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Washington Metropolitics:
A Regional Agenda for
Community and Stability

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Metropolitan Area Research Corporation

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I. Introduction

The mission of the Metropolitan Area Research Corporation (MARC)[1] is to study growing social separation and wasteful, sprawling development patterns in U.S. metropolitan areas and to assist individuals and groups seeking to create and implement local responses to these trends.

Since 1995, with the support of over fifteen of the nation's leading philanthropies—including the Ford, Rockefeller, and MacArthur foundations—and the U.S. Department of Housing and Urban Development, and in partnership with dozens of universities and research centers, MARC has completed (or is in the process of completing) studies of social separation and sprawl in twenty-two metropolitan areas of the U.S., including eighteen of the nation's twenty-five largest regions.[2] MARC has developed a four-step process to analyze regional trends that combines quantitative socioeconomic data with qualitative information gathered at the local level. MARC's studies demonstrate that 1) social separation and sprawl are occurring in small and large regions across the country; 2) in any region, communities classified as "suburbs" represent a group of heterogeneous communities whose current conditions and future prospects differ greatly; and 3) coalitions can be forged in any region between previously thought unlikely partners—elected officials of the central city and suburban communities of a region—to support and implement regional reforms in the best interests of all the citizens of the region.

"Washington Metropolitics", the first of two reports commissioned by the Brookings Institution, reports on regional social, economic, and growth trends in the Washington region and briefly outlines policy strategies for regional reform. A second report will examine those policy options in greater detail and make specific recommendations for the region.

This report begins with a general discussion in Section II of the detrimental effects of concentrating a region's poor in abandoned neighborhoods of the central city and inner suburbs and the costs of wasteful development patterns. Section III documents with statistics and geographic information system mapping, social separation and sprawling development patterns in the Washington region. Finally, Section IV briefly outlines policy strategies for regional reform.

A. Context

Social and economic disparity and wasteful development patterns threaten the future of metropolitan regions across the country. This pattern begins with the concentration of social and economic need in many neighborhoods of the region's central city, inner suburbs, and satellite cities. This concentration destabilizes schools and neighborhoods, is associated with increases in crime, and results in the flight of middle-class families and businesses. As social needs

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[1] Formerly the Metropolitan Area Program, a program of the American Land Institute.

[2] MARC projects either completed or in process include: Atlanta, Baltimore, Central Valley of California, Chicago, Denver, Detroit, Grand Rapids, Houston, Los Angeles, Milwaukee, Minneapolis-St. Paul, Philadelphia, Phoenix, Pittsburgh, Portland, Saginaw, St. Louis, San Diego, San Francisco Bay Area, Seattle, and South Florida (Miami).

accelerate in these places, the tax base supporting local services erodes. In most metropolitan areas, about 40 to 65 percent of the regional population live in jurisdictions such as these.

The mythic dichotomy of urban decline and suburban prosperity holds that social and economic decline stops neatly at the central city borders. Nothing could be further from the truth. As poverty and social instability cross into communities just outside of the central city, and begin to grow in older satellite cities, all of the trends of urban decline *accelerate and intensify*. These places lack the strong business district, vitality and resources, high-end housing market, parks, culture and amenities of the central city; and without a large police department and social service agencies to respond to growing social stress the schools in these communities become poor *faster* and the local retail evaporates more *rapidly*.

Next, in a related pattern, middle-income communities begin to experience increases in their poverty and crime rates, and could well become tomorrow's troubled suburban places, particularly those that have low property wealth. Like the group of declining communities discussed above, these places are often inner communities and satellite cities, but also include many fast-growing, low property value second- and third-tier places. In most regions, these places are home to another 20 to 40 percent of the regional population.

As middle-class families—generally those who cannot afford the executive homes now built in America's more prosperous communities—leave declining neighborhoods of the central city and inner suburbs, many are jumping out of a social frying pan and into a fiscal one. When they reject neighborhoods and schools of increasing social stress, they often land in communities with enormous fiscal stress. These edge communities, predominately composed of housing below $200,000 in value and with many times the region's ratio of school-age children to adults, find their local base of resources substantially inadequate to cover the costs of new schools and other infrastructure needed to properly support the scale of growth.

Because these fast-growing communities often allow septic-tank development to occur on lots too small to absorb sewer effluent, groundwater and lakes become polluted and, if wells are a local source of water, the public health is seriously threatened. The remediation that is soon required by the state (*i.e.*, digging up roads, lawns, and basements in order to connect to sewer systems) requires enormous expenditure, costing the community many times what it would have cost to do it right in the first instance. Further, due to a lack of planning in these places, local roads are soon too narrow to handle the traffic. Again, the remediation necessary (*i.e.*, moving commercial and residential buildings back from roads) is a huge expense for local taxpayers. All of this is assessed off the very small tax base of communities that could not even afford to plan in the first place.

Finally, upper-income communities that are dominated by expensive homes capture the largest share of regional infrastructure spending, economic growth, and jobs. These places are primarily recently developed communities with wealthy residential subdivisions and modern office parks, but in many regions they also include some older, established, close-in communities. As the tax base expands in these affluent areas and their housing markets remain closed to most of the region's low-wage workers, they become both socially and politically isolated from regional responsibilities. In most metropolitan areas, only about 10 to 20 percent of the population live in places such as these.

As these affluent communities achieve the enviable position of having the region's largest tax base and the least need for social services, they become the most desirable places in the region to live. As business and housing developers compete for locations in these communities on the edge of the metropolitan area, open space evaporates and people who sought an insulated life closer to natural amenities find themselves in the midst of edge-city urban life with as much or more congestion, development, and stress as the places they left behind. As the highly desirable land melts away into development, "pass-through" traffic increases as new roads are built to connect residents of the next urbanizing community.

While these affluent, high tax-base communities have resources, they often cannot, by themselves, control the pace of development that pushes them toward something they do not want to become: a crowded edge city with little green space and unattractive levels of traffic congestion. These high-income places often pass significant tax referenda for comparatively modest open space initiatives. As development pressure increases, these communities, and communities with strong support for local agriculture, are the most likely to unilaterally act to control growth. While local development moratoria or slowdowns seem like a solution at the time, ultimately they only throw development further out to the next growth-hungry community. Thus, such well-intentioned unilateral action to halt growth can actually make the problems associated with sprawl worse rather than better. For example, in 1972 Petaluma, California decided to slow growth by limiting the number of building permits issued annually, causing housing demands to dramatically increase in further-out Santa Rosa.[3] Indeed, the population of the Santa Rosa area nearly doubled between 1970 and 1980. Actions like this cause *regions* to become geographically larger than they would be under a plan to accommodate growth in an orderly manner. In Santa Rosa additional infrastructure in terms of roads and sewers had to be built and residents of Petaluma were forced to deal with the dramatically increased traffic moving *through* their community.

Social and economic polarization and sprawling development patterns on a regional scale exact costs in terms of waste of human resources, deterioration of much of the region's core communities, increased fiscal stress, increased costs of infrastructure and land, loss of agricultural and fragile lands, and increased vehicle miles traveled and number of automobile trips.

B. The Washington Region and Who Should Read this Report

The Washington region is unique in that its central city is not part of either adjoining state (Figure 1).[4] The region also has the difficult, although not unique, problem of having its suburbs nearly evenly divided between two different and competitive states. On the positive side for regional cooperation, it is less fragmented in terms of local governments with land-use planning powers. Underlying these complicated divisions of authority is the reality that social

[3] Anthony Downs, *New Visions for Metropolitan America* (Washington DC: The Brookings Institution, 1994): 36.

[4] The Washington region is defined in this study as: Charles, Frederick, Montgomery, and Prince Georges Counties in Maryland; Arlington, Fairfax, Loudoun, and Prince William Counties in Virginia; the cities of Falls Church, Alexandria, Manassas, and Manassas Park in Virginia; and the District of Columbia.

and economic polarization and wasteful development patterns are regional problems. Therefore, in this report these problems are defined in terms of the region as a whole (Sections III). But when it comes to recommended policy reforms necessary to reverse the trend of regional polarization and sprawl (Section IV), each reform measure would have to be acted upon by the appropriate legislative body (*i.e.*, by the two state legislatures, and/or by the District and federal governments). In the end, this report argues that a coordinated regional response by all these participants would be best. However, even if the separate jurisdictions, i.e. Maryland, Virginia, and the District began to better plan for their development separately, it would still be a large improvement over the status quo and an important benefit to the region.

Those who should read this report include people working to respond to poverty in central city neighborhoods and other declining places in the region, advocates for smart growth and the environment, and especially, state legislators and elected officials who represent cities and counties. Cities and counties are political units with land-use planning powers and are the true units of regional competition or cooperation. These land-use planning powers—interacting with competition for valuable tax resources, local citizen preferences, regional and local infrastructure policy, and racial discrimination, shape the region's future. Cities and counties are also the centers of real political power which will facilitate or impede metropolitan reform. Because these elected officials are an important audience for this report, much of the data in Section III are by municipality and county unincorporated area or by municipality and census designated place (CDP).[5] Those who make decisions for these units of government—mayors, county executives, council members, state legislators—often do not have adequate data upon which to base their decisions. They generally have a sense of what is happening within their jurisdiction, but often do not have adequate information concerning how regional trends and the behavior of other units of government are likely to shape their future. Moreover, they are often not aware of the number of other communities that are facing similar challenges.

C. A Regional Agenda

Only through a strong, multifaceted, regional response can social and economic polarization and wasteful development patterns be countered. MARC and a growing core of scholars; national, state, and local government officials; and activists from urban, faith-based, business, good-government, and environmental backgrounds, believe that metropolitan separation and sprawl need a strong, multifaceted, regional response. To combat these trends, there are three areas of reform that must be sought on a regional scale: 1) greater equity among jurisdictions of a region, particularly those with land-use planning powers 2) smarter growth through better planning practices, 3) structural reform of metropolitan governance and

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[5] Census designated places (CDP's) are areas delineated by the U.S. Census Bureau to be the "statistical counterparts of incorporated places". According to the *1990 Census of Population and Housing: Summary Tape File 3, Technical Documentation*: A-10, CDP's "comprise densely settled concentrations of population (a minimum of 2,500 persons if inside the urbanized area and 1,000 persons if outside the urbanized area) that are identifiable by name, but are not legally incorporated places." This level of data is used to illustrate what is happening in unincorporated communities because unlike census tracts, they are not, by definition, designed to be homogenous areas. CDP's are more like municipalities in terms of diversity and feeling like a community. CDP's often correspond closely with actual communities or neighborhoods and therefore, people who live in them are more likely to be able to identify with them than they are with census tracts.

transportation planning to allow for fair and efficient transportation and community planning. These reforms are inter-related and reinforce each other substantively and politically.

In the 1970s, moderate “Rockefeller” Republicans, such as Richard Lugar of Indiana, Tom McCall of Oregon, Harold Levander of Minnesota, and George Romney and William Milliken of Michigan, began to outline an elegant *limited government* response to the problem of inter-local disparity and sprawling, inefficient land use. The message of cost-effective regional planning, supported by local business leadership, had a strong influence in Minneapolis-St. Paul (Twin Cities), Indianapolis, and Portland, Oregon twenty-five years ago. In 1970 the city of Indianapolis merged with Marion County into one unified government. In 1971 the state of Minnesota passed groundbreaking legislation for a system of tax-base sharing among the cities and counties of that region, and in 1975 implemented the system. In 1973 the state of Oregon passed its Land Use Act, a statewide planning framework that requires each of the state's 242 cities and 36 counties to establish an urban growth boundary and develop a long-range, comprehensive plan for development within those boundaries. In 1979, voters in the Portland, Oregon, metropolitan area chose to make that region's metropolitan planning organization a directly elected regional body—the first (and as yet, the only) one of its kind in the U.S. During the 1980s, Minnesota established a regional boundary called the Metropolitan Urban Services Area around the Twin Cities region and Florida passed its Growth Management Act.

In the 1990s there has been a renewed interest in land use and regional reform across the nation. The state of Washington helped to spark this regional planning renaissance with its 1990 Growth Management Act. In Washington DC, former United States Housing and Urban Development Secretary Henry Cisneros advocated that federal government strengthen metropolitan coordination of affordable housing, land use, environmental protection, and transportation issues. In 1994, President Clinton issued an executive order beginning this process.[6] In 1997, Maryland, under the leadership of Governor Parris Glendening, passed legislation that limits growth to locally-designated "smart growth" areas by withholding infrastructure funding for development outside such areas. In September 1998 in a speech at the Brookings Institution, Vice-President Al Gore announced a federal agenda "to help encourage smarter growth and more livable communities all across America".[7] Later that year , the Tennessee legislature passed land-use planning legislation requiring urban growth boundaries around developing municipalities and New Jersey voters approved the dedication of $98 million a year for the next ten years to preserve one million acres of farmland and open space. Governor Christine Todd Whitman led this effort.

Recently the Commercial Club of Chicago and the Greater Baltimore Committee, whose members represent some of the most significant business interests in their respective regions, endorsed sweeping proposals for regional reform including land-use planning, regional

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[6] United States President Bill Clinton, Executive Order, “Leadership and Coordination of Fair Housing in Federal Programs: Affirmatively Furthering Fair Housing, Executive Order 12892 of January 17, 1994,” The Weekly Compilation of Presidential Documents (24 January 1994): 110-14.

[7] United States Vice President Al Gore, Brookings Policy Series, September 2, 1998.

governance reform, and possible tax-base sharing.[8] They believed that these reforms were very important to the economic health of their metropolitan areas.

Columnist Neal Peirce has helped to revitalize this type of good-government metropolitanism, broadening its base by emphasizing the social and economic interdependence of metropolitan areas and the need for regional economic coordination to compete effectively in the new world economy.[9] On another front, David Rusk, former mayor of Albuquerque, New Mexico, simply and effectively connected the issues of metropolitanism and social equity.[10] He did this by showing that regions with an effective metropolitan planning body are more equitable, less segregated by race and class, and economically healthier. Anthony Downs, of the Brookings Institution, assembled his own research together with recent groundbreaking work of urban poverty scholars, economists, transportation experts, and land-use planners. He makes compelling new arguments for metropolitan governance and broad metropolitan-based reforms in fair housing, transportation, land use, and regional fiscal equity.[11]

In separate studies, William Barnes and Larry Ledebur, Richard Voith, and H. V. Savitch asserted the deep interconnections of metropolitan economies. A study of seventy-eight metropolitan areas, conducted by Barnes and Ledebur, for example, found that between 1979 and 1989 in most U. S. metropolitan areas, median household incomes of central cities and suburbs moved up and down together.[12] They also found that the strength of this relationship appears to be increasing. An earlier study of forty-eight metropolitan areas, conducted by the same team, found that metropolitan areas with the smallest gap between city and suburban incomes had the greatest regional job growth.[13]

These scholars argue that cities and suburbs within a metropolitan area are interdependent; and that when social and economic polarization is minimized, the region is stronger; and that regional planning and metro-wide reforms are good for the entire region. Despite this, many believe that metropolitan reforms are no longer possible because the suburbs have taken over American politics.[14] Representing over 50 percent of the American population

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[8] Elmer W. Johnson, "Chicago Metropolis 2020, Draft Plan of 1999: Preparing Metropolitan Chicago for the 21st Century", A Project of the Commercial Club of Chicago, Draft, October 1998; Greater Baltimore Committee, "One Region, One Future: A Report on Regionalism", July 1997.

[9] Neal Peirce, *Citistates: How Urban America Can Prosper in a Competitive World* (Washington, D.C.: Seven Locks Press, 1993).

[10] David Rusk, *Cities Without Suburbs* (Washington, D.C.: Woodrow Wilson Center Press, 1993).

[11] Downs, *New Visions*.

[12] Larry C. Ledebur and William R. Barnes, *"All In It Together": Cities, Suburbs and Local Economic Regions* (Washington, D. C.: National League of Cities, 1993).

[13] William R. Barnes and Larry C. Ledebur, *City Distress, Metropolitan Disparities, and Economic Growth* (Washington, D. C.: National League of Cities, 1992).

