the relative strength of the coalitions and allies that seek to have them implemented.

<sup>&</sup>lt;sup>56</sup> Funders' Network for Smart Growth and Livable Communities, Signs of Promise: Stories of Philanthropic Leadership in Advancing Regional and Neighborhood Equity (Coral Gables, FL: Funders' Network, 2005), 107-110.

In light of this, the regional equity movement needs to get serious about building power and building allies if its own best ideas are to be realized

Building a broad-based constituency for change, in turn, requires paying attention to processes of community organizing and coalition building around issues of regional equity. In this process, some constituencies will be natural allies with direct interests in promoting equity strategies. Other constituencies may need some convincing about the benefits of regional equity strategies, but are likely to ultimately see the results. Finally, other constituencies may never be natural allies in promoting regional equity, but could be influenced through political pressure and advocacy efforts if to not actively support regional equity strategies, at least to not actively oppose them. Building the power to implement change through sustained collective action across such varied constituencies is not an easy task, and requires skilled leadership and a patient, long term perspective.

Building a broad public buy-in to the goal of inclusiveness is one strategy that can help cross these different constituencies and help build a fertile ground for regional equity strategies. Many regions have conducted just such a regional visioning process, well publicized in the media, in which a broad spectrum of regional leaders and citizens come together to talk about their aspirations for inclusiveness in their region and obstacles to progress toward inclusiveness. To be effective, though, such regional visioning processes shouldn't just be "happy talk", but should raise tough issues such as inclusionary zoning and sharing of subsidized housing initiatives and facilities, such as half-way houses, that usually bring the NIMBY's (Not In My Back Yard) out in force. Regional leaders in this context should commit to not just talking about a regional vision, but also monitoring progress towards inclusiveness and periodic reviews of how the region is doing.

Building a constituency for regional equity, however, requires engaging not just already existing leadership, but also building leadership from the bottom up as well. From this perspective, two particularly important issues emerged in our own discussions and site visits. The first is the importance of paying close attention to people's perspectives and interests in ways that can link micro and macro concerns and promote alliance building. Organizers within the Gamaliel Foundation network, for example, have a well-developed approach to metropolitan organizing that begins with 'one-on-ones'—deep conversations on an individual level about people's concerns in their lives—and builds from that through reflection and dialogue in larger meetings to a shared understanding of regional issues. Similarly, the labor movement in Silicon Valley was able to build successful regional coalitions not by trying to convince community-based organizations to support labor's agenda in the midst of a campaign, but instead by deliberately creating space for different groups to understand each others interests in an unpressured environment, and through that recognize areas of commonality.

A second prominent issue that emerged in our discussion of constituency building and leadership development was the importance of long term personal relationships in developing cross-constituency alliances. Promoting regional equity strategies requires multiple different constituencies

to work together in sustained action over a long-period of time, including people from very different backgrounds and frequently with various levels of distrust. Institutional alliances that can have sustained power on a regional basis are built most effectively through personal relationships. The

### **Building Power**

Phaedra Ellis-Lamkins, Working Partnerships USA: Over the last ten years we've built more power in our relationship to business. First we were invited to the table, then given a plate, then given silverware and napkins. Now we're helping determine the menu.

importance of these relationships is not just about building trust across different communities, but it is about building understanding and a sense of common destiny that allows one to have serious debates and conflicts and still move forward on a common agenda.

In Los Angeles, for example, we were struck by the constantly intersecting circles of leadership. That is, those who were working for environmental justice in the industrial corridor of Los Angeles knew and collaborated with those who were working for labor rights in the same area. Those fighting for community benefits agreements, often in tense dialogues with developers, were then working with those developers and others to implement local hiring and job training programs. Across the country, there are numerous examples of these "unexpected partnerships."

Of course, such personal relationships take time to build and sustain, something often forgotten by funders and officials alike. As Amy Dean explains, "There is no real shortcut to building power long-term." Successful efforts to build regional, multi-constituency relationships to promote regional equity requires navigating through many difficult tensions with an unflinching commitment to discussion and an equally unflinching commitment to honesty.

# Race and Regionalism

One tension – perhaps the single most important question simmering in regional equity efforts – centers on the role of race. In this context, regional equity strategies sometimes present a contradiction. On the one hand, race has frequently been at the center of regional equity discussions: the analysis stresses that racial inequity and segregation have been key factors in carving up the metropolitan landscape of America, and we note that many of those who were early leaders in the regional equity movement, be they white, black, Latino, or Asian, often cut their organizing teeth in some variant of the civil rights movement. On the other hand, the effort to find common ground across city and suburb, rich and poor, white and minority has sometimes led to a politics in which issues of race are set aside or diffused within the frame of "regional competitive advantage" or the thicket of particular issues (e.g. transportation, housing, smart growth, etc.).

Indeed, many policy initiatives designed to promote *regional* equity, including those policies that directly or indirectly address *racial* inequality, have been formulated using terms that do not mention racial inequality. Support of public transit, inclusionary zoning strategies, mixed-income housing developments, and a range of other specific policies that might promote racial equity can be pursued without even mentioning race. Discussions of workforce development and training necessarily target the newest or the most challenged of those in the labor force, often African-Americans left behind in previous periods of growth or Latino immigrants seeking a step up, but the language is race-neutral and seemingly focused on overall competitiveness.

Why the rhetorical shift? Some argue that general terms such as "quality economic growth", "inclusive growth", and even the seemingly race-free "regional equity" can better appeal to a broad based mainstream audience. There are times, it is suggested, when at least tactically, and sometimes even strategically, using a broad based approach centered on, say, competitiveness can be more effective in alliance building than explicitly focusing on what policies may do for promoting racial inequality. Perhaps more frequently, the difficulties in talking about race and racism lead many political leaders and policy analysts to neglect, or at least de-emphasize, race or racial inequality in their efforts to promote regionalism.

This is not a debate peculiar to the regional equity movement.<sup>57</sup> The question of how much to emphasize race and racial differences in American politics runs through nearly every aspect of policy making and coalition building. Yet it is a particularly sharp tension in this arena precisely because our urban form – struggling central cities and isolated suburbs – is, at least in part, the physical manifestation of highly racialized processes of segregation. Race is an inescapable part of America's regional histories – and if regional equity is to become, in Reverend Cheryl Rivera's words, the "civil rights movement of the 21<sup>st</sup> century," it is hard to see how it can do it without lifting up race and racism.

What does this mean in daily practice and organizing? Angela Glover Blackwell argues that "you're not going to get inclusive growth without an inclusive process." Building an inclusive process requires paying explicit attention to who is included in regional policy discussions, with early outreach and issue framing always important. But it also means creating widespread consciousness among all parties about the processes that continue to put people of color at a disadvantage.

For many people of color, lifting up these processes of advantage and disadvantage is standard practice: race is always "right there" as a factor shaping access and opportunity, and not talking about race and racism, they argue, will only breed a shallow sort of unity. Yet directly talking about race is difficult – both for whites who may be uncomfortable with the implication that they benefit from unfair privileges and for people of color who are tired of being seen only through the prism of race. But as john powell reminds us: "There is a way of thinking about race that is both constructive and positive. We always think about it in a divisive way and then talk about it begrudgingly." Attempting to approach discussions about race from this "constructive" angle is just one strategy. Regardless of the strategy employed, finding ways to deal with race in both direct and complex ways is important in building effective regional equity alliances and initiatives.

For example, it is easy to believe that since so much of the regional equity agenda could benefit disadvantaged areas that there is therefore a natural constituency in minority communities. Yet many communities of color have been suspicious of regionalism, particularly in contexts where minority political power is based on geographic concentration and higher levels of regional governance is seen as a potential dilution to hard-won political voice. In Louisville, Kentucky, for example, the African-American community was largely opposed to a city-country merger for exactly that reason; by incorporating largely white suburbs, the proposed consolidation would reduce the proportion of African-Americans from nearly a third of the population – sizeable enough to ally with others to form a legislative majority – to a 15 percent figure that has subsequently allowed for more conservative policies from the new metropolitan government. In Cleveland, Ohio, African-American leaders have also been wary of regionalism, and many have seen it as an initiative primarily pushed by white suburban communities. One cannot understand and overcome this resistance to new alliances without directly addressing the reality of racial politics and tensions.

<sup>&</sup>lt;sup>57</sup> For a general overview of these debates, see Angela Glover-Blackwell, Stewart Kwoh, and Manuel Pastor, Searching for the Uncommon Common Ground: New Dimensions on Race in America (New York: W.W. Norton, 2002).

<sup>&</sup>lt;sup>58</sup> H.V. Savitch and Ronald K. Vogel, "Suburbs Without a City: Power and City-County Consolidation," *Urban Affairs Review* 39, no. 6 (2004): 758–790.