[14] Anthony Downs, in *New Visions* repeatedly outlines the necessity of sweeping metropolitan reform and then dismisses the possibility of political success because of the monolithic opposition of the suburbs.

and 55 percent in the Washington area, clearly "the suburbs" do have great political power. Commentators glory in an ideal of small suburban government close to the people. They maintain that regional reform threatens this idea.

In response, the reality of the late 1990s, as described in the pages that follow, contrasts starkly with this impression. Once policy makers and reform advocates recognize that suburban communities are not a monolith with common needs and resources, declining inner neighborhoods, satellite cities, and low tax base developing communities, as well as fast-growing high fiscal capacity communities, can identify each other as allies in regional reform and begin to work together for a stronger, more stable region. Some of these communities will find their motivation in a common social and fiscal decline that requires regional equity, others in the need to plan for growth for a sustainable, stable future.

In the end, regional reform seeks to create circumstances in which a new ideal of local control and long term community stability can become a reality—an ideal in which central cities and declining neighborhoods of older, inner suburbs can maintain a middle-class base and renew themselves, and in which developing communities can have decent services and be free from destabilizing patterns of boom and bust.

Based on demographic research, this report will show that the Washington area is facing a scenario very similar to the one encountered by the other regions MARC has studied across the country. This report will also argue that regional reform coalitions similar to those formed in other regions can be developed in the Washington area to combat these growing problems.

II. Problems Associated with Regional Polarization and Sprawl

A. Concentrated Poverty

In the central city of most major U.S. metropolitan areas, there is a subset of distressed census tracts with more than 40 percent of their population below the federal poverty line. According to sociologists, such neighborhoods are extreme poverty tracts or ghettos.[15] Surrounding these severely distressed neighborhoods are transitional neighborhoods with 20 to 40 percent of their population in poverty.[16] According to Paul Jargowsky, between 1970 and 1990 the national poverty rate declined from 13.6 to 12.8 percent and the metropolitan poverty rate barely increased, moving from 10.9 to 11.8 percent. However, despite large increases in social spending and the gross national product, the population of high poverty areas doubled and their geographic size expanded faster than their population increased.

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[15] See Paul A. Jargowsky and Mary Jo Bane, "Ghetto Poverty in the United States, 1970 to 1980," in Christopher Jencks and Paul E. Peterson (eds.), *The Urban Underclass* (Washington, DC: The Brookings Institution), 235-273; John D. Kasarda, "Inner-City Concentrated Poverty and Neighborhood Distress: 1970 to 1990," *Housing Policy Debate* 4, no. 3, 253-302.

[16] Ibid.

In the 1970s, extreme poverty tracts and transitional neighborhoods exploded in size and population in the large cities of the Northeast and Midwest. During the 1970s, New York City's ghetto, the nation's largest, increased from 70 census tracts to 311.[17] During the 1980s, ghettoization rapidly increased in Chicago, Detroit, and many of the secondary cities of the Northeast and Midwest.[18] In 1980, 48 percent of Detroit's census tracts had at least 20 percent of the residents in poverty; by 1990, 75 percent of its tracts did.[19] In Midwestern cities as a whole, the number of ghettoized tracts doubled in the 1980s.[20] Throughout these two decades, the concentration of poverty grew at a much faster pace than poverty itself: poverty rates in U.S. metropolitan areas remained stable, increasing by only 0.9 percentage points, yet persons in poverty living in high-poverty areas almost doubled in this period – increasing by 98.0 percent. [21]

The expansion of extreme and transitional poverty tracts is not just confined to these large urban centers of the Northeast and Midwest. While more severe in some cities than in others, these trends are present and worsening in all of the regions MARC has studied thus far. Furthermore, as the number and population of poverty tracts has grown in most metropolitan areas, these tracts have spilled beyond the central city borders into neighborhoods of the inner suburbs. Between 1980 and 1990, while the three central cities of the South Florida region (Miami, Fort Lauderdale, and West Palm Beach) combined went from 13 to 27 extreme poverty tracts and from 33 to 40 transitional tracts, their inner suburbs went from 5 to 8 extreme poverty tracts and from 18 to 49 transitional tracts. Similarly, as the city of Baltimore lost poverty tracts between 1980 and 1990—going from 36 to 35 extreme poverty tracts and from 69 to 63 transitional tracts, that city's inner suburbs gained poverty tracts—going from zero to two extreme poverty tracts and from one to two transitional tracts. The Portland, Oregon region, which went from 3 to 10 extreme poverty tracts and from 18 to 28 transitional poverty tracts during the 1980's, gained its first two suburban poverty tracts during that period.

Stimulated by William Julius Wilson's book, *The Truly Disadvantaged*, scholars in the late 1980s began actively studying the effects of concentrated poverty in large metropolitan areas. Their research confirms that concentrated poverty multiplies the severity of problems faced by both communities and poor individuals.[22] As neighborhoods become dominated by

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[17] Kasarda, "Concentrated Poverty," 261.

[18] Kasarda, "Concentrated Poverty"; Paul A. Jargowsky, "Ghetto Poverty Among Blacks," *Journal of Policy Analysis and Management* 13, no. 2 (1994): 288-310.

[19] Kasarda, "Concentrated Poverty," 261.

[20] Ibid., 260.

[21] Paul A. Jargowsky, *Poverty and Place*.

[22] William Julius Wilson, *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy* (Chicago: University of Chicago Press, 1987); Douglas S. Massey and Nancy A. Denton, *American Apartheid: Segregation and the Making of the Underclass* (Cambridge: Harvard University Press, 1993); Christopher Jencks and Paul Peterson eds., *The Urban Underclass* (Washington, D.C.: Brookings Institution, 1991); Nicholas Lemann, *The Promised Land: The Great Black Migration and How it Changed America* (New York: Alfred A Knopf, 1991); Nicholas Lemann, "The Origins of the Underclass," *The Atlantic Monthly* 257 (1986): 31-55; Hope Melton,

joblessness, racial segregation, and single-parentage, they become isolated from middle-class society and the private economy.[23] Individuals, particularly children, are deprived of local successful role models and connections to opportunity outside the neighborhood.

Studies have found that poor individuals living in concentrated poverty are far more likely to become pregnant as teenagers,[24] drop out of high school,[25] and remain jobless[26] than if they lived in socioeconomically mixed neighborhoods.

The effects of concentrated poverty can also be seen by comparing the experience of the poor living in concentrated poverty to that of poor individuals living in mixed-income communities. At least one large social experiment demonstrates that when poor individuals are freed from poor neighborhoods and provided with opportunities, their lives can change quite dramatically. Under a 1976 court order in the case of *Hills v. Gautreaux*,[27] thousands of single-parent Black families living in Chicago public housing have been provided housing opportunities in predominantly white middle-class suburbs. Under the consent decree in a fair housing lawsuit originally brought in 1966, more than 5,000 low-income households have been given housing opportunities in the Chicago area. By random assignment more than half of these households moved to affluent suburbs that were more than 96 percent white, while the other participants moved to neighborhoods that were poor and more than 90 percent Black. The pool of *Gautreaux* families thus provides a strong sample to study the effects of suburban housing opportunities on very poor city residents.

"Ghettos of the Nineties: The Consequences of Concentrated Poverty," (St. Paul Department of Planning and Economic Development, November 10, 1993).

[23] See generally George C. Galster, "A Cumulative Causation Model of the Underclass: Implications for Urban Economic Policy Development," in *The Metropolis in Black and White: Place, Power and Polarization*, eds. George Galster and Edward Hill (New Brunswick, NJ: Center for Urban Policy Research, 1992).

[24] Jonathan Crane, "The Effects of Neighborhoods on Dropping Out of School and Teenage Childbearing," in Jencks and Peterson, *The Urban Underclass*, 299-320; Susan E. Mayer, "How Much Does a High School's Racial and Socioeconomic Mix Affect Graduation and Teenage Fertility Rates?" in Jencks and Peterson, *The Urban Underclass*, 321-41; Massey and Denton, *American Apartheid*; Dennis P. Hogan and Evelyn Kitagawa, "The Impact of Social Status, Family Structure, and Neighborhood on the Fertility of Black Adolescents," *American Journal of Sociology* 90, no. 4 (1985): 825-55; Frank F. Furstenburg, Jr., S. Philip Morgan, Kristen A. Moore, and James Peterson, "Race Differences in the Timing of Adolescent Intercourse," *American Sociological Review* 52 (1987): 511-18; Elijah Anderson, "Neighborhood Effects on Teenage Pregnancy," in Jencks and Peterson, *The Urban Underclass*, 375-98; Sara McLanahan and Irwin Garfinkel, "Single Mothers, the Underclass, and Social Policy," *The Annals of the American Academy of Political and Social Science* 501 (1989): 92.

[25] Crane, "The Effects of Neighborhoods," 274-320; Mayer, "Graduation and Teenage Fertility Rates," 321-41; Massey and Denton, *American Apartheid*.

[26] Massey and Denton, *American Apartheid*.

[27] *Hills v Gautreaux*, 425 US 284 (1976).

James Rosenbaum and colleagues from Northwestern University have intensively studied the *Gautreaux* families.[28] His research established that the low-income women who moved to the suburbs "clearly experienced improved employment and earnings, even though the program provided no job training or placement services."[29] Very rapidly after the moves, the suburbanites were about 15 percent more likely to be employed.[30] Rosenbaum found that the children of the suburban movers dropped out of high school less frequently than the city movers (5 percent vs. 20 percent).[31] Second, they maintained similar grades despite higher standards in suburban schools. Third, the children who moved to the suburbs were significantly more likely to be on a college track (40.3 percent vs. 23.5 percent[32]) and went to college at a rate of 54 percent compared with 21 percent who stayed in the city.[33] In terms of employment, 75 percent of the suburban youth had jobs compared to 41 percent in the city.[34] Moreover, the suburban youth had a significant advantage in job pay and were more likely to have a prestigious job with benefits.[35] Finally, 90 percent of the suburban youth were either working or in school compared with 74 percent of the city youth.[36]

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[28] James Rosenbaum and Susan Popkin, "Employment and Earnings of Low-Income Blacks Who Move to Middle-Class Suburbs," in Jencks and Peterson, *The Urban Underclass*; Rosenbaum, Popkin, Kaufman, and Rustin, "Social Integration of Low-Income Black Adults in Middle-Class White Suburbs," *Social Problems* 38, no. 4 (1991): 448-61; James E. Rosenbaum, Marilyn J. Kulieke, and Leonard S. Rubinowitz, "White Suburban Schools' Responses to Low-Income Black Children: Sources of Successes and Problems," *The Urban Review* 20, no. 1 (1988): 28-41; James E. Rosenbaum and Susan Popkin, "Black Pioneers: Do Their Moves to the Suburbs Increase Economic Opportunity for Mothers and Children?" *Housing Policy Debate* 2, no. 4 (1991): 1179-1213; James E. Rosenbaum and Julie Kaufman, "Educational and Occupational Achievements of Low Income Black Youth in White Suburbs" (paper presented at the annual meeting of the American Sociological Association, Cincinnati, Oh., 18 October 1991). See also Schools section below.

[29] Rosenbaum and Popkin, "Employment and Earnings."

[30] Ibid.

[31] Rosenbaum and Kaufman, "Educational and Occupational Achievements," 4.

[32] Ibid., 5.

[33] Ibid., 5-6.

[34] Ibid., 6-7.

[35] Ibid.

[36] Ibid. The acceptance of these poor black families in affluent, predominantly white suburbs was not painless or immediate. At the outset, about 52 percent of the suburban movers reported incidence of racial harassment, compared to 23 percent in the city. However, the incidence of harassment rapidly decreased over time. Interestingly, both the suburban and city movers reported similar amounts of neighbor support and assistance and essentially no difference in terms of their degree of contact with neighbors. The suburban movers were actually slightly more likely to have friends in their new neighborhoods than the city movers. The suburban movers had more than two times the number of white friends that the city movers and slightly fewer black friends. Further, over time, the degree of integration continued for suburban movers, and re-segregation did not occur.

As poverty concentrates in the central city and other older communities of a region, crime grows, and waves of middle-class flight, business disinvestment, and declining property values surrounding those places intensify. As the middle class leaves, there are fewer customers for local retailers and the value of local housing declines precipitously. In the poorest metropolitan neighborhoods, basic private services, even grocery stores, disappear.[37] Social needs and hence property taxes begin to accelerate on a declining base of values. These cities become pressed to provide more with less. Often they must choose between increasing tax rates or providing fewer services of poorer quality, thereby further burdening poor residents and further alienating any remaining middle-class residents.[38] As local property taxes become the highest and the quality of services declines in the least desirable parts of the metropolitan area, the flight of the middle class and the private economy accelerates. Larger industrial and service businesses are disadvantaged by high taxes, deteriorating public infrastructure, crime, loss of property value, lack of room for expansion or parking, lack of rapid access to radial highways, and the cost of remediation of polluted land.[39] In addition, urban employers increasingly believe that the work force in distressed neighborhoods is unsuitable.

At the same time, the zoning policies of many jurisdictions help to ensure that the region's poorest residents remain in poor neighborhoods of the central city, older suburbs, and satellite cities. By requiring low maximum building densities, the zoning codes of many jurisdictions allow for little or no multi-family housing. These codes also include requirements for single-family housing such as large minimum lot sizes, two car garages, and high minimum square footage. Such requirements raise the cost of development, effectively excluding poor (or even middle-class) persons.

In the clearest sense, the increase of property wealth in affluent suburbs and the stagnation or decline of central city, satellite city, and older-suburban values represents, in part, an interregional transfer of tax base. As such, the loss of value and increased fiscal stress in older, poorer communities is a cost of regional polarization and urban sprawl.

In the end, the lack of a social mortar necessary to hold neighborhoods together and build communities makes community development in concentrated poverty neighborhoods difficult. Programs geared at job training or creation must struggle to incorporate the diversity of human resources and experiences of a social group that has been isolated from the functioning economy and jobs, from adequate nutrition and schools that succeed, and from a supportive and economically stable family structure. To the extent such programs succeed, individuals—even if

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[37] Gary Orfield, "Ghettoization and Its Alternatives," in ed. Paul Peterson, *The New Urban Reality* (Washington, D.C.: Brookings Institution, 1985), 163.

[38] George Sternlieb and Robert W. Burchell, *Residential Abandonment: The Tenement Landlord Revisited.* (New Brunswick: Center of Urban Policy Research, Rutgers University, 1977), cited in: Robert W. Burchell, et. al., *Costs of Sprawl Revisited: The Evidence of Sprawl's Negative and Positive Impacts.* (Transportation Research Board, National Research Council).

[39] John D. Kasarda, "Urban Change and Minority Opportunities," in Peterson, *The New Urban Reality,* 33-68; John D. Kasarda, "Urban Industrial Transition and the Underclass," *The Annals of the American Academy of Political and Social Science* 501 (1989): 26-47.

they are employed in the neighborhood—often move to less poor areas.[40] Physical rehabilitation programs, while they improve the quality of shelter and neighborhood appearance, do little to attack the underlying "tangle of pathology"[41] associated with concentrated poverty.

In terms of business development, areas of concentrated poverty have great difficulty competing with developing suburbs that offer middle-class customers, low taxes, low crime rates, increasing property values, room for expansion and parking, new highways, and few contaminated industrial sites. Thus, it is not surprising that even when enormous financial resources have been devoted to enterprise zones or tax abatements, it has been very difficult to stimulate viable business opportunities that employ core residents.[42]

David Rusk recently studied the effects of several of the largest and most successful inner-city focused, antipoverty initiatives in the country.[43] In virtually all of these areas of massive inner-city investment, family and individual poverty rates substantially increased and moved further from metropolitan norms, the median household income declined and moved further away from the metro average, and the communities grew more segregated.