It is also important to understand the rapidly changing demographics of our metropolitan areas, particularly the rapid growth in Latinos and the increasing suburbanization of people of color. The latter implies that the language of city-suburb links need not be as bland as it might seem, particularly since issues of race are increasingly salient in the inner ring areas. The former implies that there may be a missed opportunity: in our travels and our work around the country, we have been struck by the relative lack of Latinos in the regional equity movement. Latinos, after all, are seeing their shares rise in both central cities and inner ring suburbs, and they tend to be overrepresented in the working poor population that could benefit from connections to better regional opportunities. Building a more significant Latino voice in the regional equity movement is a particular challenge in years ahead. 60

This is part of a general issue of expanding our understanding of race in America beyond the traditional black-white paradigm. While the processes of sprawl and suburbanization may have been driven in many metro areas by white flight, Carl Anthony notes that "in understanding race and regionalism, we need to have some space to think about the multi-state regions in the country that have different racial histories, and therefore different challenges in the present and going into the future." Current racial dynamics in the South, for example, cannot be understood without understanding the long history of challenges around racism against African-Americans, the plantation system, share cropping, Civil Rights struggles, and complex rural-urban linkages tied to land ownership patterns that are particular to the region. These racial dynamics are very different from those in the Southwest, which are tied more to the historical relationship with Mexico, Native American populations in the region, complex migration patterns (both domestic and international), and dynamics in the Latino community.

Similarly, racial dynamics in the Midwest cannot be analyzed without close attention to how different historical and contemporary racial patterns of immigration, alongside white ethnic and working class communities, have shaped politics in the context of a particular experience of deindustrialization. The experience of Asian populations, particularly important in the Northwest and West, creates another set of dynamics that are as diverse internal to the broad Asian community as they are from other racial groups. Building meaningful collaborations around regional equity across these various communities requires paying close attention to the identity and experiences of different groups, while also building a vision of a common future.

Yet for all the talk of race, we were struck by our arrival in Los Angeles just after the election of Antonio Villaraigosa. The first Latino mayor elected in over 130 years, his victory was strongly supported by regional equity advocates who had worked to win landmark Community Benefits Agreements, build a new metropolitan labor movement, and secure progress in the realm of environmental justice at the regional level. Moreover, Villaraigosa actually campaigned on a platform that promised to "grow smarter, grow greener, grow together, and grow more civic-minded" – a sort of regional equity dream platform originally hammered out when he spent a year as a Fellow at the University of Southern California's Center for Sustainable Cities and helped cofacilitated a workshop on the future for metropolitan Los Angeles that produced a volume entitled

<sup>&</sup>lt;sup>59</sup> Robert Suro and Audrey Singer, *Latino Growth in Metropolitan America: Changing Patterns, New Locations* (Washington, DC: The Brookings Institution, 2002).

<sup>60</sup> Manuel Pastor, "¿Quién es Más Urbanista? Latinos and 'Smart Growth'" in *Growing Smarter: Achieving Livable Communities, Environmental Justice and Regional Equity*, ed. Robert Bullard (Cambridge: MIT Press, forthcoming).

After Sprawl: Action Plans For Metropolitan Los Angeles.<sup>61</sup> And many of his first moves as mayor, including resolving a labor dispute to protect the regional tourist industry and taking a leadership position in the regional transportation agency, signal his understanding and commitment to a regional equity agenda.

Did this regional equity proponent get there with an emphasis on race? The answer: yes and no. On the one hand. Villaraigosa had proved himself as an effective advocate for racial justice in his previous positions, he invested campaign time and resources to bring together African-American and Latino constituencies, and he was seen as someone who understood the racial realities of the city's politics. On the other, Villaraigosa downplayed race in his campaign, instead lifting up common aspirations for education, public safety, and economic betterment, and stressing a

#### Race and Regionalism

Bruce Katz: I've begun to group our work in three categories: policies that lead to quality economic growth; policies that lead to balanced physical growth; and policies that lead to inclusive growth. "Inclusive "growth is becoming a catch word for us.

Angela Glover Blackmell: I come to this work out of a racial equity perspective. 'Regional Equity' is helpful because it allows us to mainstream our discussions and get a new boost. But I don't think we achieve racial equity unless we actually focus on racial equity. We need to address the unwillingness to deal with race, which continues to place people of color at a disadvantage. I hope we can embrace both agendas: the broad one that Bruce is talking about, as well as the one I'm talking about. We need both.

Bruce Katz: We're really talking about alignment in our work. Take, for example, "Fix It First" [a strategy in the Detroit region to invest in existing transportation infrastructure in the City and inner-ring suburbs before building new roads in the suburbs]. We're making three arguments in favor of "Fix It First": efficiency, fiscal responsibility, and equity. All of those come together in a politician's mind. When the Governor of Michigan goes to MOSES and says your agenda is mine, it comes from recognizing all of us are on the same page. We're not promoting just competitiveness, but inclusive growth also.

Angela Glover Blackwell: You're not going to get inclusive growth without an inclusive process. It is easier to have these discussions without people of color in the room. If you don't raise the issues earlier, they will come back to undermine the goals. All too often these conversations happen with just white people. You need more diverse groups early on. Solutions get worked out in the process, in ways we never would have guessed.

*john powell*: In Cleveland, African-American leadership has pushed back against regionalism, saying it has been driven by the white suburbs. They want a kind of regionalism where the interests of African-Americans are up front, and they are pushing us to better say where regionalism has actually benefited marginalized people and where it hasn't.

Carl Anthony: The people in leadership understand the language of competitiveness. They really don't understand racism and inequality. At the same time, I don't think it is realistic to expect full participation of African-Americans if we don't deal with this legacy. So we may be stuck with having to really talk about it in two different ways. I don't think you can really make an argument that we should talk about mixed-income housing, workforce housing and all these things, as if racism doesn't exist and pretend that that will be adequate. I think it is necessary, and there is going to be tension there. But personally I don't think you can get black people in substantial numbers involved in this kind of discussion unless we deal specifically with race. You know, I've never been a room in my whole life where there were no black people, because I was always there. Other people have a different set of experiences, where they can stop thinking about race and go think about something else. I think the reality is that we're going to have to do both.

<sup>61</sup> William Fulton, Jennifer Wolch, Antonio Villaraigosa, and Susan Weaver, After Sprawl: Action Plans For Metropolitan Los Angeles (Los Angeles: Southern California Studies Center, University of Southern California, 2003), <a href="http://urban.usc.edu/main\_doc/downloads/urban\_summary.pdf">http://urban.usc.edu/main\_doc/downloads/urban\_summary.pdf</a>. For a related academic work, see Jennifer Wolch, Manuel Pastor, and Peter Dreier, editors, Up Against the Sprawl: Public Policy and the Making of Southern California (Minneapolis, MN: University of Minnesota Press, 2004).

common narrative of hope and the promise of Los Angeles.

In short, Villaraigosa embodied the tensions that are present in the regional equity movement – the need to have credibility on issues of race while crafting a vision and policy package that can create broad agreement.

Striking such a balance is a complex challenge, particularly for an America where our vision of race has tended to be binary – we have traditionally had an "either/or" perspective that, for example, labels individuals either black or white. With the recent Census, we have finally introduced a box that allows individuals to mark themselves as "multiracial" – that is, as "both/and." Our suggestion for the regional equity movement: create our own new organizing box that will allow us to both honestly recognize difference and affirmatively stress commonality.

## Making Markets, Making Justice

The movement for regional equity is emerging in the context of larger market forces that shape our cities in different and sometimes contradictory ways. Some market factors, partly reflecting economically rational responses to the biases of past public policies, have pushed the country towards greater decentralization of urban development. These include the high costs of infrastructure maintenance and reconstruction in older cities, the challenge of environmental remediation in the "brownfields" left behind by past industrial development, the difficulties in substantial land acquisition for large development projects in central cities and inner-ring suburbs, and the corresponding economies of scale in large residential and job center developments in "greenfield" sites on the urban periphery. In this context, some argue, the market, if left alone, will continue to produce sprawl, segregation, and inequity.

Yet other economic factors are pushing towards greater centralization and reinvestment in central cities. These include the competitive advantages of agglomeration for many knowledge-intensive and

entertainment based industries, and the economic costs of transportation congestion, redundant infrastructure, and extensive development in sprawling urban areas. Because of this economic bias toward center cities, there is a potential opportunity to make the market work for social equity – that is, to create a new set of urban policies and practices that work for both investors and communities.

Indeed, there are an increasing number of examples of new developments around the country that promote a "double bottom line" – good for business and good for community. These include efforts focused on inner city areas that promote mixed-income residential spaces along with mixed-use commercial space. In the East Baltimore Redevelopment

#### **Involving the Private Sector**

Bart Harvey: Without changing the existing economic framework in a way that would more easily facilitate regional equityworking under the existing regulations and processes—how do you involve the private sector that cares and that has the ability to bring considerable talents, capital and money to this issue? There are a range of examples you can look at. We brought about 20 of the more progressive major developers together in the same room to talk about regional equity. They got it. All of them care about cities, because they live in cities, they like cities, they want to support cities. They may not be indicative of the bigger public companies that do real estate, but they are a powerful sub-group. Their constant refrain about the issue of regional equity was simply to have a competitive evenness so that they could carry out difficult projects at the size and scale they are used to working with, and do it in the right kind of way. Developers are not looking to do all the hard work of the politics, of the land acquisition, but rather to be able to apply what they know how to do and to be able to be part of the solution.

Project, for example, the developer Forest City Enterprises came in to build a large project where there had only been concentrated poverty before. The project included partnerships with Johns Hopkins Hospital, the Annie E. Casey Foundation, the Enterprise Foundation and others, and was focused on leveraging over one million square feet of new office space, primarily for commercial activity related to Johns Hopkins Hospital as a large regional employer, to help pay for the land acquisition and additional infrastructure development that the city couldn't pay for, and to then build mixed-income residential units. Overall the project will include a biotech park that will house 8,000 jobs, 1,200 new and renovated affordable homes, a new public school and efforts at historic preservation in the neighborhood.<sup>62</sup>

As some pioneer developers have been able to be profitable in developing projects like these, they have been even more receptive to exploring other projects that help redirect economic flows in ways that support regional equity. The question becomes what are the urban development strategies and regulatory changes needed to help facilitate this change and make urban revitalization and brownfields development initiatives attractive to an even larger number of developers. One key aspect of this is public help with the 'hard' parts of such projects, including land acquisition and assembly, environmental remediation, political negotiations, community outreach, and appropriate financing structures. Directing public and foundation support to facilitate densification of development, rather than subsidizing further sprawl, is one way of reshaping market forces to promote regional equity.

It is also possible to pursue this through regulatory efforts. Metropolitan growth boundaries, such as that adopted in Portland, Oregon, help limit growth on the suburban periphery and redirect investment towards the inner city and towards denser development. Inclusionary zoning has proved to be an effective way to promote mixed-income communities. Local hiring agreements can build up the human capital pool and attract yet more businesses to distressed communities. Unfortunately, many of these policy efforts are resisted by business interests who see some immediate costs and forget about the gains that can come if everyone is included in the economic growth engine.

At the same time, we have come to believe that many social justice advocates insist on "living wage" jobs but offer little in the way of an economic strategy to generate such jobs. There are counter examples, of course – the Wisconsin Regional Training Partnership is a labor-initiated effort that has induced more training investment on the part of business, and raised both productivity and wages through sustainable employment. But in general regional equity advocates need to do more work on understanding and strengthening competitiveness, particularly given the global pressures faced by firms, workers, and communities.

We understand, of course, the resistance to the frame of "competitiveness", particularly since "market pressures" have often been used as an excuse to thwart the concerns of advocates for economic justice. Competitiveness can also imply a sort of passive adjustment to globalization and a

<sup>&</sup>lt;sup>62</sup> East Baltimore Development Inc., "On the Way to Baltimore's New Eastside," East Baltimore Development Inc., <a href="http://www.ebdi.org/">http://www.ebdi.org/</a> (accessed May 31, 2006).

<sup>63</sup> Eric Parker and Joel Rogers, *The Wisconsin Regional Training Partnership: Lessons for National Policy*, (Berkeley: National Center for the Workplace, IIR, 1995); Phil Neuenfeldt and Eric Parker, *Wisconsin Regional Training Partnership: Building the Infrastructure for Workplace Change and Skill Development* (Washington, DC: AFL-CIO Human Resources Development Institute, 1996).

desire to pit one region against another. Yet developing and maintaining an economic base is an important foundation for equity – shared prosperity has little to share if prosperity is not secured.

Our overall point is simple: while regional equity strategies are frequently seen as being primarily relevant from a social change perspective, we need to emphasize the economic upside as well. Equity proponents are increasingly interested in stirring investor interest and sympathy partly because the diminished role of the public sector in America means that new resources will come from public-private partnerships and partly because of the increasing realization that having private investors on one's side creates power, weight, and momentum. But getting there will require that equity advocates can overcome a traditional distrust of the market, explore new alliances with investors, and pay serious attention to enhancing the regional economic base. As Amy Dean argues, "Competitiveness is a basic precondition, but we need to have both social well-being and competitiveness as equally valued goals in any development initially--not one first and then the other."

The private sector also needs to have its own set of epiphanies, realizing what large-scale statistical studies are already telling us: regions cannot do well when a large sector of their residents are left behind. They need to see fairness as a building block for markets to work and for collaborations to prosper. The challenge now is building from existing examples to find private sector champions of region equity to help move the development approach into a broader slice of the private sector community.

## Collaboration and Conflict, Transactions and Transformations

The discussion of the mutuality of economic gain and social justice underscores the potential of regional equity as a framework for bringing together unusual allies. But it also underscores that unusual allies are sometimes brought together though unusual mechanisms. In Los Angeles, for example, the now-celebrated business-community collaboration to create more opportunity in the entertainment industry, Workplace Hollywood, actually grew out of a community-based challenge to city subsidies offered to a major studio. The now-ballyhooed transit-oriented development program in Oakland's Fruitvale neighborhood grew out of the community's rejection of transit authority plans to convert prime inner city real estate to parking for suburban commuters. And Project Quest, a much-heralded job training program in San Antonio, Texas, grew out of organizing by community-based groups who used protest to push for business responsibility and then lured the same businesses into collaboration in actual training and placement.

The point is that conflict and collaboration often co-exist. The tensions around race and regionalism, and the efforts to link social change perspectives with profitable market opportunities, highlight that it is possible to have different groups collaborating on regional issues without necessarily sharing common perspectives or visions for the region. Regional collaboration is possible without regional consensus. It does require, however, a certain acceptance of the compatibility of having disagreements with others but still being able to work together on common areas of interest.

Recognizing the inevitability of conflict is sometimes a challenge for those who have framed regional equity in terms of building win-win solutions that promote economic competitiveness, preserves green space, relieves poverty and reduces fiscal inefficiencies. But in many cases, effective solutions do require confronting privileged communities and individuals, and such a redistribution is

achieved through the exercise of power politics. This is why we suggest later that investments will be necessary in building up the capacities, including political sophistication and influence, of actors that are both committed to regional equity and have a real constituency to whom they are accountable.

The flipside is that cooperation can sometimes be a challenge for those organizations and individuals that have been used to operating from solely an 'outside the power structure' mentality in which the goal is to target powerful entities and pressure them to change. These strategies clearly can play an important role in pursuing regional equity, but they are most effective when they are also accompanied by an 'inside the power structure' approach of building collaboration with powerful allies where possible.

One example of where this strategy has been used effectively is in the Silicon Valley, where over the last decade, the AFL-CIO Central Labor Council has led a series of campaigns for regional equity issues, including a Living Wage ordinance, affordable housing policies, universal health insurance for children under 5, and community benefits agreements. This has often brought them into conflict with major business leaders in the region. Yet at the same time labor leaders targeted key business and political leaders in the region with whom they built personal relationships with. A key mechanism for doing this was the American Leadership Forum, an organization that brought regional leadership together in relaxed multi-day retreats to discuss key issues of the day. As described by Amy Dean, former Executive Officer of the Central Labor Council, these personal relationships were critical in neutralizing potential opposition – in her words, "personal relationships make it hard to demonize your opponent" – while also providing an opening for some unexpected support and key allies on critical issues. This happened, for example, in the midst of a struggle to help janitors in the region negotiate a higher wage contract: the CEO of 3Com Corporation wrote an op-ed piece in the *San Jose Mercury News* supporting the janitors and calling for business to understand the key role of *all* workers in the valley.<sup>64</sup>

"No permanent allies and no permanent friends" is often a maxim in community organizing and

advocacy work. Yet what we're emphasizing here is a new twist: even through periods of both collaboration and conflict, there is power in developing and maintaining continuous relationships—relationships that help build a sense of common regional destiny between different constituencies.

How do we build such relationships? Clearly change happens at many levels and engages people in many different ways. The challenge in regional equity movements is to link specific micro actions with a broader macro vision and movement for change. To put it another way, we need to do deals – transactions such as real estate investments that convince people that

## Conflicts, Collaboration, and Transformation

*john powell*: It seems to me we need to have a clear vision of what regional equity is and how it relates to people on the ground. And we need to be clear where real conflicts are on the ground. It is not just a question of framing. It is about real power. We need to develop real ways of measuring whether things are moving towards equity as transformative, not transactional.

Amy Dean: We need to think in terms of building civic infrastructure, not building coalitions, which are short term and episodic. This requires building institutions deliberately committed to building relationships. You don't build relationships in the middle of a fight—you have to create deliberate space to understand each others' interests.

<sup>&</sup>lt;sup>64</sup> Eric Benhamou, "Valley Must Narrow the Wage Gap," San Jose Mercury News, May 31, 2000, 7B.

applying the principles of regional equity can lead to viable strategies that can simultaneously meet market demands and achieve desired goals at the community level. Yet regional equity is also an attempt to achieve "transformation" – a shift in the body politic toward mutual conversation and engagement, strategies that lift up all sectors and places, and begin to point the way to a better society at a regional level, perhaps as a way of scaling that vision up to the national level.