In response, it is possible that efforts that target poor inner-city neighborhoods have made these communities better than they might otherwise have been; it is impossible to know how they would have fared without such intense investment. Moreover, these figures do not reflect individuals who have been empowered by such programs and have left poor neighborhoods. It is also true that these programs have often represented the only available response to concentrated poverty. However, in the end, Rusk's analysis does indicate that central-city, antipoverty efforts alone are woefully inadequate in the face of the enormous force of metropolitan polarization.

Proposed solutions to the problem of concentrations of poverty differ widely in approach. The debate most central to this report focuses on the relative value of creating housing

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[40] Nicholas Lemann, "The Myth of Community Development," *The New York Times Sunday Magazine* (2 January 1994); Ibid., "The Promised Land," 109-222; Rusk, *Cities Without Suburbs*, 44-47.

[41] Wilson, *The Truly Disadvantaged*.

[42] See generally Roy E. Green, ed., *Enterprise Zones: New Directions in Economic Development* (Newbury Park, CA: Sage Publications, 1991); Glenda Glover and J. Paul Brownridge, "Enterprise Zones as an Instrument of Urban Policy: A Review of the Zones in South Central Los Angeles," *Government Finance Review* (June 1993): 15-17; Neal Peirce, "Enterprise Zones - No Great Shakes," *National Journal* (17 July 1993): 1828; Elizabeth Larson, "Network News: Enterprise Zones Ignore the Importance of Social Networks," *Reason* (April 1994): 17; Richard Pomp, et. al., "Can Tax Policy be Used to Stimulate Economic Development?" *The American University Law Review* 29 no. 207 (1979-80): 207-33; Paul Kantor and H.V. Savitch, "Can Politicians Bargain with Business: A Theoretical and Comparative Perspective on Urban Development," *Urban Affairs Quarterly* 29 no. 2 (1993): 230-255; Elizabeth Gunn, "The Growth of Enterprise Zones: A Policy Transformation," *Policy Studies Journal* 21 no. 3 (1993): 432-49; Otto Hetzel, "Some Historical Lessons for Implementing the Clinton Administration's Empowerment Zones and Enterprise Community Programs: Experiences from the Model Cities Program," *The Urban Lawyer* 26 no. 1 (1994): 63-81; Jeffrey Katz "Enterprise Zones Struggle To Make Their Mark," *CQ* (17 July 1993): 1880-83; Glenda Glover, "Enterprise Zones: Incentives are Not Attracting Minority Firms," *Review of Black Political Economy* (Summer 1993): 73-99.

[43] David Rusk, *Inside Game/Outside Game* (Washington, D.C.: Brookings Institution, 1999).

opportunities throughout the region for low-income working and poor people versus investing in the communities in which they now live. It is clear that both strategies are necessary. It is fundamentally important for low-income people to have access to high quality education, good jobs, services, loans, and other amenities a mixed-income community provides and for low-income families to be able to choose where they want to live based on a wide variety of factors. A metropolitan development agenda should address barriers to low-income people, particularly people of color, moving closer to suburban jobs and schools located in the affluent communities of the region and, at the same time, the revitalization of existing low-income neighborhoods in ways that benefit (rather than simply displace) the incumbent residents. In the end, the goal of regional reform is to create thriving, mixed-income neighborhoods in *all* communities of the region.

B. Racial Segregation

A majority of those who live in concentrated poverty areas are black and Hispanic (77 percent in 1990), greatly disproportionate to the general population of the U.S. (20.5 percent in 1990).[44] MARC has found that this is as true in regions with small minority populations as it is in regions with large minority populations. Nationwide, in 1990 there were almost as many poor white persons in the country's metropolitan areas as blacks and Hispanics combined (10.8 million poor whites, 6.9 million poor blacks, and 4.8 million poor Hispanics). Yet three-quarters of these poor whites lived in middle-class neighborhoods (mostly suburban) while three-quarters of poor blacks and one-half of poor Hispanics lived in transitional or extreme poverty neighborhoods.[45] In the Washington region, 50.1 percent of poor blacks and 14.3 percent of poor Hispanics lived in transitional or extreme poverty neighborhoods in 1990.[46] Jargowsky found that the number of African Americans living in high poverty neighborhoods, mostly highly segregated ghettos, climbed from 2.4 million to 4.2 million between 1970 and 1990 and that the number of Hispanics living in high poverty neighborhoods increased from 729,000 to 2.0 million during this period.[47]

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[44] Paul A. Jargowsky, *Poverty and Place: Ghettos, Barrios, and the American City*, (New York: Russell Sage Foundation, 1997).

[45] David Rusk, *Inside Game Outside Game: Winning Strategies for Saving Urban America* (Washington, D.C.: Brookings Institution Press, 1999).

[46] Ibid. Rusk defines the metropolitan area as the census urbanized area when determining these figures on segregation and concentrated poverty. See the "Urbanized Area" section of this report for a map.

[47] Paul A. Jargowsky and Mary Jo Bane, "Ghetto Poverty in the United States, 1970 to 1980".

Despite the fact that poor members of minority groups continue to be far more likely to live in concentrated poverty than are poor whites, the discussion of racial segregation has long left our nation's political radar screen—the discussion of social separation never really got there. There appears to be a broadly shared illusion that after a period of substantial civil rights reform in the 1960's, the problem of segregation has largely been solved. This clearly is not the case. Raising public awareness about regional socioeconomic polarization also means renewing the discussion of race and segregation.

The segregation of blacks in American cities and metropolitan areas is unique in its intensity and longevity. Comparing black residential segregation to the segregation of ethnic European immigrants in this century (*e.g.*, Italians, Poles, Jews), black segregation has steadily increased for most of this century (only recently declining slightly) while European ethnics integrated into mainstream society very soon after arriving. The highest level of spatial isolation ever measured for European ethnic groups was experienced by Milwaukee's Italians in 1910; their level of segregation reached an index of 56, where 100 equals total segregation.[48] Thereafter, the degree of isolation for all European ethnic groups fell steadily as children and grandchildren moved out of poverty and into mainstream society.[49]

Yet for blacks—poor or not—the opposite is true. In 1910 the average isolation index for blacks was 9.7, but by 1970 it had climbed to 73.5 in northern cities and 76.4 in southern cities.[50] Further, in 1980, Douglas Massey and Nancy Denton found that a rise in socioeconomic status for some blacks had virtually no affect on their level of segregation—black segregation was almost as high for affluent and middle-class blacks as it was for poor blacks, and was higher than for any other racial group, regardless of income. For example, in the Los Angeles metropolitan area, affluent blacks were more segregated than poor Hispanics (indices of 78.9 and 64, respectively), and in the San Francisco-Oakland region, affluent blacks were more segregated than poor Asians (indices of 72.1 and 64 respectively).[51] Nowhere is this pattern more clear than in the segregated middle-class black neighborhoods of Prince George's County in the Washington region; of Dekalb County just east of Atlanta; of Chicago's southern suburbs; and of the suburbs northeast of St. Louis.

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[48] Stanley Lieberson, *A Piece of the Pie: Blacks and White Immigrants since 1880* (Berkeley: University of California Press, 1980), cited in Massey and Denton, *American Apartheid.*

Using racial and ethnic data for city ward populations, this index was developed by computing the percentage of a given racial or ethnic population living in the ward of the average citizen of that racial or ethnic group. This average, or *isolation index,* measures the extent to which a group lives in neighborhoods that are primarily of their race or ethnicity. For example, a value of 50 percent for blacks means that blacks are equally likely to have whites and blacks as neighbors; a value of 100 percent means that blacks live in totally black areas.

[49] Massey and Denton, *American Apartheid*.

[50] Lieberson, *A Piece of the Pie;* Massey and Denton, *American Apartheid.*

[51] Douglas S. Massey and Nancy A. Denton, "Trends in the Residential Segregation of Blacks, Hispanics, and Asians: 1970 and 1980," *American Sociological Review* 52 (1987): 815-16; cited in Massey and Denton, *American Apartheid*.

Massey and Denton also found that average black isolation in U.S. metropolitan areas was ten times higher than for Asians, and while Hispanics were more segregated than Asians, blacks were still 2.5 times more isolated than Hispanics.[52]

Moreover, the level of black isolation has dropped slightly since 1970, but still remains higher than the highest level ever reached by any other group. Using another measure of segregation(the Taeuber index), Massey and Denton show that the average index of black segregation in 1970 in northern metropolitan areas was 84.5 and in southern areas, 75.3. In 1990, this segregation index measured blacks at 77.8 in the north and 66.5 in the south.[53] In the Washington region, the Taeuber index for blacks was 81.1 in 1970 and 66.1 in 1990.[54]

Discriminatory housing practices are a significant contributing factor to racial segregation in metropolitan regions. In his book *Closed Doors, Opportunities Lost,* John Yinger analyzed discrimination against blacks and Hispanics in the housing market. In studies as recent as 1991 and 1993, he found that discrimination takes place at every point of the home-buying (or renting) process, from the time a black or Hispanic calls a real estate agent to the time he is denied a mortgage. Examples of housing market discrimination include: a real estate agent indicating that an advertised unit is sold, when it is not; an agent showing only the advertised unit and no others; a lender denying a mortgage to a minority person when he would give the same mortgage to a white person; or an agent *steering* his customers – be they whites, minorities, rich or poor – to neighborhoods dominated by their race.[55] All told, Yinger calculates that a black person has a 60 percent chance of being discriminated against when he seeks to buy a home and visits one real estate agent; this increases to 90 percent when he visits three agents.

C. Fiscal Stress and High Development Costs on the Region's Fringe

Not only does regional polarization negatively impact neighborhoods of the central city, older suburbs, and satellite cities of a region and the people who live there, but it also creates serious problems on the region's fringe—both for the communities that are developing there and for the natural environment.

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[52] Massey and Denton. "Trends in the Residential Segregation."

U.S. metropolitan areas refers here to the 50 largest Standard Metropolitan Statistical Areas.

[53] Douglas S. Massey and Nancy A. Denton, "Trends in the Residential Segregation of Blacks, Hispanics, and Asians: 1970 and 1980," *American Sociological Review* 52 (1987): 815-16; and Roderick J. Harrison and Daniel H. Weinberg, "Racial and Ethnic Segregation in 1990," presented at the annual meetings of the Population Association of America, April 20–May 2, 1992, Denver, CO; both cited in Massey and Denton, *American Apartheid*.

[54] Ibid. The Washington, D.C. region is defined by Massey and Denton as the Standard Metropolitan Statistical Area.

[55] John Yinger, *Closed Doors, Opportunities Lost: The Continuing Costs of Housing Discrimination* (New York: Russell Sage Foundation, 1995).

As social and economic decline moves outward from the region's core, tides of middle-class families—often young families with children—sweep into fringe communities where local governments compete for limited tax base to cover their growing infrastructure costs. Different types of land uses require different levels of public services (*e.g.*, schools, sewer and water treatment, roads, social services) and generate different levels of tax revenue for a city. Understandably, from a local government standpoint, those uses that generate the most tax revenue and cost the least in terms of public services, are the most desirable. Generally, non-residential uses are more profitable than residential uses with variable levels of return within each of these broad categories.[56] As the most profitable uses leave the compact confines of the central city, they become diluted in the vast expanse of the suburbs: there simply are not enough research office parks for every community to have one. Usually, only the wealthiest cities are able to attract the types of development that provide the most tax base and require the fewest city resources.[57] Other cities are left with miles of townhomes and strip malls that do not pay the cost of the schools, sewer lines, and other infrastructure the new residents require. Fast-growing Loudoun County knows this all too well. Officials there recently sought approval from the Virginia Legislature to allow them to transfer the cost of new infrastructure to developers.

It costs more to provide infrastructure—such as sewer service and adequate roads—to low density sprawling communities after the houses are built, than it does to provide such infrastructure to well planned, walkable neighborhoods before they are developed. Recent studies have found that public infrastructure costs for compact, planned development were 75 to 95 percent of the cost for unplanned, sprawl-type development.[58] Similarly, these studies found lower aggregate land costs under compact, planned development than under sprawl-type

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[56] Typically the least profitable use are mobile home parks and the most profitable are research office parks, with garden apartments, inexpensive single-family homes, 3-4 bedroom townhomes, expensive single-family homes, 2-3 bedroom townhomes, retail facilities, open space, garden condominiums, age-restricted housing, 1 bedroom/studio high-rise apartments, industrial development, and office parks in between (moving from least to most desirable). In a very simple analysis, the break even point for school districts is somewhere between 3-4 bedroom townhomes and expensive single-family homes and the break-even point for municipalities is about at open space.

From Robert W. Burchell, "Fiscal Impact Analysis: State of the Art and State of the Practice," in Susan G. Robinson, ed. *Financing Growth: Who Benefits? Who Pays? And How Much?* (Government Finance Officers Association, 1990).

[57] Burchell, et. al., *Costs of Sprawl Revisited*.

[58] James E. Frank, *The Costs of Alternative Development Patterns: A Review of the Literature* (1989); James E. Duncan, et. al, *The Search for Efficient Urban Growth Patterns* (1989); Robert W. Burchell, *Impact Assessment of the New Jersey Interim State Development and Redevelopment Plan* (1992); Robert W. Burchell, *Fiscal Impacts of Alternative Land Development Patterns in Michigan: The Costs of Current Development Versus Compact Growth* (1997); Robert W. Burchell, *South Carolina Infrastructure Study: Projection of Statewide Infrastructure Costs 1995-2015* (1997); Robert W. Burchell and David Listokin, *Land, Infrastructure, Housing Costs, and Fiscal Impacts Associated with Growth: The Literature on the Impacts of Traditional versus Managed Growth* (1995); cited in Burchell, et. al., *Costs of Sprawl Revisited*.

development.[59] This is because more people occupy less land under the former scenario than the latter.

Finally, development that utilizes existing capacity costs regions less over time than does new development. For example, in a study comparing potential costs that would be incurred and revenues that would be generated under low-density, sprawl-type development versus compact, planned development in the state of New Jersey, Robert Burchell found that directing population and job growth to already developed areas and using existing infrastructure, would save municipalities $112 million annually and school districts $286 million annually in maintenance costs and debt service.[60]

D. Environmental and Transportation Impacts

The vast supply of developmental infrastructure put into communities on the region's fringe—many of which are restrictively zoned, allowing little affordable housing—creates land-use patterns that are low density, economically inefficient, and environmentally harmful. Growing communities that face tremendous service and infrastructure needs (as described above) offer development incentives and zone in ways that allow them to capture the most tax base.[61] In so doing, they lock the region into low-density development patterns that needlessly destroy tens of thousands of acres of forest and farmland, destabilize environmentally sensitive areas, and greatly increase vehicle miles traveled and number of automobile trips made.

In *Costs of Sprawl Revisited,* Robert Burchell and colleagues synthesized approximately 500 studies that measured the costs of sprawl. They found broad agreement in the studies that sprawl development as opposed to compact development generates more miles of vehicle travel and more automobile trips (and fewer trips using other modes of transportation).[62] These transportation-related impacts are caused by lower levels of density and more segregated land uses. In communities developing on the region's fringe, the places where people live, work, play, go to school, and shop are spread over a much greater land area and are rarely integrated, essentially requiring travel by car and requiring many miles of such travel. Ultimately this can mean increased air and water pollution, noise, parking costs, and accident costs. When homes, shops, and workplaces are clustered together, as under higher-density, planned forms of

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[59] Burchell, *Impact Assessment of the New Jersey Interim State Development and Redevelopment Plan*; Burchell, *Fiscal Impacts of Alternative Land Development Patterns in Michigan*; Burchell, *South Carolina Infrastructure Study*; John D. Landis, "Imagining Land Use Futures: Applying the California Urban Futures Model", *Journal of the American Planning Association*, 61, 4 (Autumn): 438-457 (1995); cited in: Robert W. Burchell, et. al., *Costs of Sprawl Revisited*.

[60] Burchell, *Impact Assessment of the New Jersey Interim State Development and Redevelopment Plan*.

[61] D. Winsor, *Fiscal Zoning in Suburban Communities* (1979); B. Rolleston, "Determinants of Restrictive Suburban Zoning: An Empirical Analysis," *Journal of Urban Economics* 21 (1987): 1-21; M. Wasylenko, "Evidence of Fiscal Differentials and Intrametropolitan Firm Relocation," *Land Economics* 56 (1980): 339-56.

[62] Burchell, et. al., *Costs of Sprawl Revisited.*

development, fewer trips by automobile are necessary as some trips can be combined, and other modes of travel become more efficient and feasible, such as transit, walking, and bicycling.

Burchell also found broad agreement in the studies that more agricultural and fragile lands are lost under sprawl development than under compact, planned development. In essence, the studies found that this is because more of these types of lands are needed for low density development on the edges of metropolitan regions. When land just beyond the developed area of a region becomes highly sought after, those who own it experience tremendous pressure to sell. Because land on the edge of the region is so valuable—both to the seller and to the city once it is developed—and because development there often lacks coordinated planning, it is likely that sensitive areas such as wetlands, flood plains, and steeply sloped and unstable coastal areas will be developed. As an example of this, one study estimates that 110 million acres of wetlands have been lost in the U.S. since colonial times, or 55 percent of originally documented wetlands.[63] When these fragile lands are developed and later fail, the damage—to people, homes, and communities—is often devastating and the financial costs exorbitant.

Probably the most intensive effort to protect agricultural and fragile lands in the U.S. from development has been the establishment of over 1,300 land trusts, some dating to the 1950s. However, while these efforts have been well-intentioned, they have been extremely costly and terribly ineffective in changing the nature of U.S. development patterns. In order to purchase potentially developable land from land owners, these trusts secure large amounts of money from public and private sources. As the land trusts occupy philanthropic and community energy and commitment, much like community development has occupied the field of urban poverty, trend-shaping action that systemically affects regional social separation and sprawling land-use patterns—goals that are more controversial and difficult to accomplish but yield more effective, long-term results—are almost entirely ignored.

Despite intense investment in land trusts by government agencies and foundations, sprawl development continues to consume more land on the edge of metropolitan regions each year than all of these land trusts have saved in twenty years.[64] According to the American Farmland Trust, only about 36,000 acres of farmland are saved from development each year by the fourteen largest state land trusts.[65] The Trust for Public Land, one of the largest land trusts in the nation, has protected nearly 40,000 acres of land per year since 1976 (both farmland and environmentally sensitive lands).[66] These numbers, while large, are not nearly enough to make up for the millions of acres of agricultural and fragile lands lost each year that could have been protected by legislation like the Oregon Land Use Act or potentially by Maryland's Smart Growth Law.

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63 Thomas E. Dahl, *Wetlands Losses in the United States: 1780s - 1980s* (1990).

64 Henry R. Richmond, "Program Design: The American Land Institute". a report to the Steering Committee, American Land Institute, August 29, 1997.

65 Trust for Public Land newsletter, September 22, 1996.

66 Richmond, "A Land Use Policy Agenda for 21st Century America".

III. Demographic Findings

In 1990 the total population of the Washington region was 3,810,966. By 1996 the total population of this area had increased by 6 percent to 4,043,522.[67] However, population growth during this period was not uniform across the region. Between 1990 and 1996, each of the counties of the region increased in population, while the District decreased by 11.1 percent. Arlington and Prince George's Counties and Alexandria increased the least—by 2.8, 5.4, and 4.1 percent respectively, while the outer counties boomed. Charles County increased in population by 14.6 percent, Prince William by 18.2 percent, Frederick by 20.3 percent, and Loudoun by an incredible 44.4 percent. Recent Census Bureau estimates rank Loudoun County as the third fastest growing county in the nation, with an 8.2 percent increase between 1997 and 1998 alone. In this section, social, economic, and urbanization trends in the Washington region are examined to determine whether regional polarization and sprawl are occurring. For the most part, data in this section are presented on color-coded maps where the value for the entire region is at the break between the orange and blue categories.[68] Orange and red jurisdictions are below average for the region and blue jurisdictions are above average. The patterns revealed through comparing these maps will help to identify local governments with common needs and resources in the Washington region. The first few maps depict social and economic trends in the region between the 1980 and 1990 census periods. Later in the report more recent trends are presented.

A. Poverty

Within the District of Columbia there is a subset of distressed census tracts with more than 40 percent of its population below the federal poverty line.[69] According to sociologists, such neighborhoods are extreme poverty tracts or ghettos.[70] Surrounding these severely distressed

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[67] George Grier, "Washington Area Growth and Change in the 1990s", Greater Washington Research Center, "Washington Area Trends", November 1998. Unlike MARC's analysis, GWRC's definition of the Washington region includes Stafford and Calvert Counties. Therefore, the values for these two counties are subtracted here from GWRC's data.

[68] The maps presented in this section were created using geographic information system (GIS) software. This software attaches data stored in a separate database to a geographic base map. The data source for each map is noted on the map. The break points for the data were determined using a method of natural breaks. With this method the data are split at places where a gap in the data naturally occurs. This method helps to insure that the places in a particular color category have values that are closer to each other than they are to the values for places in other categories.

[69] In 1990 the poverty line for a single mother with a child was $8,420; for a family of three it was $10,560; for a family of four, $12,700. (Federal Register 1990, vol. 55, no. 33: 5665). While it could be argued that the Federal poverty line is a rather conservative measure of poverty, it is used here for reasons of data availability and to be able to compare poverty levels in this region to other metropolitan areas of the U.S. Another measure of poverty is student eligibility for the federal Free and Reduced-cost Meal program—130% of the Federal poverty line for free lunches and 185% of the poverty line for reduced cost lunches. This measure will be used later in this study.

[70] Paul A. Jargowsky and Mary Jo Bane, "Ghetto Poverty in the United States, 1970 to 1980," in Jencks and Peterson, *The Urban Underclass*, 235-273; John D. Kasarda, "Inner-City Concentrated Poverty and Neighborhood Distress: 1970 to 1990," *Housing Policy Debate* 4, no. 3: 253-302.

neighborhoods are transitional neighborhoods with 20 to 40 percent of their population in poverty.[71] Between 1980 and 1990, the total number of extreme poverty tracts in the Washington region remained stable and the number of transitional tracts decreased. In 1980, there were a total of ten extreme poverty tracts in the region—tracts in which 40 percent or more of the residents lived in poverty (Figure 2).[72] All but one (in College Park in northern Prince George's County) were located in the District.[73] Yet poverty is not just a concern of the central city. An additional eighty-two tracts in the region were transitional tracts in 1980—having between 20 and 40 percent of their population in poverty. Eighteen of these tracts were located outside of the District—some within the Capital Beltway (such as in Dodge Park in Prince George's County, in Jefferson in Fairfax County, and in Alexandria) and some in outlying parts of the region (such as in Loudoun County's Ashburn area and in the city of Frederick).

Poverty Tracts, 1980

	District of Columbia	Suburbs	Total Region
Extreme (40%+)	**9**	**1**	**10**
Transitional (20-40%)	**64**	**18**	**82**

While extreme poverty tracts remained stable throughout the region in the 1980's, by 1990 there were seventeen fewer transitional poverty tracts in the region than there were in 1980—for a total of sixty-five. While many of these tracts were still located in the central city, ten remained in the suburbs, such as in College Park, Alexandria, and Frederick (Figure 3).[74]

Poverty Tracts, 1990

	District of Columbia	Suburbs	Total Region
Extreme (40%+)	**10**	**0**	**10**
Transitional (20-40%)	**55**	**10**	**65**

Despite the region-wide decrease in total number of poverty tracts between 1980 and 1990 (by 18.5 percent), poverty became more concentrated in the central city: the suburbs decreased in number of poverty tracts at a greater rate than the District. Between 1980 and 1990

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[71] Ibid.

[72] *Census of Population and Housing, 1980: Summary Tape File 3A*, [machine-readable data files] / prepared by the Bureau of the Census. –Washington: The Bureau [producer and distributor], 1981. For reasons of data availability, maps 1-12, 18, and 25 (fourteen maps) in this report are based on 1980 and 1990 census data. The remaining twenty maps are based on more recent data and projections.

[73] The poverty area in College Park is likely due to the large student population there (University of Maryland), as is the poverty area around Georgetown University and American University in the northwestern part of the District. Because upwardly mobile students often rely on grants and loans to support themselves, they cannot be considered in the same light as other poor adults in the general population.

[74] *Census of Population and Housing, 1990: Summary Tape File 3A*, CD ROM/ prepared by the Bureau of the Census. –Washington: The Bureau [producer and distributor], 1991.

Washington-area suburbs and satellite cities saw a decrease in number of poverty tracts of 47.3 percent (from 19 to 10 total poverty tracts), while the District decreased in this figure by only 11 percent (from 73 to 65 total poverty tracts).

Change in Poverty Tracts, 1980-1990

	District of Columbia	Suburbs	Total Region
Total 1980 Tracts	**73**	**19**	**92**
Total 1990 Tracts	**65**	**10**	**75**
% Change	**-11**	**-47.4**	**-18.5**

In terms of number of persons living in poverty, recent research by the Greater Washington Research Center (GWRC) found that the estimated number of persons living in poverty in every county and independent city of the Washington region decreased between 1990 and 1996 except in suburban Charles County. However, the basic relationships among the communities of the region remained the same, with existing poverty strongly concentrated in the places with insufficient local resources.

B. Poor Children

In the next three sections, the data are first presented at the CDP level[75] and then at the tract level. The data are presented at both of these levels because they are both useful for different reasons: CDP's are designed to be more like municipalities than are tracts and are more readily identifiable by those who live there; tracts help to illustrate what is happening within large and diverse jurisdictions like the District and in the sparsely populated unincorporated areas where CDP's have not been designated.

During the 1980s, the federal poverty line did not keep up with inflation. By 1990, a single mother and her child were not considered poor unless they had an annual income of less than $8,420.[76] Most social scientists do not think this is a measure of poverty, but of desperate poverty.[77]

In 1990, 8.4 percent of the Washington region's children under five years old lived in poverty (Figure 4).[78] Many places south of the District along the Potomac River in Fairfax,

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[75] Census designated places (CDPs) are areas delineated by the U.S. Census Bureau to be the "statistical counterparts of incorporated places". For further information see note 5. In 1990, approximately 65 percent of the total population of the Washington metropolitan area lived in unincorporated areas (2,487,890 persons). Of that amount, 82 percent lived in unincorporated areas that were designated CDP's (2,051,333 persons), or 54 percent of the entire region. Thus, only 11.5 percent of the entire region lived in areas that were not incorporated or were not designated CDPs.

[76] Family of three: $10,560; family of four: $12,700. (Federal Register 1990, vol. 55, no. 33: 5665).

[77] Another measure of poverty is student eligibility for the Federal Free and Reduced-cost Meal program—130% of the Federal poverty line for free lunches and 185% of the poverty line for reduced cost lunches. This measure will be used later in this study.

[78] *Census of Population and Housing, 1990: Summary Tape File 3A.*

Prince George's, Charles, and Prince William Counties had high percentages of poor children, such as Alexandria (10.1 percent) and Fort Belvoir (18.8 percent). Eight places, primarily located in inner Prince George's County, had more than 20 percent of their children in poverty, including three with a greater percentage of poor children than the District which had 27 percent poor children. These included Dodge Park (31.4 percent) and Langley Park (23.1 percent). On the other hand, there were thirty-eight communities with no children under five in poverty. These included Kettering in Prince George's County, Montclair in southern Prince William County, and North Springfield in Fairfax County.

A look at the tract-level map shows the diversity within the unincorporated areas and within larger jurisdictions such as the District and Arlington County (Figure 5). This map shows that the District, for example, which overall has a childhood poverty rate of 27 percent, has a number of tracts with no preschool children in poverty. These are primarily located in the northwestern part of the city, while the majority of the high-poverty tracts are located in the southeastern part. The same is true in Arlington County. There were also a number of tracts with high levels of childhood poverty scattered all around the Beltway and along the I-270 corridor. This map also shows that in the sparsely populated unincorporated areas (where the Census Bureau had not designated CDPs) there were very few children in poverty. The few unincorporated areas with high levels of childhood poverty were located in southwestern Charles County, eastern Prince William County, eastern Prince George's County, and northern Frederick County.

In terms of the change in the level of childhood poverty over the decade, Washington-area children as a whole grew somewhat less poor. The region went from 11.6 percent in 1980 to 8.4 percent poor preschool children in 1990, a 3.2 percentage point decrease (Figure 6).[79] During this period, the rate of childhood poverty in the District decreased by 2.2 percentage points.

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[79] *Census of Population and Housing, 1980: Summary Tape File 3A* and *Census of Population and Housing, 1990: Summary Tape File 3A.*

Despite the region-wide decreases in childhood poverty, there were fifty-four communities in which childhood poverty increased during this period, including eleven with increases of more than 5 percentage points. Again, many of the largest increases were in inner Prince George's communities—such as Walker Mill, which went from 12.4 to 21.6 percent (9.2 percentage points), Bladensburg, which went from 9.0 to 22.3 percent (13.3 percentage points), and Adelphi, which went from 6.0 to 11.6 percent (5.6 percentage points). In contrast, there were some significant decreases in childhood poverty in the outer parts of the region, such as in Chantilly (-10.3 percent—from 11.0 to 0.7 percent) and Leesburg (-12.9 percentage points—from 19.5 to 3.8 percent).

At the tract level, again there was much diversity within the District and Arlington County (Figure 7). In general, there were a number of tracts within the Beltway that showed decreases in childhood poverty during the 1980's and many outside the Beltway but within the urbanized area that increased slightly. Almost all of the tracts outside of the urbanized area, in Frederick, Loudoun, Prince William, and Prince George's Counties, decreased in this figure.

C. Female-Headed Households

Percent female-headed households is used here as a measure of a city's social and economic stress because it measures a portion of the population that may not necessarily have poverty-level incomes, but nevertheless generally do have very low incomes and have additional challenges and needs that two-parent families often do not have. Children in homes with one parent have only one adult to care for them and to bear the emotional and interpersonal responsibilities of raising children—a daunting enough task for two people. Further, single-parent households are simply much poorer than two-parent households and hence pay less taxes and are likely to require more services in terms of local school and social welfare expenditures. The Statistical Abstract of the United States shows that in 1995 the median household income for a married couple with children under 18 was $47,129, for a single father it was $33,534, and for a single mother it was only $21,348.[80] Thus, half of all households headed by single mothers in the U.S. in 1995 made less than $21,348 per year. Further, while nearly 75 percent of single mothers with children had household incomes below $35,000, only 34 percent of married families with children did.

In the Washington region, single mothers headed 18.9 percent of all households with children in 1990 (Figure 8).[81] Other than in the District—where 47 percent of all households with children were headed by single mothers—there were eighteen places with more than a third of their households with children headed by single mothers. These were almost exclusively located within the Beltway in Prince George's County and included Oxon Hill-Glassmanor (38.3 percent) and Suitland-Silver Hill (44.3 percent). Two communities actually had higher percentages of female-headed households than the District: Dodge Park (51.8 percent) and Palmer Park (54.9 percent). On the other hand, there were eleven communities with 5 percent or

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[80] U.S. Bureau of the Census, *Statistical Abstract of the United States: 1997* (117th edition.) Washington, DC, 1997.

[81] *Census of Population and Housing, 1990: Summary Tape File 3A.*

fewer female-headed households. These places were primarily located well outside the Beltway and included Wolf Trap (3.6 percent) and Green Valley (2.4 percent).

The tract-level map shows that most of the tracts in the District had more than 18.9 percent female-headed households in 1990 and many had more than 36 percent (Figure 9). Only a few tracts in the northwestern part of the city had fewer than 18 percent. As with the map of children in poverty in 1990, there were a number of tracts with high percentages of female-headed households along the major interstate highways in Montgomery, Fairfax, and Prince William Counties. Most of the tracts in the unincorporated parts of the region had very few households headed by single mothers.