One way of thinking about this is to recognize a distinction between building coalitions and building civic infrastructure. Coalitions are short term, episodic, and built around particular issues. They may have their role at particular times in pursuing particular well-defined goals. But building regional equity as a transformative politics requires building civic infrastructure. This requires building institutions and networks focused on establishing cross-constituency relationships, on creating strategic partnerships between different sectors of a region, and on creating institutions that can help key regional leadership develop common understandings of the regional economy and structures of power and influence.

## Negotiating Difference

Regional equity strategies require cross-constituency collaboration. In many cases, it also involves directly confronting different interests and needs, and there are inevitable conflicts between priorities. Even people with the same values and same aims – and even in the same organization – can come across difference in strategies and priorities. Figuring out how to negotiate these conflicts in principled ways that can build collaboration, rather than lead to division and acrimony, is critical.

One tension we have already highlighted is that between groups that focus on policy and those that focus on community organizing and constituency building. Yet collaboration can be both possible and productive. The Detroit, Michigan area provides an instructive example in

#### Conflict and Inequality

Bart Harvey: Sometimes the answers aren't very nice. The chasm between the haves and have-nots in this country is just accelerating. When analyzing the data recently on income gains, on mobility in the society, we are bifurcating in a hurry. A landed gentry that gets served by everybody else is being set up. There are going to be a few of people who have lots of money, and they're going to need gardeners, service people. Sure we need retraining, relocation of people to different areas, educational connectedness and spatial equity. But I just feel like we're missing something—like we're solving for yesterday's problems. Unless we figure out how to directly deal with these fundamental patterns of economic inequality, I don't think we solve our agenda.

this regard. In February 2003, newly elected Michigan Governor Jennifer Granholm launched the Michigan Land Use Leadership Council. A bipartisan effort chaired by a former Republican Governor and a former Democratic Attorney General, it was designed to provide advice to the governor on how best to contain sprawl. In Granholm's mind, sprawl was threatening both open space and farmland on the one hand, and regional economic vitality on the other. She saw the solution as being a new set of rules and strategies that could contain the outward movement and perhaps redirect resources to central cities.

At the same time, MOSES, an inter-faith organizing effort affiliated to the Gamaliel Foundation had built a strong political base that included 75 different congregations in the Detroit Metropolitan region. With nearly 20 years of experience of organizing in the community, MOSES had focused in the late 1990s on regional equity issues, including transportation and housing. Through a careful, constituency building process, they had built broad mainstream support for investing in public

transportation (rather than further freeway expansion) and in promoting regional planning. The power of their organizing efforts was shown in their ability to organize a large meeting of over 4,000 people around a set of issues (planning, transportation policy) that rarely makes it to level of public consciousness.

With a policy approach developed by elected officials, and a grassroots organizing effort built around related issues, the potential for synergy was clearly strong. Indeed, the Governor ultimately attended MOSES' mass meeting, stating unambiguously "your agenda is our agenda". Yet the process of reconciling different approaches to addressing regional planning issues, including the levels of restrictions that could be put on development in the suburbs, and incentives for promoting regional cooperation in planning produced enough conflict between the Governor's Office and MOSES that the Governor threatened to withdraw her support for the meeting. Resolving different approaches and meeting the needs of various constituencies required delicate negotiations and sophisticated leadership.

Sometimes conflicts emerge over issues in ways that can be resolved through negotiation and compromise. One recent example: the debate over strategies for increasing low-income housing and whether it is better to make sure the federal tax credits for subsidizing low-income housing are expanded regardless of where they are built, or whether it is more important to engage in struggles to insure that every jurisdiction in a region gets their fair share of such housing, in order to help avoid concentration of poverty in particular jurisdictions. This kind of conflict is one of differences in strategy, and how these conflicts are resolved will have significant impact on regional equity opportunities. But at least those who engage in the debate have a goal of improving housing opportunities for low-income people.

Indeed, our own goal in highlighting these various tensions and tightropes is not to stir conflict but to spur collaboration. We believe that by surfacing the different perspectives that come to the table in discussions of regional equity, we can more honestly and directly identify the creative synergies. And such a discussion can, as with the examples of Workplace Hollywood, Project Quest, or the Michigan Land Use Leadership Council, create new and often unexpected alliances that can build real power to affect regional change.

#### **Crossing Bridges**

Angela Glover Blackwell: We are crossing new bridges, connecting to the market, to the public sector, to people who think about planning in ways we haven't before. It allows us to have a big conversation. Not since the rise of the community building approach have we had such a broad approach. Even within community building, it was more of a service orientation. But in these conversations, we really can talk about the whole picture, including politics and power, in ways that are beyond mere talk, and we can go forward. People have longed for an organizing framework, and this helped fill that need.

## V. How Do We Know We're Winning?

One of the challenges of building a regional equity movement is in determining what really works in promoting regional equity. How do we know if we're being successful, and how do we know which strategies are being most successful in promoting equity?

At the same time that there is a demand for gauging success, there is also a worry that any particular set of measures will either miss something important or lead to an evaluation tool that will hurt nascent efforts in their search for funding and other forms of support. Groups often need to build capacity and accountability around process, leadership development, and civic engagement may be as important as any particular set of outcomes. Moreover, any set of success indicators should really come from an interactive process of discussion with community leaders to see what has meaning in their own efforts. Despite these cautions, we think there is utility to thinking about milestones for regional equity. Americans are a pragmatic bunch – the sharpest analysis of how sprawl reduces opportunity and diminishes the lives of poor and middle class alike will fall flat in the absence of a specific alternative that seems like it might work.

## Judging Regional Equity

While there are many goals for regionalism – at least one for each constituency that would join up – the target constituency for regional equity campaigns are generally economically isolated and racially segregated people – in short, the black, Latino and white poor. Traditional philanthropic and governmental urban revitalization programs have focused almost exclusively on results for such target constituencies within poverty-impacted, inner-city neighborhoods and within declining central cities.

A regional equity campaign, however, must be judged by its impact on opening up life-transforming opportunities for poor blacks, Latinos, and whites within the entire region regardless of where they currently live; indeed, hypothetically, a severely depressed city (like a Camden, East St. Louis, or Benton Harbor) could collapse completely, be totally abandoned, and yet its former residents could realize much greater job, education, and housing opportunities elsewhere in the region. Nevertheless, policies and programs focused also on place are important because place is a major determinant of how opportunity is allocated within metropolitan regions.

The general concept of regional equity is often well expressed in words, but too often the broad language is translated into "input goals" (e.g. dollars spent) or "process goals" (e.g. institutional capacity enhanced). Even "output goals" (e.g. affordable housing built) may not be clearly related to achieving greater equity (for example, depending on where affordable housing is built) and can even be counterproductive to the extent that they cut off other approaches. Ultimately, measuring progress toward regional equity must be judged by "outcome goals." The primary concern of outcome goals is people: economically isolated and racially segregated residents. The secondary concern is places: the political jurisdictions that divide up a region. Regional equity movements must reduce inequalities between poor persons and the rest of the society and between distressed places and the matrix of localities within which they are largely isolated.

Setting "input goals," "process goals," and "output goals" are important for maintaining program accountability and judging efficacy. Within a regional equity framework, however, every proposed program must show how it clearly would contribute to ultimately achieving the desired regional outcome goal. In only rare instances is it possible to conduct expensive, long-term, longitudinal studies of outcomes for individual program participants. Measuring group outcomes should therefore be our primary focus. What trends are affecting our target groups? We will not be able to distinguish between those individuals who are program participants and policy beneficiaries and those who are not. The assumption, however, is that if trends are improving for our target population, then regional equity programs and policies are succeeding. If trends are not improving,

then either the programs and policies are not working or they are insufficient to reverse other, more adverse trends and policies that must be addressed.

### Measuring Readiness and Success

Given the diversity of social, demographic, and economic conditions, and the different political and policy terrains between regions, it is valuable to develop methodologies for assessing the 'readiness' of a region for regional equity campaigns. Such methods could also help in identifying key issues that are likely to resonate with large numbers of people in a region and have a reasonable chance of success of building alliances and finding policy solutions. It is useful, in short, to develop a 'regional audit' to help understand the economic and political terrain and select entry points that will

maximize the impact of regional equity efforts.