Over the decade, the percentage of female-headed households in the Washington region remained stable, decreasing by only 0.3 percentage points (Figure 10).[82] During this period, however, the District increased in percentage female-headed households by 2.9 percentage points (from 44.1 to 47.0 percent) and twelve places located outside the District increased in female-headed households by 10 percentage points or more. Again, the majority of these were inner Prince George's County communities. They included Oxon Hill-Glassmanor, which went from 26.3 to 38.3 percent (12.0 percentage points); Kentland, which went from 24.8 to 38.1 percent (13.3 percentage points); and Palmer Park, which went from 32.7 to 54.9 percent (22.2 percentage points). On the other hand, eleven places in the region decreased in this figure by more than 7 percentage points, including Bailey's Crossroads, which went from 25.3 to 17.7 percent (-7.6 percentage points) and Falls Church, which went from 19.3 to 11.9 percent (-7.4 percentage points). There were noticeable decreases inside the Beltway to the west and north of the District and in much of Fairfax County.

At the tract level there were large increases in female-headed households in the southeastern part of the District between 1980 and 1990 (Figure 11). Most of the tracts in the District that decreased during this period were in the northwestern part. There were also large tracts in the unincorporated parts of the region with small increases in female-headed households over the decade. Large unincorporated areas in Loudoun, Prince William and Prince George's Counties, on the other hand, decreased.

D. Median Household Income

In 1989 the estimated regional median household income for the Washington-area was $47,071 (Figure 12).[83] The District's median household income in 1989 was $30,727, or about 65 percent of the regional value. Ten places outside of the District had lower median household incomes than the central city. Most of the region's lowest median household incomes were in inner Prince George's County but also included places along I-95 in eastern Fairfax and Prince William Counties. Places with low median household incomes in 1990 included Dodge Park ($23,630), Quantico ($19,908), and Fort Belvoir ($29,237). On the other hand, there were nine

[82] *Census of Population and Housing, 1980: Summary Tape File 3A* and *Census of Population and Housing, 1990: Summary Tape File 3A.*

[83] *Census of Population and Housing, 1990: Summary Tape File 3A.*

communities with median household incomes above $90,000, including three above $100,000. All but one were located northwest of the District in Montgomery and Fairfax Counties. The highest income places were Wolf Trap ($97,846), Potomac ($99,371), Somerset ($101,323), Great Falls ($102,780), and Chevy Chase Village ($128,160).

The tract-level map shows very low median household incomes in most of the District in 1990, with the poorest households being in the central and southeastern section (Figure 13). Only a few tracts on the northwestern edge of the city had median household incomes above $59,345. Arlington County, on the other hand, had a more even split between tracts with median household incomes below the regional value and tracts above the regional value. Most of the unincorporated parts of all of the region, except southern Loudoun, southeastern Prince William, western Charles, southern Prince George's Counties, and most of Frederick County, had median household incomes above the regional value. Unincorporated Fairfax and Montgomery Counties had especially high incomes.

Between 1979 and 1989, the regional median household income, adjusted for inflation, increased by an estimated 16.6 percent (Figure 14).[84] The District's median household income increased by an estimated 10.5 percent (from $27,811 to $30,727). Despite this general increase in median household income, nineteen places decreased in this figure during this period. These included a few affluent communities like Countryside (which decreased by 3.3 percent—from $61,372 to $59,345), but were mostly places that were already quite poor in 1979, such as College Park, which went from $41,381 in 1979 to $39,250 in 1989 (-5.1 percent); White Oak, which went from $47,462 to $44,144 (-7.0 percent); and Dodge Park, which went from $26,018 to $23,630 (-9.2 percent). In contrast, six communities increased in median household by more than 50 percent, most of these had high incomes at the start of the decade, including Chevy Chase, which went from $62,974 to $95,009 (50.9 percent) and Clifton, which went from $50,707 to $91,437 (80.3 percent).

The tract-level map shows that many of the tracts in the District decreased in median household income over the decade, except for a few in the northwestern part of the city (Figure 15). Almost all of the tracts in Arlington County increased. Most of the unincorporated areas of the region saw large increases in median household incomes over the decade, especially on the western edge of the region, but there were some increases in southern Prince George's County and in Charles County.

E. Schools

Schools are the first victim and the most powerful perpetuator of metropolitan polarization. Local schools become socioeconomically distressed before neighborhoods themselves become poor. Hence, increasing poverty among a community's schoolchildren is a prophecy for the community. First, the community's children often become its adults. Second, middle-class families, who form the bedrock of stable communities, will not tolerate high concentrations of poverty in their schools, and frequently depart in search of better educational opportunities for their children.

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[84] *Census of Population and Housing, 1980: Summary Tape File 3A* and *Census of Population and Housing, 1990: Summary Tape File 3A.*

The results can be clearly seen in and around places where there is dramatic flight from the schools. The central city and the declining inner communities of the Washington region struggle under a disproportionate share of concentrated poverty and segregation. These schools, developing without sufficient property tax base, face increasing social and academic challenges, often with the lowest per-pupil spending in the region. On the other hand, affluent suburban systems enjoy insulated, stable prosperity financed by local business growth.[85]

Just as concentrated poverty in schools destabilizes communities, it has a very negative effect on individual access and achievement. Schools are not just instruction and textbooks, but, like neighborhoods, represent a series of reinforcing social networks that contribute to success or failure.[86] Fast-track, well-funded schools with a high percentage of students from stable middle- and upper-class families are streams moving in the direction of success, with currents that value hard work, goal setting, and academic achievement.[87] Monolithically poor schools in central city or inner-county neighborhoods with a large number of students in poverty are streams moving toward failure, with currents that reinforce anti-social behavior, drifting, teenage pregnancy, and dropping out.[88]

1. Students Eligible for Free and Reduced-Cost Meals

Most social scientists use free and reduced-cost meals statistics to measure children in poverty. They believe that it is more realistic than federal poverty standards. Children are eligible for reduced-cost meals at school if their families' income level is not above 185 percent of the federal poverty level, and they are eligible for free meals if their income is not above 130 percent of the poverty level.

At the school district level, the percentage of all students eligible for the free and reduced-cost meals program in 1997 was 30.9 percent (Figure 16).[89] This figure ranged from

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[85] This section looks at social indicators for the school districts of the Washington region. Later in this report, in the Fiscal Disparities section, disparities in per pupil spending across the region will be examined.

[86] Jomills Braddock II and James McPartland, "The Social and Academic Consequence of School Desegregation," *Equity & Choice* (February 1988): 5; see also Gary Orfield and Carole Ashkinaze, *The Closing Door: Conservative Policy and Black Opportunity* (Chicago: University of Chicago Press, 1991), 131; James Rosenbaum, Marilyn Kulieke, and Leonard Rubinowitz, "Low-Income Black Children in White Suburban Schools: A Study of School and Student Responses," *Journal of Negro Education* 56, no. 1 (1987): 35; Rosenbaum, Kulieke, and Rubinowitz, "White Suburban Schools."

[87] Ibid.

[88] Ibid.; Susan E. Mayer, "How Much Does a High School's Racial and Socioeconomic Mix Affect Graduation and Teenage Fertility Rates?" 321-41 in Peterson, *The Urban Underclass*; Jonathon Kozol, *Savage Inequalities: Children in America's Schools* (New York: Harper Perennial, 1991); Robert Crain and Rita Mahard, "School Racial Composition and Black College Attendance and Achievement Test Performance," *Sociology of Education* 51 no. 2, (1978): 81-101; Peter Scheirer, "Poverty, Not Bureaucracy: Poverty, Segregation, and Inequality in Metropolitan Chicago Schools," (Metropolitan Opportunity Project, University of Chicago, 1989).

[89] School district-level free and reduced-cost meal data and total enrollment figures were provided by the District of Columbia Public Schools; the Virginia Department of Education; and the School Districts of Charles, Frederick, Montgomery, and Prince George's Counties.

73.4 percent in the District of Columbia School District to 40.8 percent in the Prince George's District to only 9.7 percent in the Loudoun District. The Arlington District also had a high percentage of eligible students (42.7 percent), while the Falls Church District had only 10.5 percent eligible students.

A look at the region's individual elementary schools gives greater definition to the disparity within the large school districts and clearly illustrates the growing number of poor children in many inner-county schools. In 1996, seventy-five of the region's elementary schools had more than 75.2 percent of their students eligible for the free and reduced-cost meal program (Figure 17).[90] While it might be expected that many of these were located in the District of Columbia, three were located in suburban school districts: one in the Prince George's District (75.2 percent eligible), one in the Arlington District (76.5 percent), and one in the Montgomery District (80.4 percent). Further, of the fifty-three schools with between 54.2 and 73.5 percent eligible students, thirty-eight were located in suburban school districts, primarily in the Prince George's District (19 schools). The other suburban schools in this range were in the Alexandria District (6 schools), the Fairfax District (4 schools), the Montgomery District (4 schools), the Arlington District (3 schools), and the Prince William and Charles Districts (1 school each). The largest concentration of poor students in this category was in suburban neighborhoods inside the Beltway. But, when one looks at the group of schools with 30.8 to 53.0 percent poor students, one finds many elementary schools in other parts of the region, including thirteen in the Fairfax County District and twenty-two in the Montgomery County District; there were still many schools in this category in the Prince George's District (57 schools) as well.

2. Non-Asian Minority Students

As poverty concentrates, so does the segregation of students in the region's schools. In 1997, the Washington region as a whole had 48.9 percent non-Asian minority elementary students in its schools (Figure 18).[91] This figure ranged from 94.3 percent in the District of Columbia to 10.6 percent in the Frederick District. Again, other than the central city, two districts had rather high percentages of non-Asian minorities: Alexandria (70.9 percent) and Prince George's (81.4 percent). Districts with very few minority students included Falls Church (12.6 percent) and Frederick (10.6 percent).

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[90] Elementary school-level free and reduced-cost meal data were obtained from the National Center for Education Statistics, Common Core of Data, 1996.

[91] School district-level minority student data and total enrollment figures were provided by the District of Columbia Public Schools, the Maryland Department of Education, and the Virginia Department of Education.

MARC examines only the segregation of non-Asian minority students because national studies show that Blacks and Hispanics, in particular, experience much higher and more persistent levels of racial segregation both in terms of housing and schools than other racial groups, such as Asians (see Section II of this report). While it is conceivable that some members of the Asian community, particularly more recently immigrated Southeast Asians, experience high levels of segregation, MARC was unable to locate literature on Asian segregation and housing market discrimination equivalent to the powerful evidence of such patterns in terms of Blacks and Hispanics.

At the elementary school level, one hundred and twenty-eight schools had more than 94 percent non-Asian minority students in 1996 (Figure 19).[92] Thirty-four of these were in suburban districts: thirty-three in Prince George's District and one in the Frederick County District. Fourteen Prince George's schools had at least 98 percent non-Asian minority students. Of the eighty-nine schools with between 70.1 and 93.2 percent non-Asian minority students, eighty-one were located in suburban school districts. Again, most were located in Prince George's neighborhoods inside the Beltway, but a number were also located in communities in the Arlington, Alexandria, and Montgomery County districts.

As a whole, the percentage of non-Asian minority elementary students in the region increased by 3.5 percentage points between 1993 and 1997 (Figure 20). The District of Columbia increased the least in non-Asian minority students during this period—by 0.2 percentage points — remaining essentially stable at 94 percent. The highest increases occurred in Prince William and Prince George's Counties. The Prince William District went from 24.1 to 31.4 percent non-Asian minority children (7.3 percentage points) and Prince George's went from 75.0 to 81.4 percent (6.4 percentage points). On the other hand, aside from the District of Columbia, districts located in affluent areas that had very few minority students to begin with in 1993—such as the Frederick and Loudoun Districts—remained about the same. Frederick increased by 1.2 percent non-Asian minority students, and Loudoun increased by 0.5 percentage points.

A look at the region's elementary schools shows that a number of individual suburban schools increased considerably in their percentage of non-Asian minority elementary students.[93] Between 1989 and 1996 in the Maryland portion of the region,[94] thirty-three schools increased in non-Asian minority students by at least 20.4 percentage points (Figure 21). One of these schools was located in the Charles County District, twelve in the Montgomery County District, and twenty in the Prince George's District. Forty-five elementary schools increased by 14.1 to 19.6 percentage points, again mostly in the Montgomery County (14 schools) and the Prince George's County districts (22 schools).

In the Virginia portion of the region, twenty schools increased by at least 9.8 percentage points between 1993 and 1996 (Figure 22). These schools were primarily in the Fairfax and Arlington County districts. Two of these schools, both in Fairfax, gained over 30 percentage points in non-Asian minority students. However, in the same district, one school deceased by 23.8 percentage points – the largest decrease in either Virginia, Maryland, or Washington, D.C.

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[92] Elementary school-level minority student data were obtained from the National Center for Education Statistics, Common Core of Data, 1996.

[93] Elementary school-level minority data were obtained from the National Center for Education Statistics, Common Core of Data (Maryland and Virginia 1996 data); the Virginia Department of Education (1993 data); and the District of Columbia Schools (1993 and 1997 data).

[94] Because historical minority student data was not available for the same years in each state, the Maryland, Virginia, and Washington, D.C. portions of the region were mapped separately. The Maryland data looks at change between 1989 and 1996, the Virginia data looks at change between 1993 and 1996, and the Washington, D.C. data looks at change between 1993 and 1997.

Finally, in the District of Columbia, non-Asian minority enrollment remained about the same in most elementary schools between 1993 and 1997: twenty-three schools lost between 1.1 and 0.2 percentage points, thirty-five schools experienced no change at all, and twenty-two gained between 0.2 and 1.0 percentage points (Figure 23). In addition, four elementary schools increased between 6.9 and 16.6 percentage points—primarily in the northwest section of the city—while twelve schools in the center of the city decreased by at least 4.2 percentage points.

3. The Flight of White Preschool Children

A simple and accurate method to track white, school-related flight is to calculate the net loss of white preschool children between census periods.[95] Because of the high correlation between being white and middle class, it is also a reasonably good surrogate for middle-class family flight.

During the 1980's, the Washington region saw a small increase in percent white children—5.6 percent (Figure 24).[96] During this period, the District decreased in white children at a rate of 19.9 percent (from 4,644 white children ages 0 to 4 in 1980 to 3,722 white children ages 10 to 14 in 1990). While the central city lost a very large percentage of its 1980 white children, thirty-four places outside of the city—mostly located in Prince George's County—lost more than half of their white children. Nine of these lost 75 percent or more of their white children, including Temple Hills, which lost 76.9 percent (from 403 in 1980 to 93 in 1990); Largo, which lost 78.7 percent (from 225 to 48); and Suitland-Silver Hill, which lost 86.7 percent (from 796 to 106).

To where did all of these white children and their families move? It appears many moved to the growing, affluent communities located predominately in Montgomery and Fairfax Counties. While the District and many of the communities to the east of the city decreased considerably in white children during this period, thirty-nine places gained 50 percent or more white children from 1980 to 1990 and eleven of these at least doubled their number of white children during this period. For example, Newington, in Fairfax County, went from 534 white preschool children in 1980 to 1,102 white children ages 10 to 14 in 1990 (a 106.4 percent increase); Olney, in Montgomery County, went from 803 white children between ages 0 and 4 in 1980 to 1,668 white children between 10 and 14 in 1990 (107.7 percent); and Wolf Trap, in Fairfax, went from 509 to 1,062 white children (108.6 percent).

Recent estimates of number of white children in the cities and counties of the Washington region are not available, but 1996 estimates of total number of whites (children and adults) in each jurisdiction show that while the region as a whole increased negligibly in number of white persons (by 0.1 percent), many fast-growing outer counties experienced dramatic

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[95] This method does not, however, take into consideration changes in white children due to annexation or other municipal border changes.

[96] *Census of Population and Housing, 1980: Summary Tape File 3A* and *Census of Population and Housing, 1990: Summary Tape File 3A.*

increases.[97] Loudoun County increased the most—by an amazing 39.3 percent, with Frederick and Prince William Counties also rather high, 17.9 and 12.9 percent increases respectively. Charles County was next at 8.8 percent. On the other hand, Fairfax and Montgomery Counties increased very little, by 1 percent and 0.1 percent respectively, and Prince George's County, Alexandria, Arlington County, and the District all lost white families. Prince George's decreased the most in white population—by 24.1 percent—Alexandria by 10.5 percent, Arlington County by 2.5 percent, and the District by 3.2 percent.