Part of such a regional audit can be based on basic quantitative research of social, economic, and demographic trends within a region, identifying key patterns of inequality and possible topics of intervention. But a regional audit should also include a broader political-economy analysis of a region's receptiveness to regional equity issues. One component of such an audit is a 'power analysis', helping to identify key regional decision makers and

#### Coming to a Frame

Bruce Katz: My sense is that the "regional equity" agenda has not progressed to the point where likely allies in the business and political arenas – let alone some existing advocates – know specifically what it stands for, what reforms it proposes and what theory of change it ascribes to. If regional equity is going to have the sustainable impact of earlier progressive movements – civil rights, environmentalism – it needs to provide clarity of purpose, mission and strategy.

institutions, and analyzing their positions on a range of issues of concern. <sup>65</sup> A second component is an analysis of the receptivity of different constituencies to potential focus issues, based on the issues that emerge as being of most immediate and strong concern. Such an audit can often reveal unexpected entry-points for regional equity campaigns, while identifying unlikely partners and allies.

For measuring the success of regions that have already undertaken regional equity projects David Rusk has developed a set of seven group (or people-based) and four jurisdictional (or place-based) equity goals that can be measured using data already publicly available. The group indicators are 3 different residential segregation indices (the degree of segregation for blacks, Latinos, and the poor), school economic segregation, racial gaps in home ownership rates, and two different income inequality measures, one between races and one within racial groups. Jurisdictional outcomes can be framed from two perspectives: at the social and economic conditions of a jurisdiction where people live and employers locate; and as the fiscal conditions faced by governmental bodies. Thus, Rusk suggests that we look at spatial disparities in poverty levels, per capita income, family income, and the gini coefficient (a measure of inequality) of property tax base per household.

Whether these recommended goals and indicators, or some other modified version are adopted, specific measurable regional equity goals should be explicitly conditioned on certain policy changes (e.g. widespread local inclusionary zoning laws) or certain program levels being achieved (e.g. so many thousands of units of mixed-income, "opportunity-based housing" produced). There must

<sup>&</sup>lt;sup>65</sup> For an example of such an approach, see Manuel Pastor, Chris Benner, and Rachel Rosner, "An Option for the Poor': A Research Audit for Community-Based Regionalism in California's Central Coast," *Economic Development Quarterly* vol. 17, no. 2 (May 2003).

also be recognition that the impact of the most effective regional equity policies and programs can be overcome by much larger events, such as a national economic recession.

It is also important to keep in mind the question of what standard any particular region is comparing itself to. If a particular region is more (or less) equitable than it was a decade ago, the results may simply mirror national trends and not reflect specific efforts; thus regional goals should always be measured in the context of national trends. In some incidences, it is also appropriate to compare regions to other comparable regions based on the way the country largely divides into two halves institutionally: "little boxes" regions (mostly the Northeast and Midwest) with their proliferation of multiple local governments; and "Big Box" regions (mostly the South and West) that are dominated by large, expanding central cities, empowered county governments, and large, sometimes county-wide school districts. As noted earlier, the relative unity or fragmentation of local governmental responsibilities are highly correlated with both regional socioeconomic segregation and regional economic growth independent of factors like Sun Belt v. Frost Belt considerations. This makes comparing any region *relative* to its peers within these "big box" and "little box" categories valuable. 66

In any case, developing measures of readiness and success is crucial. One of the attractions of the regional equity movement is that is pragmatic. While it holds forth a broad vision of a more inclusive and prosperous America, it focuses on concrete strategies and alliances – project by project, collaboration by collaboration – that can can really move the needle on issues of concern. Evidence of the possibilities of progress is necessary, and developing indicators of success is one way to gauge our efforts, refine our methods, and build the movement's confidence and appeal.

## Understanding Difference, Measuring Readiness

Different regions also experience different patterns of inequality, and have different patterns of opportunity for regional equity campaigns. One of the most important dimensions of this different is between regions that are experiencing dynamic economic growth (largely along the coasts and in the South and Mountain West), versus those regions that have experienced economic stagnation or decline (the "Rust Belt" and large areas of the South and Appalachia). There are also significant differences in cities based on their racial composition and demographic change, which affect opportunities. Some regions have pre-existing networks of power brokers or institutionalized regional public-private partnerships. State policy on everything from tax structure to transportation policy to planning and zoning also can make a different in the strategies that are adopted or the opportunities that are available.

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<sup>66</sup> Jerry Paytas, "Does Governance Matter? The Dynamics of Metropolitan Governance and Competitiveness," Working paper (Pittsburgh: Carnegie Mellon Center for Economic Development, 2003), <a href="www.smartpolicy.org">www.smartpolicy.org</a>; Janet Rothenberg Pack, editor, Sunbelt/ Frostbelt: Public Policies and Market Forces in Metropolitan Development (Washington, DC: Brookings Institution Press, 2005); David Hamilton, David Miller, and Jerry Paytas, "Exploring the Horizontal and Vertical Dimensions of the Governing of Metropolitan Regions" Urban Affairs Review vol. 40, no. 2 (2004): 147-182; David Rusk, Inside Game/ Outside Game: Winning Strategies for Saving Urban America (Washington, DC: Brookings Institution Press, 1999).

## VI. What Do We Need To Be More Effective?

There are things that could be done to improve the success of the regional equity movement. In our discussions, we talked about this in the context of what might be termed the three I's: ideas, institutions, and the infrastructure for change. All three will require long term investments by foundations, policy entrepreneurs, the private sector, labor unions, community organizations, government agencies, and others.

The foundation piece is particularly important. According to the *Giving USA* annual report, private foundations granted over \$25 billion in 2003 for all purposes.<sup>67</sup> That amount is both impressive and pales in significance in the face of our society's unmet needs. For fiscal year 2004, for instance, the federal government's own budgetary outlays for "housing and community development" were \$46 billion,<sup>68</sup> but that was dwarfed by \$476 billion in new residential construction by the private sector.

The challenge is to re-channel such immense resources in ways that stop retarding and start advancing our regional equity goals. For decades we have been trying to help poor people and poor communities try to run up a "down" escalator. No matter how hard many try, the escalator keeps coming down faster and faster. It's time to re-wire the direction of the escalator by changing the public policy "rules of the game" that shape the flows of public and private investment – that is, what gets built where for whose benefit.

Changing these "rules of the game" will require a clear set of ideas, a powerful set of institutions that can mobilize people and policy, and an infrastructure that connects all this into a social ecology of change. Understanding the interrelation of these pieces is critical.

#### Framing and Defining

"Framing" has become all the rage in political discourse. <sup>69</sup> The notion is straightforward: frameworks into which people can organize facts and trends help them make sense of the world, find allies, and think through policies. Believing, for example, that markets will nearly always do better than government creates a base for accepting lower taxes, limitations on government action, and policies of deregulation – the policies follow the frame and the complex and diverse set of

#### On a Collective Vision

john powell: If we don't have a collective vision how can we be successful? We can talk about regional strategies, but sometimes with opposite perspectives. We don't have a way of having a functional definition, much less measuing things that don't match reality. For example, some things that get called regional equity are destructive to regions and communities. It seems we need to have a clear vision is and how it relates to people on the ground. And we need to be clear there are real conflicts on the ground. It is not just a question of framing. It is about real power. We need to develop real ways of measuring wether things are moving towards equity as transformative, not transactional.

<sup>&</sup>lt;sup>67</sup> For data and annual reports on philanthropy, see American Association of Fundraising Counsel, *Giving USA* (Glenview, IL: Giving USA Foundation, 2005), <a href="http://www.aafrc.org/gusa/">http://www.aafrc.org/gusa/</a>.

<sup>&</sup>lt;sup>68</sup> For facts and figures on the federal budget for housing and community development, see "Budget of the United States Government 2004," *Office of Management and Budget* (Washington DC: U.S. Government Printing Office, 2004), <a href="http://www.gpoaccess.gov/usbudget/fy04/index.html">http://www.gpoaccess.gov/usbudget/fy04/index.html</a>.

<sup>&</sup>lt;sup>69</sup> George Lakoff, *Don't Think of an Elephant: Know Your V alues and Frame the Debate* (White River Junction: Chelsea Green, 2004).

constituencies that might support this view find an ideologically coherent story.

It is the frame of regional equity – a story that emphasizes our interconnection even as it lifts up the patterns of inequality – that many find so attractive. Yet much remains to be done on defining the regional equity frame clearly and succinctly. While some of this clarity can be achieved through the use of metrics that compare metropolitan areas on their performance relative to regional equity criteria – the task we laid out earlier – there is a broader task of conversation about defining goals, values, and language.

Regional framing allows people to get engaged in whole new ways. By taking full inclusion and participation, and framing it as a regional issue, the movement has, for example, been able to capture the attention of people of color about broad metropolitan issues. This has often required specific language and practices, including a willingness to talk explicitly about race. As we have noted in our discussion of race and regionalism, there is often a fundamental difference in the language that will bring communities of color together, and the language that will work for white, suburban communities. For less advantaged groups, there is a recognition that life is always about struggle – so the issue is to identify what struggle we will engage, not if there is a struggle to be had.