It is important to note that not all of the growth that occurred in these communities during this period was due to people leaving the central city and the inner communities to the east. Growth in developing places is due to a combination of people relocating from other parts of the region (including from the District and inner Prince George's County); people migrating from outside of the region (from other parts of Maryland and Virginia, from other states, or from other countries); and resident children growing up and buying their first homes in the community rather than moving to another part of the region or out of the region altogether. However, where people come from when they move to the developing communities is not as important as the fact that they *are* moving there—in large numbers—and they are *not* moving to the region's core. Likewise, not all of those who leave the central city and inner communities move to the affluent communities of Fairfax, Montgomery, and Loudoun Counties. Again, to where those families move when they leave the region's core is not as important as the fact that they are leaving the core at all.

F. Crime

In 1996, the overall Part I crime rate for the six-county region was 5,663.0 crimes per 100,000 persons (Figure 25).[98] There were 729.1 violent crimes per 100,000 persons in the region in 1996. The crime rate in the District in that year was 11,889.0 Part I crimes and 2,469.8 violent crimes per 100,000 residents. Of the region's 69 police jurisdictions that reported crime data in every month of that year, five other police jurisdictions reported Part I crime rates per 100,000 persons above 10,000 (two of which reported higher rates than the District) and two jurisdictions reported violent crime rates per 100,000 above 1,000 (one of which was higher than the District). These included Fairmount Heights, which had a Part I rate of 12,701.0 per 100,000 and a violent crime rate of 2,010.1 per 100,000 persons; Bladensburg, which had a Part I crime rate of 12,701 and a violent crime rate of 2,010.1; and Edmonston, which had a Part I rate of 11,032.9 per 100,000 persons and a violent crime rate of 1,252.0. The jurisdictions with the highest crime rates were all located in Prince George's County, except for the affluent

[97] George Grier, "Washington Area Growth and Change in the 1990s", Greater Washington Research Center, "Washington Area Trends", November 1998. Unlike MARC's analysis, GWRC's definition of the Washington region includes Stafford and Calvert Counties. Therefore, the values for these two counties have been subtracted here.

[98] 1996 crime data for the region are from the Federal Bureau of Investigation, *Crime in the United States,* 1996; the Maryland State Police, Uniform Crime Reporting Sections, *Crime in Maryland,* 1996; and the Virginia Department of State Police, Uniform Crime Reporting Program, *Crime in Virginia,* 1996. Part I crimes as defined by the FBI include murder, rape, robbery, aggravated assault, burglary, larceny, automobile theft, and arson. The violent crimes category is a subset of Part I crime and consists of murder, rape, robbery, and aggravated assault.

Montgomery County community of Chevy Chase Village, which had a Part I rate of 11,069.7 per 100,000 persons.

At the other end of the spectrum, there were seven jurisdictions that reported Part I crime rates of less than 700 per 100,000 persons. These included Poolesville (105.4 per 100,000) and Chevy Chase (74.8 per 100,000). Both of these communities reported no violent crimes in that year.

Within the District, Part I and violent crime rates in 1997 were highest in tracts located in the central part of the city (Figure 26).[99] The average Part I crime rate for the five highest crime, central-District tracts was 448,618 per 100,000 persons and the average violent rate was 49,066 per 100,000 persons. However, the lowest-crime tracts in the District, primarily located in the northwestern part of the city, had lower Part I rates than over half the suburban jurisdictions of the region. Indeed, three of these tracts (between 187.6 and 642.7 Part I crimes per 100,000 persons) had lower rates than all but six suburban and satellite-city jurisdictions, including Vienna (2,521.2 Part I crimes per 100,000 persons), unincorporated Loudoun County (2,521.2 Part I crimes per 100,000 persons), unincorporated Frederick County (1,754.4 Part I crimes per 100,000 persons), and Walkersville (1,616.4 Part I crimes per 100,000 persons).

Between 1986 and 1996, the overall Part I crime rate in the Washington region increased by 6.0 percent (Figure 27).[100] During this period, the District saw an increase in its Part I crime rate of 42.7 percent (from 8,332.1 to 11,889.0 per 100,000). Fourteen suburban jurisdictions saw their Part I rate increase faster than the central city's rate and eight of these more than doubled their Part I rate. The jurisdictions that increased the most were primarily outlying, satellite cities, such as Emmitsburg and Mount Airy.[101] Emmitsburg went from 625.0 to 2,163.0 per 100,000 persons (246.1 percent) and Mount Airy went from 566.7 to 3,994.6 per 100,000, an astounding 604.9 percent. Other jurisdictions that experienced large percentage increases were Thurmont (130.2 percent—from 2,032.3 to 4,679.2 per 100,000) and Chevy Chase Village (281.7 percent—from 2,900.0 to 11,069.7 per 100,000 persons). Jurisdictions that decreased the most were affluent places like Somerset (-86.2percent—from 1,454.5 to 201.4 per 100,000), Kensington (-93.6 percent—from 7,944.4 to 642.1 per 100,000 persons), and Poolesville (-94.4 percent—from 1,882.4 to 105.4 per 100,000 persons).

Between 1993 and 1997, the District as a whole experienced a substantial decrease in crime (Figure 28). During this period, Part I crime rates decreased in 144 of the 175 central-city census tracts (in 82 percent of the city) and violent crime rates decreased in 154 tracts (88

[99] Washington, D.C. crime data from the Washington, D.C. Metropolitan Police (1993 and 1997 crime data); the District of Columbia Office of Planning; and the 1990 U.S. Census of Population and Housing Summary Tape File 3A (1997 and 1993 population estimates).

[100] 1986 crime data for the region are from the Federal Bureau of Investigation, *Crime in the United States*, 1986; the Maryland State Police, Uniform Crime Reporting Sections, *Crime in Maryland*, 1986; and the Virginia Department of State Police, Uniform Crime Reporting Program, *Crime in Virginia*, 1986.

[101] For map layout reasons, the cities of Emmitsburg and Thurmont, located in northern Frederick County, are not included on the maps in this report. The data for these cities, however, were included when calculating the regional values on the maps.

percent of the city). Moreover, 83 tracts—almost half the city—saw a Part I crime rate decrease during this four year period that was greater than the crime rate decrease experienced in all but fifteen suburban jurisdictions in the ten-year period between 1986 and 1996 (between –86.5 and –20.1 percent). Suburban places where Part I crimes decreased slower than much of the central city included New Carrolton (-17.1 percent) and unincorporated parts of Fairfax County (-18.4 percent). Similarly, 92 tracts—over half the census tracts in Washington, D.C.—saw violent crime decrease faster than all but sixteen suburban jurisdictions during this same period (between 100.0 and 30.1 percent). Suburbs where violent crime decreased slower than most of the District included District Heights (-26.8 percent) and Gaithersburg (-27.8 percent).

G. Infrastructure

Scholars and commentators say regional governance is impossible in the United States. But in terms of transportation spending, regionalism has been going on for at least twenty years. Money for highways comes from federal, state, and local sources. Today these highway projects are some of the largest governmental public works programs in the nation. The billions of dollars that build and maintain regional highway systems belong indivisibly to every citizen in the region—as much to the resident of Anacostia or Prince George's inner suburban neighborhoods as to the resident of fast-growing Fairfax and Loudoun counties in Virginia. It is money that could be spent on enhancing the core communities of the region or on expanding its boundaries. It is money that could rebuild the infrastructure in inner Prince George's County or inner Fairfax County or help urbanize new areas of farmland in Virginia. The Metropolitan Planning Organization (MPO) gets to decide.

In the Washington region investment in transit has been admirably large. In 1998 the Washington Metropolitan Area Transit Authority (WMATA) spent $628 million to operate the region's Metrorail and Metrobus systems, an increase of 6 percent since 1993.[102] Transit infrastructure improvements during this period included the extension of the Blue Line to Franconia-Springfield in Fairfax County, the extension of the Yellow Line to Mt. Vernon Square-UDC in Fairfax County, and the opening of the Green Line to U Street and Anacostia in the District, and to Greenbelt in Prince George's County. Despite this very large investment in transit, there is still an enormous sum of money spent on highway infrastructure that will serve to dramatically increase the land area of the region. In MARC studies throughout the nation, the largest share of new highway construction dollars are spent on radial highway leading out of the core of the region (the employment basin) to the heart of the developing "favored" quarter. This is certainly the case in the Washington region. Further, as the central city and inner-suburban neighborhoods of the region become more distressed, a large share of the regional highway money is spent on circumferential highways that link up various favored quarter communities.

There is a constant debate among environmentalists and the highway construction complex about whether highway investment follows growth or causes it. It does both. Generally the road segments that are prioritized are the most congested. However, when the signal is given to increase capacity, the land use on the outward edge of the corridor responds with more

[102] Metropolitan Washington Council of Governments, National Capital Region Transportation Planning Board, "Transporation Improvement Program for the Metropolitan Washington Area, FY 1999-2004".

growth, more housing, more commercial development, and more jobs. Often, these edge city communities *only* build expensive housing and job generating facilities. This causes congestion both on the radial roads leading out from where the workers can afford to live in the city and inner-county neighborhoods, and increasingly on roads even further out beyond those new suburban office centers. Once a large concentration of jobs becomes established on the periphery, it expands the size or the region another 20-40 minutes of commute time from the edge city centers. The broad decentralization of employment is one of the biggest agents of sprawl.

Sadly, given existing land-use patterns and the competition among communities for high-valued housing and income-producing commercial properties, the massive public works dollars spent on highway-capacity enhancement—theoretically on congestion reduction—only seem to reinforce a system of growing jobs/housing imbalance and sprawl that makes congestion worse and dramatically increases the size of the region and the threat to open space and productive agricultural lands.

Recently, the Surface Transportation Policy Project analyzed highway congestion data from the Texas Transportation Institute for 70 metropolitan areas between 1985 and 1996 and found that large investments in highway capacity did not result in easing congestion.[103] The STPP study compared metropolitan regions that have added significant new highway capacity in an effort to ease congestion to those that added little new capacity and found no difference in traffic congestion by 1996. Moreover, the study found that regions that increased road capacity spent approximately $22 billion more than those that did not increase capacity, but ended up with higher congestion costs per person, more wasted fuel, and increased travel delay.

Further, the continual increase in highway capacity in the growing outer communities intensifies the mismatch between the location of jobs and workers, and exacerbates the overall socioeconomic polarization occurring between central and growing outer communities.[104] In many regions, homeowners who choose to buy in communities developing on the fringes of urbanized areas sometimes have very long commutes to their places of work in the city or in other growing suburbs, increasing the strain on the transportation system.

Meanwhile, for many people the opposite problem holds true: their place of work moves to the suburbs, but the community's restrictions on affordable housing development prevents them from moving there as well. The urban planner Robert Cervero at Berkeley has shown that upwards of forty percent of the automobiles that clog highways at rush hour are driven by people who cannot afford to live close to their work.[105] Cervero suggests fair housing, including barrier

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[103] Surface Transportation Policy Project, "An Analysis of the Relationship Between Highway Expansion and Congestion in Metropolitan Areas: Lessons from the 15-Year Texas Transportation Institute Study", November 1998.

[104] Yale Rabin, "Highways as a Barrier to Equal Access," *Annals of the American Academy of Political Science* (1974). See generally Metropolitan Planning Council of Chicago, "Trouble in the Core."

[105] Robert Cervero, "Jobs-Housing Balance and Regional Mobility," *American Planning Association Journal* (Spring 1989).

removal, as one of the most important ways to reduce freeway congestion.[106] Although the effectiveness of jobs-housing balance in reducing freeway congestion has been hotly debated in recent years, a 1996 study by Cervero found that without coordinated regional planning, the imbalance between location of jobs and workers is more acute.[107]

In addition, new highway capacity does not necessarily serve the community in which the highway construction actually occurs. Freeway lane widenings mean increased traffic, pollution, and encroachment of noise on communities. These neighborhoods must choose between soundwalls and noise, both of which lower property values and quality of life. Instead, the areas that actually benefit from increased new capacity are the areas to which traffic is being directed, improving access for commuters both into and out of the community.

MARC examined past and projected highway spending in the Washington region. Between 1988 and 1998, the Departments of Transportation of Maryland and Virginia combined spent approximately $2.9 billion on major highway improvement projects in the Washington region (Figure 29).[108] In addition, private investors spent $350 million on the Dulles Greenway, a private toll road that extends from where the Virginia-owned Dulles Toll Road ends at Dulles Airport to Leesburg, Virginia.[109] Figure 29 clearly shows that the majority of the region's new capacity highway money was spent on the west side of the region, most notably in Virginia. Of the $2.8 billion spent by the two Departments of Transportation on highway improvement projects, there were five projects that cost more than $100 million. All of these projects were outside the Beltway and all but one were on the region's west side. The most expensive public highway improvement project in the Washington region was on I-95 extending from the District through Fairfax and Prince William Counties to the edge of the region ($341 million). The second most expensive public project was on I-270 from the Beltway through Montgomery County ($277 million). The other high-budget public projects were for work on US 50 through Prince George's County ($241 million), I-66 through Fairfax and Prince William Counties ($160 million), and I-370 in Montgomery County ($147 million). In addition to these very large single

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106 Ibid.

107 Robert Cervero, "Jobs-Housing Balance Revisited," *American Planning Association Journal* (Autumn 1996).

108 Highway improvements spending data are from the Maryland Department of Transportation, Consolidated Transportation Program, State Report on Transportation, 1988, 1989, 1990,, 1991, 1992, 1993, 1994, 1995, 1996, 1997, and 1998; Commonwealth of Virginia Department of Transportation, Northern Virginia District, Construction Improvement Program, 1988, 1989, 1990, 1991, 1992, 1993, 1994, 1995, 1996, 1997, and 1998. Highway spending data from the District of Columbia were not available.

"Highway Improvements" is defined as bridge replacements, lane widenings, lane additions, and new highway construction. These are projects that add new capacity to the system; maintenance is not included here. Also, only highway improvement projects that cost $3 million or more are included—71 projects total. In other words, the $2.9 billion figure does not include projects that cost less than $3 million.

109 This figure includes both construction and financing costs and was obtained from Toll Road Investors Partnership II.

highway projects, a total of $268 million was spent on segments of the future Outer Beltway, primarily in Fairfax and Montgomery Counties.

In terms of future highway projects, The National Capital Region Transportation Board (TPB), staffed by the Department of Transportation Planning of the COG, is responsible for coordinating transportation planning for the region and for approving all transportation projects that will receive federal funding (which is the majority of transportation projects in the region). The TPB, whose members are appointed by elected officials from the state and local governments of the region, is the authorized Metropolitan Planning Organization for the Washington region. The TPB's primary activities are to develop a long-range transportation plan for the region and to develop and adopt a six-year Transportation Improvement Plan (TIP) for the region. The end result of the long-range planning process is the Constrained Long Range Plan (CLRP). The CLRP is a 20 year-plan, updated every three years, that includes all federally-funded transportation projects planned for the region for which funds are "reasonably expected to be available". Each year, the TPB approves a TIP for the region. The TIP represents the first six years of the current CLRP. Before the TPB votes to approve a project for inclusion in the TIP, funding sources must be committed, public input must be sought, and air quality and other studies must be conducted by TPB staff.

At least in the near future, it appears that regional planners are targeting a large percentage of new capacity investment to the region's core. The TPB's approved TIP for fiscal years 1998-2003 shows 1.9 billion programmed for major highway improvement projects.[110] Of this amount, $1.3 billion has been approved for the replacement and widening of the Woodrow Wilson Bridge (where the Capital Beltway crosses the Potomac between Fairfax and Prince George's Counties). The next most expensive projects are the replacement of the Theodore Roosevelt Memorial Bridge in the District ($95 million) and the widening of I-66 in far western Fairfax County ($60.6 million). After that, except for one in the District, the next five most expensive planned projects are all in Prince George's County.