While we need to hold true to the language and issues that work to motivate current communities of interests, we need to find ways to build the conversation across boundaries. Regional equity thus needs to also be described in such a way that embraces mainstream values and realizes the potential to galvanize majoritarian political coalitions. This has been much of the work of Working Partnerships in San Jose and its attempt to define an economic ideology that embraces the innovation in its home territory of Silicon Valley even as it lifts up the importance of inclusion in the prosperity and dynamics that can result from a high-tech leading sector.

The policy agendas we have described are designed to connect low- and moderate-income families to broader educational and employment opportunities, partly through the revitalization of central cities and older suburbs. They are designed to promote movement into the middle class for all Americans, surely a mainstream goal. Such an agenda will obviously promote social inclusion and help reduce persistent and severe racial, ethnic, and class disparities. Yet regional equity will also shape growth patterns that are economically efficient, fiscally responsible, and environmentally sustainable. It can and should, therefore, be described in such a way that broadens the tent for political coalitions.

## **Building Capacity**

Putting together the pillars for that tent, however, means recognizing and shoring up the constituency base for regional equity. While the gains of engaging in regional equity strategies can be significant, we should be clear that it doesn't come without cost. For some neighborhood-based community organizations, for example, getting involved in regional campaigns can draw energy away from their neighborhood activities and potentially weaken their ties with neighborhood residents. Many organizations are also challenged by capacity issues—engaging in regional policy, development, and economic decision making processes requires a variety of skills that are significantly different from local development efforts.

For many constituencies, however, the fear about 'going regional' is based on a concern about the issues that are important to them being lost—becoming overshadowed or marginalized by the

concerns of more powerful constituencies in the regional context, such as in Louisville where, as mentioned earlier, African-Americans were concerned that a city-country merger would dilute their political influence. Addressing concerns about the marginalization of less powerful groups within regionalism is absolutely central to regional equity strategies.

Promoting regionalism, while diluting power of marginalized groups, does little to further regional equity. In Louisville, one way this concern was addressed was to make the new government consist of district representatives, which ensured political representation for minority communities.

However, there is a broader problem than just votes and formal governance structures, and it goes beyond the specific concerns about minority representation. Many efforts at regional collaboratives think that it is sufficient to invite new participants to the table – with all the policy issues already set and expertise squarely lodged in the hands of existing regional authorities and experts. These efforts fail to recognize that the uneven development associated with sprawl has also yielded unequal organizational capacities.

Many community organizations engaging in regional equity have found it useful to have their own research and other expertise to help with agenda-setting and issue selection lest they become the "window dressing" of legitimation on efforts that do not square clearly with their interests. To make sure this happens, the regional equity movement needs more investment in, for example, research and organizing capacity for promising regional equity organizations – and in general more investment in simple institutional development.

One particular area of concern is improving capacities around power analysis and politics. As Angela Glover Blackwell noted in our conversations, many community-based organizations, particularly in the community development field, have often moved into a mode of service provision or housing construction. This move, often encouraged by foundations, tends to push them away from politics – and the result is that many urban areas have an infrastructure of organizations that are structurally separated from the political and policy skills needed to play the "outside game" at a regional level.

It is worth noting that community activists, including dynamic labor leaders, have instead stepped up to the regionalist plate. Yet the community development field is one important anchor for poor communities and therefore for the regional equity movement. Strengthening this sector is important, particularly through assisting experiments like the attempts of LISC in Detroit to have community development corporations on the borders of the city and its suburbs link up and cooperate on revitalization efforts.

#### Building a Movement

Building the capacity for change and implementing regional equity requires creating or strengthening institutions and organizations of various kinds. Yet the goal of regional equity is not about building organizations, it is about building a broader movement for social change.

There are often concrete tensions that emerge between the need to build institutions and building a movement. These tensions emerge most prominently around issues of financial resources and reputation. Building institutions requires money. For those organizations dependent largely on foundation support and public sector financing, there are limited amounts of resources. Sometimes this leads to intense competition between organizations. Even when this competition is not overt, it

can come out in many subtle tensions, as different organizations struggle with the need to demonstrate their own unique impact and efficacy in order to attract sufficient resources. There is no way to get through this tension between organizations except by talking about it and working it through.

One way organizations around the country have helped to diffuse this tension is by trying to move from a mind-frame of scarcity to one of abundance. Within the Gamaliel faith-based organizing network, for example, organizers are trained to begin discussions around regional equity by identifying where in the region there is abundance. This helps people and their organizations to focus on new opportunities, and identify creative sources of support for their activities.

Building revenue generating operations and building alliances with private sector entities is also a way of expanding opportunity and tapping into new resources, rather than competing over limited pots of foundation or public sector support. Often the financial expertise that housing developers have acquired can be leveraged to provide support for community organizing and civic engagement as well. In Albuquerque, for example, regional leaders developed an innovative 'value latching' strategy that was designed to use investment from 'patient capital' (seeking medium and long-term, rather than short term returns) to convert future revenue streams related to a downtown

revitalization effort into present value, not simply for acquiring a land based for development, but also for supporting the creation of a Civic Trust whose mission in part is to ensure broad stakeholder engagement in these development processes.

# Intermediaries, Networks, and Organizing

Still the big picture is about movementbuilding, and this requires linking local efforts into national networks. Networks, often of grassroots groups, are important and valuable for sharing lessons of success and failures, helping to build local capacity, developing new strategies for furthering regional equity, and increasing the visibility of regional equity within the national political consciousness. And intermediaries – institutions that have a certain level of technical expertise and deploy it in the interests of the movement-building process – are another clear part of the social ecology of change.

A number of different intermediates and networks have emerged as important

#### National Networks and Local Organizing

David Rusk: I've given lots of workshops over the last 13 years—the least satisfying are the ones to national audiences. Producing a document that is a general one for a national audience is probably less satisfying than a more targeted one. When I connect with a particular community, it's rich, although the message is partially that they are not unique, and that they are part of a broader set of issues/trends/patterns. We take information that is readily available, present a statistical mirror to a local community, and help them think in new ways.

Heeten Kalan: We were having a meeting with Alternative for Community and Environment here in Boston, and they were talking about how they wanted to start working more on regional transportation justice issues. We said here's \$5,000, take a number of your staff people, go to Los Angeles, meet with people who've worked with the Bus Riders Union, look at what the LA folks have done, and go learn from that. Five years now, they've got a pretty strong transportation justice campaign here. I was just meeting with Jobs for Justice in Atlanta. They are beginning their transportation justice campaign. So I said here's a grant, come and visit the Boston folks. It is about people really coming and spending some time learning the strategies and tactics that people have employed. It is not about spending one day. It is about coming to spend 3 or 4 days with the organization, and see what their thinking is around the issue. We found that a small investment goes a really long way with that kind of cross fertilization. I shy away from funding big meeting and conferences. I've never seen huge value in that. But where there is peer-to-peer exchanges, I've seen really good results, and a jump starting of people's campaigns and ideas about what they can do, what is possible, and how to even think about it.

elements in the movement. *PolicyLink*, for example, has provided strategic assistance to regional equity groups around the country, has organized and co-sponsored two national summits on regional equity, and continues through its publications to lift up what is working in regional equity campaigns nationwide. The Gamaliel Foundation is an example of a network of grassroots, interfaith organizing efforts around the country, that provides a wide range of training, technical assistance, and organizing support to its affiliates, often drawing on the expertise of various strategic advisors around the country. The Brookings Institution provides research and policy analysis, working with various policy makers and political leaders across the nation, on issues of regional equity and urban development.

Here too, there are a range of different models of intermediary activity and network building, and the relationship between local and national work. These different models sometimes result in tensions. For instance, if experts from national organizations are invited in to a particular city to provide advice and assistance for policy-makers but without the involvement of local community groups, it can reinforce a sense of distrust and marginalization amongst disenfranchised groups. Similarly, when local groups are part of national organizing networks, (e.g. Central Labor Councils, Faith-Based organizing networks (Gamaliel, PICO, IAF, ACORN, Jobs with Justice, etc.), it can affect efforts to build local coalitions with groups that are not part of those networks.

#### On sharing lessons and perspectives

Heetan Kalan: I don't think we have enough collaborative structures that allow for groups to come together. We need more of these institutions that are going to bridge the labor movement with the mainstream environmental movement with the Environmental Justice movement, with the environmental health movement, and with the folks working on education and the folks working on prisons. I think it is the fragmentation of these issues that limits us. If groups fighting on whatever issue they are fighting on, if they were asked to govern tomorrow, would we know how to do it?

Intermediary organizations and national networks are an essential part of building a regional equity, providing critical advice, expertise, and opportunities for collective learning. Nonetheless, there can be significant tensions between local groups and national intermediaries, and between various different national networks of groups involved in regional equity campaigns. Addressing these tensions through a dialogue approach that recognizes and understands different interests is important for moving a regional equity strategy forward. But we cannot shy away from the broader task of building a real infrastructure for change – and this will require setting priorities and making strategic investments.

#### The Infrastructure for Change

While at the broadest level, we need to strengthen organizations, intermediaries, and networks, there are some specific targeted areas for investment.