In addition to the projects included in the 1998-2003 TIP, the 1997 CLRP includes a number of highway improvement projects planned for the next twenty years, the majority of these are located west of the District in Virginia. Some of the most significant projects in the plan are the construction and widening of the Fairfax County Parkway, the construction of the VA 28 and VA 234 Bypasses in Prince William County, the widening and extension of US 15 in Loudoun County, the construction of the Battlefield Parkway around Leesburg in Loudoun County, the widening of the Dulles Access Road, and the widening of US 1 in eastern Fairfax and Prince William Counties.

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[110] Metropolitan Washington Council of Governments National Capital Region Transportation Planning Board, *Transportation Improvement Program for the Metropolitan Washington Area, FY 1998-2003*, July 16, 1997. Again, "Highway Improvements" is defined as bridge replacements, widenings, lane additions, and new construction. Only spending on highway improvement projects that cost $1 million or more—44 projects total are included here (the $1.9 billion figure does not include projects that cost less than $1 million).

In addition to the CLRP and the TIP, each of the states, Maryland and Virginia, develops its own Comprehensive Transportation Plan. These plans include many of the same projects that appear in the TIP, but also include some projects that do not receive federal aid.

Another organization lending its voice to the transportation debate in the region is The Greater Washington Board of Trade (BOT). The BOT commissioned its own transportation study utilizing demographic and transportation data from the COG. In their report, the BOT, claiming that regional highway investment under the current CLRP is not adequate to meet the projected needs of the Washington region, recommends, *in addition to* the projects included in the CLRP, $26 billion in transportation investment by 2020. As with the CLRP, most of these projects are on the west side of the region, primarily in Virginia. Some of the additional projects recommended by the BOT are: a *12-lane* Woodrow Wilson Bridge; a *12-lane* American Legion Bridge; a Northern Connector Bridge linking VA 7/VA 28 in the Dulles area of Virginia with the I-270 corridor near Gaitherburg in Montgomery County, Maryland; a Western Corridor Bridge between Loudoun and Montgomery Counties east of Route 15 near Leesburg, Virginia; an Eastern Bypass Bridge between Prince William and Charles Counties, east of Dumfries, Virginia; the construction of an Inter-County Connector across most of Montgomery County; the construction of a Western Corridor Parkway through outer Loudoun and Prince William Counties; the construction of a Western Transportation Parkway Extension from Leesburg in Loudoun County to Mt. Airy in eastern Frederick County. However, any projects in the BOT plan, if they are to receive federal funding—as the vast majority of highway projects do—must go through the regional planning process and be voted on and approved by the TPB. Again, this means that funding sources must be secured, public comment must be sought, and environmental and feasibility studies must be conducted.

H. Regional Sprawl

According to the U.S. Census Bureau, a city's urbanized area consists of the central city and its adjacent urban fringe, including all contiguous territory settled at the density of at least 1,000 persons per square mile.[111] In the Washington region, there were two areas designated by the Census Bureau in 1990 as urbanized areas (Figure 30). The main urbanized area—the Washington, D.C. Urbanized Area—includes the District, most of Fairfax, Montgomery, and Prince George's Counties, and parts of Prince William and Loudoun Counties. The smaller area—the Frederick Urbanized Area—covers the city Frederick and a few surrounding communities. By comparing the change in population between census periods within a designated urbanized area and the change in the size of the land area that is defined as urbanized, one can determine whether that area as a whole is becoming more compact or is sprawling as it develops. Because the Frederick Urbanized Area was newly designated in 1990, it will not be discussed here.

[111] Also included in the urbanized area are large concentrations of non-residential urban area, such as industrial parks, office areas, and airports.

In 1990 the Washington Urbanized Area was settled at a density of 3,560.3 persons per square mile.[112] This was a decrease in population density from 1970 of 29.1 percent. In that year, the population density in the area was 5,018.0 persons per square mile. Put another way, the number of people living in the urbanized area surrounding Washington increased by 35.5 percent (from 2,481,489 to 3,363,031), while the land area they occupied increased by 95.7 percent (from 494.5 to 944.6 square miles)—over two and one-half times the rate of population growth.

I. Fiscal Disparities

1. Overview

When the property tax is a basic revenue source for local governments with land-planning powers, fiscal zoning occurs as jurisdictions compete for property wealth. Through fiscal zoning, cities deliberately develop predominantly expensive homes and commercial-industrial properties with low social service needs.[113] In such a way, they prevent the construction of lower-cost housing and associated social needs and keep demands on tax base low. Spreading these controlled needs over a broad, rich property tax base further reduces property tax rates.

The dynamic of fiscal zoning creates three sets of mutually reinforcing relationships. First, the wealthier jurisdictions that have little or no affordable housing and have low property tax rates, continue to attract more and more business, the presence of which continually lowers the overall property tax rate and increases revenues to the city. Because of low social needs, these cites can provide a few high quality local services.

A second reinforcing relationship involves those jurisdictions that have increasing social needs on a declining property tax base. This combination leads to both declining consumer demographics and increased property tax rates, resulting in fewer and less adequate public services. All of these factors are large negatives in terms of business location and retention. Often, central cities and many inner declining communities spend a great deal of money on unsuccessful efforts to become more socio-economically stable, as their property tax base evaporates out from under them.

The third relationship concerns the developing places that lose the battle of fiscal zoning. These are fast-growing communities that have not yet attracted business or executive housing and must pay for their schools, police, parks, curbs, and gutters with fewer resources. To keep property tax rates from exploding, they are forced to abandon long-range thinking and frantically build lower-valued homes and multi-family units, big-box retail centers, shopping malls, and

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[112] Population and land area data from the "1990 Census of Population and Housing Supplementary Reports Urbanized Areas of the United States and Puerto Rico" (December 1993), and the "1970 Census of Population Supplementary Report, Population and Land Area of Urbanized Areas: 1970 and 1960" (February 1972).

[113] D. Winsor, *Fiscal Zoning in Suburban Communities* (1979); B. Rolleston, "Determinants of Restrictive Suburban Zoning: An Empirical Analysis," *Journal of Urban Economics* 21 (1987): 1-21; M. Wasylenko, "Evidence of Fiscal Differentials and Intrametropolitan Firm Relocation," *Land Economics* 56 (1980): 339-56; Cervero, "Regional Mobility."

office parks rejected by the wealthier, more established jurisdictions. These decisions, in the long run, catch up with working- and middle-class communities and they become the declining suburbs of tomorrow. Further, in a perhaps futile attempt to remain competitive in terms of property taxes, working- and middle-class, developing communities often suppress local expenditures on public services, particularly on schools.

The increase of property tax wealth in some communities and the stagnancy or decline of property values in others represents an interregional transfer of tax base. As such, the loss of value in older declining communities is one of the costs of economic polarization and urban sprawl. Federal, state, and local governments spend billions of dollars building infrastructure such as schools, freeways, and sewers which add enormous value to growing parts of the region. To the extent that these public expenditures serve to transfer value, they are wasted. Adding to this dysfunction, the infrastructure of new cities is paid for by taxes and fees levied on the residents and businesses of the older parts of the region.

2. Cities and Counties

In the Washington region, in the places where social needs are greatest, overall total property value is comparatively low. In 1998, the overall property value per household in the Washington region was $208,053 (Figure 31).[114] The property value per household in the District was $191,846 or 87.4 percent of the regional value. Eleven jurisdictions had property values per household below $90,000—or less than 43 percent of the regional value. Many of these were inner Prince George's County cites, but also included some outlying, satellite communities in Frederick County, northern Charles County, and southeastern Prince William County. Examples include New Carrollton ($82,629), Bladensburg ($61,828), Mount Rainier ($49,622) and New Market ($22,878).

Fourteen communities, on the other hand, had property values per household greater than $300,000—or more than 144 percent of the regional value. These included five with property values over $400,000. Virtually all of these very high-valued jurisdictions were located to the north and west of the District in Montgomery and Loudoun Counties. The places with property values above $400,000 were all located within the Beltway northwest of the District and included Chevy Chase ($429,712), Somerset ($430,451), and Chevy Chase Village ($611,559). Unincorporated parts of Loudoun County ($308,031) and Rockville ($316,257) had very high property values per household as well.

Between 1994 and 1998 the Washington region experienced a 3.6 percent decrease in overall property value per household, from $215,822 in 1994 (in 1998 dollars) to $208,053 in 1998 (Figure 32). During this period, the District decreased by 7.5 percent in property value per household. Many jurisdictions experienced significantly greater decreases. Twenty-eight

[114] 1998 real estate property assessed values are from the Maryland Department of Assessments and Taxation; the Taxation Departments of Charles, Frederick, Montgomery, and Prince George's Counties, Maryland; the Taxation Departments of Arlington, Fairfax, Loudoun, and Prince William Counties, Virginia; the Taxation Departments of the cities of Alexandria, Fairfax, Falls Church, Manassas, Manassas Park, Vienna, Herndon, and Clifton, Virginia; and the Washington, D.C. Office of Tax and Revenue. The U.S. Bureau of the Census provided the 1996 population estimate, 1990 population, households, and group quarters figures.

communities lost property value at least as fast as the District and eight lost value at least twice as fast. Most of these places were inside the Beltway in Prince George's County, such as Mount Rainier which experienced a decrease of 15.4 percent (from $58,684 to $49,622); Berwyn Heights, which decreased by 16.3 percent (from $164,423 to $137,618); and Hyattsville, which decreased by 17.9 percent (from $118,098 to $96,973). Some satellite cities also lost property value, such as New Market (from 51,458 to $22,878, a decrease of 55.5 percent).

In contrast, six jurisdictions increased in property value per household by more than 13 percent. These were located primarily in Frederick and Loudoun Counties and include Middletown (from $146,695 in 1994 to $166,005 in 1998—13.2 percent) and Mount Airy (from $160,040 to $181,606—13.5 percent.

3. School Districts

There were significant disparities in per pupil spending in the Washington region in 1997. The average annual spending in the school districts of the Washington region in that year was $7,079 per student, ranging from $5,744 in the Manassas Park School District to $9,848 in the Falls Church School District (Figure 33).[115] The District of Columbia was not among the lowest spenders. Overall, the District spent $7,171 per student in 1997, the sixth highest of the thirteen districts in the region.

The school districts that spent the least per student were in outlying rural areas, such as Frederick ($5,814) and Manassas Park ($5,744). The districts that spent the most per pupil were Arlington ($9,783), Falls Church ($9,848), and Alexandria ($9,216). Montgomery ($7,887) and Fairfax ($7,393) were also rather high.

I. Jobs

1. The Spatial Mismatch Hypothesis

Twenty-five years ago, John Kain, an economist at Harvard, argued for the existence of a "spatial mismatch" between affordable housing and available jobs.[116] The theory posits that American cities are undergoing transformations from centers of goods and production to centers of information processing. The blue-collar jobs that once made up the economic backbone of cities have either vanished or moved to the developing suburbs, if not overseas. Central-city low-skilled jobs are no longer available. In addition, neighborhood retail businesses that served the middle class also have, to a large extent, relocated to the suburbs.[117] The spatial mismatch theory states that it is not a lack of jobs per se that is the problem, since central-city population growth

[115] 1997 school district expenditure data from The District of Columbia Public Schools, the Maryland Department of Education, and the Virginia Department of Education.

[116] John Kain, "Housing Segregation, Negro Unemployment, and Metropolitan Decentralization," *Quarterly Journal of Economics* 82 (May 1968): 175-97.

[117] John D. Kasarda, "Urban Industrial Transition and the Underclass," *Annals of the American Academy of Political and Social Sciences* 501 (January 1989): 36.

has been as slow as central-city job growth. The problem is that the percentage of central-city jobs with high educational requirements is increasing, while the average education level of central-city residents is dropping.[118] In addition, essentially all of the net growth in jobs with low educational requirements is occurring in the developing suburbs.[119] This low-skilled jobs exodus to the developing suburbs disproportionately affects central-city poor people, particularly minorities, who often face a more limited choice of housing location in job growth areas and a lack of transit services from the urban core to those places.[120]

2. Jobs per Capita

In order to better determine where the jobs are located in relation to those who need them, employment data presented here show where the jobs are located, rather than how many employed people live in each jurisdiction. Number of jobs per capita is also a measure of a jurisdiction's relative strength in the regional economy and in competition for tax base.

Between 1985 and 1995, the total number of jobs per capita in the Washington region remained relatively stable (decreasing by only 0.6 percent) (Figure 34). However, during this period the eastern part of the region lost jobs per capita, while the western part increased. Some areas—particularly in the far western and southwestern reaches—more than doubled their jobs per capita. Places that contained Council of Governments Analysis Districts (CADs) with increases of at least 100 percent included the area around the I-270 corridor north of Germantown in Montgomery County; southern portions of Loudoun, and northern Prince William Counties; and southern Prince William County. The area just north of Tyson's Corner in Fairfax County and parts of Anacostia also increased considerably. Most of the job losses per capita were in Prince George's County (Greater Upper Marlboro and Mitchellville) and inner Montgomery County (Aspen Hill and north of there, Potomac, and west of the I-270 corridor from the District to North Potomac). Ashburn and the area south of there in Loudoun County also lost a considerable number of jobs per capita – likely due to job creation not keeping up with population increases.

By 1995 the region had a total of 62.5 jobs per 100 persons (Figure 35). In that year the CAD zones that had the most jobs per capita were located in the center of the District—where population is relatively low but government jobs are abundant. The zone with the most jobs per capita located outside the Beltway was in Tyson's Corner where there were 988 jobs per 100 persons. Other than the District and Tyson's Corner, the region's major job centers in 1995 were

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[118] Ibid.

[119] Ibid.

[120] For further discussion of the pros and cons of the spatial mismatch hypothesis, see Joseph Mooney, "Housing Segregation, Negro Employment and Metropolitan Decentralization: An Alternative Perspective," *Quarterly Journal of Economics* (May 1969): 299-311. See Hutchinson (1974); Farley (1987); Inlanfedt and Sjoquist (1990-2); Offner and Saks (1971) Friedlander (1972); Harrison (1974), Leonard (1986); all in Kathy Novak, "Jobs and Housing: Policy Options for Metropolitan Development," (Research Department: Minnesota House of Representatives February 1994); David Elwood, "The Spacial Mismatch Hypothesis: Are the Teenage Jobs Missing in the Ghetto?" in *The Black Youth Employment Crisis* eds. Richard B. Freeman and Harry J. Holzer (1986): 147-90.

in Bethesda and the I-270 corridor (zones ranging from 116 to 327 jobs per 100 persons), in Silver Spring (237 jobs per 100 persons), in the Calverton area in northern Prince George's County (192 jobs per 100 persons), in the I-66 corridor in Fairfax County (zones ranging from 87.3 to 111.7 jobs per 100 persons), and in the Dulles and Herndon area (80.4 to 84.7 jobs per 100 persons).

Many of the most populated zones in the region had fewer than 50 jobs per 100 persons in 1995. However, while some of these zones either bordered or were located very near at least one of the region's major job centers, others were very isolated, located a considerable distance from the region's greatest employment opportunities. The most isolated places were on the south and east sides of the region. For example, three zones located inside the Beltway and south of MD 295 in Prince George's County had a combined population of 145,716 and a total of 64,004 jobs (43.9 jobs per 100 persons) and were largely surrounded by zones with even fewer jobs per capita. The zone that covers Dale City in southeastern Prince William County had more than 50,000 people in 1995 (16.3 jobs per 100 persons) and was surrounded by CAD zones with fewer than 50 jobs per 100 persons. On the other hand, a number of highly populated zones with many jobs per capita, or at least located very near major job centers, were on the region's north and west sides. For example, many zones in the I-66 and the I-270 corridors had more than 30,000 people and had more than 100 jobs per 100 persons. Three zones at the northern end of the I-270 job corridor (in the Gaithersburg area) had more than 156,000 persons and only 76,324 (49 jobs per 100 persons), but had easy access to one of the regions largest job centers. Zones in the Herndon/ Reston/ Dulles area had more than 27,000 persons and more than 80 jobs per 100 persons.