Strategic Research for the Movement: A great deal of data, analysis and research on patterns of regional development and the various dimensions of regional inequality exist around the country. All too often, however, the knowledge that comes from that information is limited to a small sector of the population, particularly academic researchers, policy makers and some key sectors of regional leadership. There is need to fund more movement-based research, either directly within social change organizations themselves, or in networks that leverage the expertise of academic and policy

institute researchers in ways that can 'translate' complex regional data analysis into stories, so that people can really understand the analysis, conclusions, and implications for social change strategies.

*Institutions to share best practice:* Groups around the country are gaining lots of experience and skills in promoting regional equity, but there are often not good mechanisms for sharing those lessons across a broader movement. Periodic conferences, like the Advancing Regional Equity Summit held in Philadelphia in May 2005 are valuable venues for this sharing, but there are is also a need to build specific institutions within our movement that are dedicated to proliferating best practices and knowledge transfer. This is particularly important in sharing experiences and perspectives across different constituencies and campaigns.

#### On Research for the Movement

Heetan Kalan: I think having movement research capacity is a huge, huge piece. Helping people to understand regional economies for example—not everyone has a full grasp of how that functions. Those of us who claim some knowledge of regional economics are blown away when we go to LA, and see how neighborhoods are connected to the greater LA, and how the greater LA is connected to southern California, and all the analysis and data we got at SCAG. Having that clear a big picture is mind-blowing. I don't think we have enough of that research capacity, analysis, particularly breaking it down so that people can really grasp it, and understand its implications, for the movement.

Civic Leadership Infrastructure Development: The leadership skills required for effective regional equity campaigns are quite unique and difficult to develop. There is thus a need to create infrastructure to develop a new generation of leadership programs that focus on civic leadership circles than can move common social justice agendas and create new centers of civic and political participation. This is quite distinct from leadership programs that focus on individual skill development or organizational management. The notion of civic leadership focuses not on training individuals, but on creating leadership networks that develop common understandings of regional problems and opportunities, and thus become collectively capable of advancing public policy. It involves developing programs that begin to advance a common understanding of the forces that affect our lives and the ways in which we can impact those forces.

Educating Policy Makers and Elected Officials: There is a need for support for elected officials, particularly black elected officials, and to help them develop a working knowledge of regional equity. Developing education and training programs for the public sector that can help develop their

capacity to understand and implement regional equity policies and strategies should be a focus of activity. We should consciously focus on providing support for black elected officials, perhaps in collaboration with the Joint Center for Political and Economic Studies. A similar effort could be launched with the National Association of Latino Elected and Appointed Officials, particularly important as Latinos gain political power in some of America's inner ring suburbs.

#### On Governance Infrastructure

Bruce Katz: When I think about institutional infrastructure I see three things going on here—1) State level reform on rules of the development game, transportation housing and workforce. 2) Local government reform in struggling cities where the basics, such as land, schools and safety, don't function. 3) Governance reform in the suburbs where regional institutions simply don't exist in most places. It is important to know which of these baskets is important to us.

There are, of course, numerous other strategic investments that would make great sense. We do not pretend to have an all-inclusive list, and we do not mean to preclude other alternatives – we view

this rather as an invitation to a discussion about what infrastructure is necessary. Our only insistence is that such a conversation take place. We need to take ourselves seriously as a movement that is starting to move past its beginning and mature into something more substantial and lasting – and generating the infrastructure to be more effective is therefore critical.

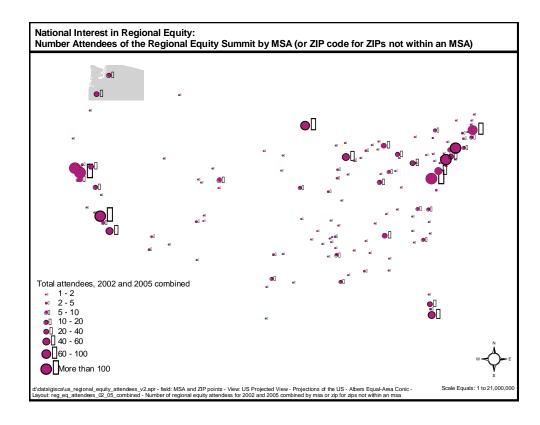
## VII. How Do We Get There?

Regional equity holds great promise for America. As an analysis, it makes great sense of both our metropolitan landscapes and our policy dilemmas. As a prescription, it offers real and pragmatic solutions that can sustain regional economic vitality, improve the lives of city dwellers and suburbanites, and help protect the environment. And as a political strategy, it offers the strength of particular constituencies, the language of a new common ground, and the hope of unexpected allies.

That there is real and growing interest is evidenced by the aforementioned attendance at the two summits on regional equity coordinated by PolicyLink and the Funders' Network for Smart Growth

and Livable Communities: the first, held in Los Angeles in 2002 att acted over 600 participants while the second, h ld in Philadelphia in 2005 attracted over 1300 participant. The figure to the right sho s the geographic spread of attendees; while there are clearly some gaps in terms of potential constituencies

and parts of the



country, this is also evidence of a remarkable surge of interest in a new way of approaching both metropolitan development and the broader task of refashioning a more competitive and inclusive America.

But promise does not always translate into success in the absence of hard work and tough choices. In our view, moving forward on the regional equity agenda will require understanding the future, setting priorities, and considering the timing and scaling of change.

## Understanding the Future

Progressive movements are about progress – they project the possibility of a brighter future if only we are able to harness our people and resources. Unfortunately, contemporary progressives often seem to offer a pessimistic view in which the environment is degrading, inequality is growing, and globalization will soon cost you your job.

Certainly there are trends that may work against the equity concerns central to this movement. One of the obvious factors is globalization and economic restructuring. The economy is changing and will continue to. Productivity increases and global competition will continue to reduce the real cost of manufactured goods and many services. Jobs will be less secure than many would like and pretend they used to be. Globalization will continue to put downward pressure on wages of workers, and not just amongst the low-skilled although they will be perhaps affected the most dramatically.

Immigration is also clearly another important factor. Immigrants will continue to be attracted to the United States. Immigration will radically change the faces and complexions of our communities, and the reaction of some to these changes will create "hotspots" of racial friction. With public policy willing to neither close the borders nor create better opportunities for immigrant incorporation, we are stuck in a world with a growing underclass whose impressive economic energies and skills are often underutilized and underdeveloped.

Yet there are also trends that should give hope for at least the formation of new coalitions for regional equity. The 2000 census, for example, confirmed that the United States is going through a period of dynamic, volatile change, comparable in scale and complexity to the latter part of the nineteenth century. Our population is growing older, affecting settlement patterns, lifestyle choices, and consumption trends. America's family structure is changing. Women and men are delaying marriage, having fewer children, heading smaller households (smaller households are also a byproduct of the aging of the population). The prototypical family of the suburban era – a married couple with school age children – is now less than 25 percent of all American households.

These broad demographic forces are giving cities their best chance to compete for residents than at any time since the 1950's. American consumers are demanding more choices in how and where they live. Real estate surveys consistently show that a significant segment of the population prefers communities that are walkable and livable. These surveys confirm a palpable shift in consumer demand. Elderly individuals increasingly seek places with easy access to medical services, shopping, and other necessities of daily life. Middle aged couples whose children have left the nest are newly receptive to urban neighborhoods, cultural amenities, and shorter commutes. Young people, in particular, are experimenting with urban lifestyles made popularized on television shows like Seinfeld, Sex and the City and Friends. Many cities also have a history of tolerance and acceptance, critical elements for immigrants and nontraditional families.

On the economic side, while globalization has been associated with a decline in American manufacturing – from 22 percent of U.S. jobs in 1970 to 11.5 percent in 2000 – the shift to the

conception, design, marketing, and delivery of goods, services, and ideas gives cities and urban places a renewed economic function and purpose. Many cities possess the physical and economic assets that the changing economy needs and rewards, including a concentration of the research institutions necessary in the knowledge economy. Over 1900 colleges and universities, more than half the nation's total are located in the urban core of metropolitan areas. These universities contribute substantially to local economies and help explain the location of new knowledge-based economic activity. An ICIC/CEOs for Cities report finds that urban-core universities spent a total of \$136 billion in 1996 on salaries and goods and services; nationally, colleges and universities employ 3 million workers, with 65% of them in urban areas.<sup>70</sup> A recent Brooking report shows a high correlation between the nation's leading biotech clusters and the strength (e.g., medical research capacity, NIH grants, and Ph.D. graduates) of local universities.<sup>71</sup>

Most importantly, an economy based on ideas and innovation changes the value and function of density. The large number of employers within an urban area allows workers to change jobs more easily, giving them both greater flexibility and stability than employees in non urban locales. The concentration of employment also contributes to labor productivity. One seminal study found that doubling employment density increases average productivity by around six percent. Residential and employment density also enhances innovation. This happens partly by enabling a "quality of place" that attracts knowledge workers and partly by enabling interactions and knowledge sharing among workers and firms, within and across industries. As Gerry Carlino has shown, the concentration effect is significant: for every doubling of employment density, the number of patents per capita increase, on average, by 20 to 30 percent.<sup>73</sup>

Evidence also shows that the urban form is not only competitively wise, but fiscally sound. We have known for decades that compact development is more cost efficient – both because it lowers the cost of delivering essential government services (e.g., police, fire, emergency medical, school transportation) and because it removes the demand for costly new infrastructure. The cost differential is substantial: the most cited study in the field found that building high density developments reduces infrastructure costs by 47 percent.<sup>74</sup>

Even so-called challenges can be assets. Immigration may present problems but new immigrants are attracted to cities, have been instrumental in the revitalization of tired urban areas, and the diversity of people and ideas is often attractive to businesses investors. The environmental costs of sprawl are an issue but the increasing awareness of them is exactly what is driving a significant new set of allies to realize that inner city development can protect precious farmland. Gentrification and displacement may be the unfortunate results of urban success but this creates new opportunities for

<sup>&</sup>lt;sup>70</sup> CEOs for Cities and Initiative for a Competitive Inner City (ICIC), Leveraging Colleges and Universities for Urban Economic Growth (Chicago, IL: CEOs for Cities, 2002), <a href="http://www.ceosforcities.org/rethink/research/">http://www.ceosforcities.org/rethink/research/</a>.

<sup>&</sup>lt;sup>71</sup> Joseph Cortright and Heike Mayer, *Signs of Life: The Growth of Biotechnology Centers in the U.S.* (Washington, DC: Brookings, 2002), <a href="http://www.brookings.edu/es/urban/publications/biotech.pdf">http://www.brookings.edu/es/urban/publications/biotech.pdf</a>.

<sup>&</sup>lt;sup>72</sup> Antonio Ciccone and Robert E. Hall, "Productivity and the Density of Economic Activity," *American Economic Review* vol. 86, no.1 (1996): 54-70.

<sup>&</sup>lt;sup>73</sup> Gerald Carlino, "Knowledge Spillovers: Cities' Role in the New Economy," Business Review Q4 (2001): 17-24.

<sup>&</sup>lt;sup>74</sup> For the original study, see Real Estate Research Corporation (RERC), *The Costs of Sprawl: Environmental and Economic Costs of Alternative Residential Development Patterns at the Urban Fringe* (Chicago: Real Estate Research Corporation, 1974).

insuring that equitable development and the creation of ownership opportunities is central to any regional equity program.

We do not mean to be Polyanna-ish – dark clouds are always ahead to some degree – but we would also stress that reviving our progressive tradition means reviving our forward-looking optimistic vision that progress is both possible and likely. There are important trends working in directions that may favor regional equity, and we need to take advantage of them.

## Setting Priorities, Getting to Scale

Can we harness these trends in the direction of positive regional development? This will require being realistic about the possibilities and the need to set priorities.

Any nascent movement needs to husband resources and set priorities. The regional equity agenda has both the advantage and disadvantage of breadth – a wide scope provides many entry points and reasons for coalition but it can also lead to a diffuse set of strategies.

The regional equity movement needs to maintain its breadth of vision even as it focuses its priorities for policy reform at the federal, state, and regional levels. The regional equity agenda implicates many areas of domestic policy, ranging from federal and state transportation and housing policies to state governance and taxation policies to regional and local land use and zoning policies. Some of these areas of policy are more susceptible to change than others, given the current political and fiscal environment and the current and potential alliance of constituencies – among these are transportation and housing reform, because those issues are of critical importance to economic competitiveness and have become central issues of concern in many states and metropolitan areas.

Moreover, some levels of geography and some specific regions may be especially conducive as we work our way up to a full national agenda. Some have argued, for example, that a growing number of states are ripe for change because they: are experiencing the fiscal wastefulness of unbalanced growth patterns; recognize that an economy of ideas, innovation, and creativity thrives in dense, urban areas; and, are worried that endless sprawl is endangering the rural landscapes and environmental treasures that define many places.

Building the skills and bases for new coalitions and policies is a difficult task and we need to be realistic about where progress is possible. The institutional infrastructure for change is not uniform across the states. Some states like New Jersey have strong networks of progressive foundations, research institutions, think tanks, advocacy organizations, business and community leaders, practitioners and elected officials. Other states like Missouri have weak networks of such institutions and individuals and also have a political, corporate, and civic leadership that lacks real vision.

Even in states with strong equity networks and highly talented people, groups are rarely organized to pursue structural change. Cities are pitted against cities. Urban constituencies are pitted against urban constituencies. The city/suburban divide—sometimes racial, sometimes not—is deep and pronounced. Environmentalists and conservationists rarely talk to, let alone relate to, urban advocates and business leaders. Urban advocates, conservationists and many fellow travelers have perfected the "art of the deal" – the downtown real estate transaction, the major stadium or

convention center, the major land acquisition —and neglected the "art of politics" – the mechanics of coalition building.

If regional equity is to succeed, it needs to build an intellectual, advocacy and practitioner infrastructure for change that crosses racial, ethnic, and jurisdictional lines. And some argue that this will only occur if we target several key states which could then serve as demonstrations. In this view, the regional equity movement, and the funders associated with the movement, and aligned movements like smart growth, need to make some state "bets" and stick to them over the course of several electoral cycles.

Others have argued for the strategic role of particular cities. We were impressed by both the possibilities in Detroit and the emerging realities in Los Angeles. For the latter, the ashes of the civil unrest of 1992 seem to have been a fertile ground for new experiments – tired of working apart, groups began to try organizing together. The election of a progressive mayor, one with regionalist dispositions, creates the possibilities for showcasing a new metropolitan example.

Others believe that certain institutions are key. Among these are the central labor councils which have showed great promise as vehicles for social justice, community organizing, and coalition building in San Jose, Milwaukee, and elsewhere. Interfaith networks, highlighted above, are critical and offer another vehicle for scaling to national prominence. The regional equity movement also needs to support national organizations that can support these state efforts with empirical research, policy development, shared learning, and communications and marketing expertise.

Whatever the choices, the basic message is clear: the task of scaling up is critical and to do so, we must make strategic decisions. Strong forces fashioned metropolitan America into its current toxic soup of segregation, economic vulnerability, and environmental degradation; a strong-minded approach will be required to turn things around.

#### A New Synthesis, A New Movement

Scaling up is critical for another reason: while regional equity holds out the hope of transforming particular metropolitan regions such Los Angeles or Detroit it also represents a new promise for the nation as a whole. For regional equity is not just about the policy package of transit-oriented development, cross-jurisdictional tax-sharing, or employer-oriented job training. It is about offering a new vision of America in which cities are strong, racial conflict is superseded, and millions more join the middle-class.

Realizing this hopeful American future may seem a daunting task in the midst of today's sometimes polarized politics. Red states and blue states exist in wary tension, business and community groups are distrustful, and the gap between city and suburb can seem insurmountable. But against this backdrop, region by region, collaboration by collaboration, and struggle by struggle, business leaders, environmental advocates, and equity proponents are beginning to fashion a new synthesis that weds multiple concerns and creates a new basis for a regional equity consensus.

The victories are sometimes small but they are nonetheless very real. In San Diego, the Market Creek Plaza project, supported by both foundations and the private sector, offers a vision of how urban revitalization can create more, not less, opportunities for residents that have stuck through a

neighborhood's troubled times.<sup>75</sup> In Atlanta, the Atlanta Neighborhood Development Partnership is raising awareness around the need for affordable housing throughout the region, securing support from business, suburban leaders, and other unlikely suspects. In San Jose, labor and community groups have become a voice for smarter growth in the planning for Coyote Valley, one of the largest new developments in California in decades. In Detroit, LISC is changing the very meaning of community development by insisting that adjoining neighborhoods – separated only by municipal lines – actually begin to plan together.

These small steps are adding up to something bigger: a vision that combines justice and growth, city and suburb, whites and people of color. Will this eventually amount to a broader regional equity movement? Can such a movement be a transformative force for a better America?

In the 1950s, when the Montgomery bus boycott was launched, and the Southern Christian Leadership Conference was founded, few observers would have predicted that the evolution of a Civil Rights Movement that entirely reshaped American politics and values. In the 1960s and 1970s, when offshore oil spills, worsening air pollution, and toxic contamination in places like Love Canal stirred the national consciousness, few could have know just how mainstream the principles and policies of environmental sustainability would become.

Can the regional equity movement become another transformative force for a better America? With vision and strategy born from honest conversation, we believe it can. With commitment and collaboration by unexpected partners, we believe it will. And with the challenges of racial and economic inequality still confronting us as we enter the 21<sup>st</sup> century, we believe it must.

<sup>&</sup>lt;sup>75</sup> Lisa Robinson, Market Creek Plaza: Toward Resident Ownership of Neighborhood Change (Oakland: PolicyLink, 2005).