3. Fair Share of the Region's Job Growth

Another way to look at employment patterns in a metropolitan region is to compare growth in major employment centers of a region relative to the regional average growth. The real estate advising company, Robert Charles Lesser & Company (RCL & Co.) studies population, employment, and job location trends in metropolitan areas. One of their central indicators is the "fair share growth index" (FSGI) which is used to determine whether a subarea is gaining or losing employment share relative to the regional average.[121]

Using RCL & Co.'s methods, MARC calculated an employment FSGI for the Washington region and assigned fair share scores to twenty Washington region subareas identified by RCL and Co. based on 1985 to 1995 trends (Figure 36).[122] As with the jobs per capita data above, this analysis found that the communities with the fastest job growth were in

[121] According to RCL & Co., "the fair share index is a means to compare the relative growth of various metro cores, regardless of their absolute size. The metropolitan area is assigned a fair share index of 1.0, by definition. A core with a fair share index of 0.5 is growing half as fast as the metropolitan area's job market as a whole. A fair share index of 2.0 indicate that a core is growing twice as fast as the metropolitan area's job market."

[122] Employment data and subareas from Robert Charles Lesser & Co., "Market Opportunity Analysis in the Washington D.C., Metropolitan Area", October 23, 1995. The employment data in that report is cited as coming from the Metropolitan Washington Council of Governments.

the west—specifically in western Fairfax County and Loudoun County—while the greatest losses were in the east.

The subarea that gained the largest share of the region's employment from 1985 to 1995 was the Route 28/Chantilly-Dulles area, which had an FSGI of 9.73. This means that the Route 28 area grew at nearly ten times the rate of regional growth. The Reston/Herndon area, Route 7/Greenway/Loudoun area, and I-95/Prince William area also gained significantly more than the regional average share of employment growth during this period. In contrast, job growth in the District was only one third the rate of the region. Inner employment cores (in Alexandria, Silver Spring, and Prince George's County) also experienced slower growth than the regional average.

4. Commuting Patterns and Proximity to Jobs

As employment opportunity moves west, away from the low-income, largely minority population in the east, the people who live there, particularly in Prince George's County, become increasingly isolated. Trip data (showing the number of person trips from each of the region's jurisdictions to each of the other jurisdictions) compiled by the Metropolitan Washington COG show that the majority of commuter trips originate in the same jurisdiction in which they end, or end in an adjacent jurisdiction.[123] This is important because not only are there very few jobs per capita within Prince George's County, but, other than the District, the places that border Prince George's County also had very few jobs per capita in 1995. Most of Charles County had fewer than 30 jobs per 100 persons, and most zones in eastern Montgomery County had fewer than 50 jobs per 100 persons. Even outside of our study area, in Anne Arundel County (just east of Prince George's County), almost all of the planning zones had fewer than 40 jobs per 100 persons in 1995.[124]

The COG's trip data show that of nearly 500,000 trips originating in Prince George's County 41 percent ended in that county, compared to Montgomery County where 50 percent of the trips originating in that county, ended in the same county; Fairfax County where 48 percent of the trips originating in that county, ended in the same county; 49 percent in the District; and 61 percent in Frederick County. This figure was 42 percent in Charles and Loudoun Counties and 34 percent in Prince William County. The second most common destination for trips originating in Prince George's County was the District center (20 percent). This is comparable to the percentage of trips from almost every other jurisdiction in the region that end in the center of the District—21 percent from Montgomery County, 16 percent from Fairfax County, 21 percent from Charles County, and 22 percent from Frederick County. Only Loudoun and Prince William Counties had very few commuters to the District's center (5.2 and 9.4 respectively). Commuting east to west was also more common than west to east. Eight percent of Prince George's County commuters drove to Montgomery County and 4 percent to Fairfax, while only 5 percent of Montgomery and 1 percent of Fairfax County commuters went to Prince George's County. This is comparable to the 3 percent of Prince George's County commuters who traveled to Anne

[123] Metropolitan Washington Council of Governments, Version-1, Travel Demand Model.

[124] Baltimore Metropolitan Council, "Round V: Cooperative Forecasts", 1994 (estimates of 1995 RPD population and employment).

Arundel County and 1.3 percent who went to Howard County (both in Maryland, just east of our study area).

Further, many of those who live in Prince George's County and other places without easy access to major job centers, have few other housing choices. In most of Montgomery and Fairfax Counties, where the largest suburban job centers in the region are located, property values per household are well over $200,000 and median household incomes in most census tracts are over $59,000, indicating that very little housing affordable to poor or even moderate-income families is available in those places.

5. Total Number of Jobs and Types of Jobs

A recent study by The Urban Institute looked at total number of jobs and found that increasingly jobs in the Washington region are located outside of the Capital Beltway and are moving west.[125] This study found that in 1990, 38.7 percent of all jobs in the region were located outside the Beltway, by 1997, half of all Washington-area jobs (50.1 percent) were located there.[126] This study found that the highest rates of job growth during 1997 were in the area around Dulles airport and in Montgomery County in the I-270 corridor, while some of the greatest losses were in the southeast part of the District, where, as the study points out, most of the region's poor live.

The Urban Institute study also looked at the types of jobs that are being created in the region. Here they found that service sector jobs (including professional, business, health, education, and personal services) account for 38.9 percent of all jobs in the region (with the largest concentrations in the District and along the western portion of the Beltway), public administration represents 23.4 percent (with large concentrations in the District, Alexandria, Arlington County, southeast of the District in inner Prince George's county, and along the I-270 corridor in Montgomery County), and retail trade 15.1 percent (mostly concentrated in the District, Alexandria, and along the I-270 corridor in Montgomery County). The other job categories account for less than 5.3 percent each.

Further, the Urban Institute study found that overall the number of low-paying service sector jobs in the region is increasing, while the number of high-paying public sector jobs is decreasing. The increase in low wage jobs was most dramatic in the District where the number of low-wage jobs increased between April 1997 and April 1998 by 3.7 percent and high-wage jobs decreased by 3.5 percent. As an example of this, in one year the District gained nearly 5,000 personal service jobs and lost approximately 20,000 higher paying jobs in public administration, professional services, and education (these figures do not represent all service and public sector jobs). The suburbs also experienced an increase in low-wage jobs—by 4.3 percent inside the Beltway and by 2.3 percent outside the Beltway. However, while the suburbs outside the Beltway declined in number of high-wage jobs (by 0.2 percent), the inner suburbs experienced

[125] Mark Rubin and Margery Austin Turner, "Patterns of Employment Growth", The Urban Institute (forthcoming).

[126] This study did not include unfilled job openings.

most of the regions growth in high-wage jobs (by 10.8 percent)—largely due to a large increase there in public sector jobs.

IV. Metropolitan Solutions

The foregoing patterns demonstrate the need for a regional approach to stabilize the central city and declining older suburban neighborhoods and to reduce wasteful sprawling development patterns in the Washington region. As social separation continues, it creates an increasingly rapid decline in many older neighborhoods of the suburbs. Nowhere is this seen more clearly than in the changing social and racial population of the schools. As regional needs concentrate on the limited resources of the central city and older, inner-county neighborhoods, these communities, forced to compete with low need, high resource communities, can do little to stabilize. Fragmented land-use control and unhealthy, unequal competition for tax base institutionalize separation, lead to wasteful infrastructure policy, and squander valuable natural resources. Some low fiscal capacity developing communities are not able to finance adequate wastewater, road and other developmental infrastructure. As jobs and executive housing concentrate elsewhere in the region, those places dominate the region's economic growth. Here, because of an increasing mismatch between housing and employment and the fact that road improvements themselves stimulate further development, congestion grows in ways that cannot be solved by widening the highways. Residents in these rapidly developing places, like residents in the declining older communities, become increasingly dissatisfied with the resulting quality of life.

MARC and a growing core of scholars; national, state, and local government officials; and activists from urban, faith-based, business, good-government, and environmental backgrounds, believe that metropolitan social separation and sprawl need a strong, multifaceted, regional response. To combat these trends, there are three areas of reform that must be sought on a regional scale: 1) greater equity among jurisdictions of a region, particularly those with land-use planning powers 2) smarter growth through better planning practices, 3) structural reform of metropolitan governance and transportation planning to allow for fair and efficient transportation and community planning. These reforms are inter-related and reinforce each other substantively and politically.

A. Equity

Local government tax resources are very frequently the basis of land-use decisions. This reality forces local jurisdictions to compete for commercial properties and high valued homes and eschew less revenue generating resources, such as lower valued homes or apartments. Reducing the dependence on local sources of revenue for local government operations, or creating greater regional equity, ameliorates disparities and reduces competition. By lessening the direct fiscal consequences for zoning decisions and by creating a stable base of shared local resources, equity makes it more possible to achieve and sustain regional land-use planning.

Many states and metropolitan areas have implemented strategies for creating greater equity. A few regions have solved this problem through consolidation or annexation. But this is

increasingly rare. Some states have progressive school equity systems which eliminate much of the burden of local schools from the central city and other older, declining communities. Both Maryland and Virginia, for example, have school aid programs to help localities fund their public schools. In each state, the largest aid program (the Current Expense Aid Program in Maryland and the Basic Aid Program in Virginia) is based on a formula that guarantees a minimum level of funding per pupil.[127] Using that minimum funding level, the states determine each school's expenses based on, among other things, school enrollments and special student needs. Then, the states determine the amount each locality is required to contribute to meet the basic funding level and the amount that will be contributed by the state. In both Maryland and Virginia this distribution formula is based, at least in part, on the ability of each locality to raise revenues from local sources. In both cases, local tax base is used as one of the measures of local wealth. In this way, school funding and educational opportunity is made at least somewhat more equitable and less dependent on local wealth. As a result of these school aid programs, approximately 40.3 percent of public school funding in the State of Maryland is contributed by the state and about 55.9 percent is contributed by localities. In Virginia, these figures are 55 percent from the state and 45 percent from the locality.

School equity systems, such as those in Maryland and Virginia, help to reduce disparities among school districts, lessen the tax burden on low property-value communities, and equalize educational opportunity, but they do not affect equity among local units of government with land-use powers—cities and counties. To address disparities among these units, some states have created strong statewide general revenue sharing systems and a few places have created regional equalizing mechanisms. Some states have two or more such systems operating together.

MARC believes that equity reform is premised on a system that shares some part *of the growth* of an existing state or local revenue source. This proposed system must be fully modeled (or simulated) before discussion begins, so that all parties participating can understand its impact The proposed reform must produce lower taxes and better services for approximately two-thirds of the population involved. It must not increase taxes in any community. A substantial portion, if not a majority, of residents who live outside the central city should see lower taxes and better services. No one should see higher taxes or lower services.

1. Fairness

In a nation committed to *equal opportunity for individuals*, basic public services such as police and fire, local infrastructure, parks, and schools should be relatively equal on a metropolitan level. Equal opportunity is undercut when people of moderate means have inferior public services because they cannot afford to live in property-rich communities.

In most U.S. regions, including Washington, places where social needs are substantial and growing, tax base is insufficient; where the tax base is strong and growing, social needs are stable or declining. By gradually moving away from local tax base as the basis of local services,

[127] Virginia Department of Education, Budget Operations Department; Maryland General Assembly, Department of Legislative Services.

the growing property wealth in the region can become available to meet the legitimate needs of local government.

2. Competition for Tax Base and Fiscal Zoning

Intra-metropolitan competition among local governments for tax base is harmful to the region. First, it is wasteful for cities or counties to engage in bidding wars for businesses, such as local malls or retail facilities, that have already chosen to locate in the region. In such situations, public monies are used to improve the fiscal position and services of one community at the expense of another. These battles can induce large public subsidies from troubled communities without local resources and from affluent communities than may not need the new businesses to sustain themselves. More often than not the outcome of the struggle is predetermined not by the subsidy, but by the characteristics of the community. Most often the affluent place wins over the troubled one.

On the other hand, some form of gradual inter-local equity, encourages the region to work and compete together against other U.S. and overseas regions. When all of the local governments of a region benefit by attracting a business to any part of the region, they are much more apt to cooperate in ways that can bring meaningful business and employment opportunities to the region.

3. Land Use Planning

While social decline and local fiscal stress "push" people and businesses out of older declining communities, extraordinarily rapid housing construction fueled by local fiscal needs in developing areas "pulls" them. As new communities develop they face large debt burdens in terms of infrastructure, such as streets, sewers, parks, and schools. As the debt comes due, and potential property tax increases threaten, there is tremendous pressure on these communities to spread these costs through growth. Hence, the very fragmentation of the tax base encourages sprawl.

Low tax base communities sometimes build low valued properties on inadequate infrastructure in order to accumulate enough tax base to pay yesterday's bills. They do this without considering the long term infrastructure costs associated with later sewer and other infrastructure remediation. Often this occurs because these communities do not have adequate local planning resources to evaluate the full cost of development decisions. Sometimes they simply have no choice given the existing fiscal demands. It is MARC's experience that most local officials would much prefer to build at typical suburban densities with appropriate sewer and road infrastructure provided at state or regional expense and put in place before development occurs.

In response, inter-local equity: 1) eases the fiscal crisis in declining communities allowing them to shore up decline; 2) takes the pressure off growing communities to spread local debt costs through poorly-managed growth; and 3) undermines fiscal incentives encouraging low-density sprawl.

In the Twin Cities region in the early 1980's, reformers attempting to pass legislation for metropolitan land-use planning used tax-base sharing as a quid pro quo to gain political support in the low fiscal capacity developing suburbs.[128] When low tax base communities were told that an urban service line was going to be drawn through the middle of their cities and that land outside that boundary would be zoned at agricultural densities, they cried foul. They argued that they needed the land for the development of tax base to keep rising taxes down and to pay for overcrowded schools. Compromise and acceptance was reached when they were shown the potential benefits of a tax-base sharing system, *i.e.* that they would receive new tax base and would actually gain fiscal capacity per capita faster than they would solely through the development of lower-valued residential property. In the end, in Minnesota the low tax base communities accepted land-use planning in exchange for tax-base sharing.

4. Reinvestment in the Core

An important corollary of equity is the creation of a regional fund for reinvestment in the central city and declining older suburban neighborhoods. Reinvestment in these communities also helps to create fiscal equity. Central cities and declining older communities, already fiscally stressed with low tax bases, high tax rates, and minimal services, cannot begin the process of reinvestment that is necessary to remain competitive. Regional funds can be created to clean up older industrial parks and polluted areas (brownfields), rebuild infrastructure such as sewers and roads, rehabilitate housing, replenish and augment urban parks and amenities. Part of the reinvestment strategy includes equitable geographic allocation of transportation investment, which involves a more publicly accountable distribution and balance of highway and transit resources. (This will be discussed further in the governance reform section below.)

B. Smart Growth

The very term “Smart Growth”—an emerging national movement for better land-use planning coordinated with transportation to manage growth—comes from Maryland’s recently enacted Smart Growth Law. This nationally acclaimed legislation ties state program funds to land-use decisions, limiting many funds to—and thus directing growth to—“priority funding areas” or places where there has already been significant investment in infrastructure. Prior to this legislation, Maryland had enacted a growth management statute—The Economic Growth, Resource, Protection and Planning Act of 1992—to guide local development and land-use decisions. Similarly, many of the local units of government in the Washington region have independently taken action to limit growth, preserve open space, or reinvest in older communities. Montgomery County, Maryland, in particular, is a national leader in providing for mixed-income housing through its moderately-priced dwelling unit program and has implemented a system that preserves farmland through the transfer of development rights from rural land owners to urban developers. Fast-growing counties such as Prince William and Loudoun, where schools are over-crowded and tax sources cannot keep up with the demands of a growing population, are reacting by taking measures to limit development and are increasing

[128] Alan Dale Albert, “Sharing Suburbia’s Wealth: The Political Economy of Tax Base Sharing in the Twin Cities,” BA Thesis, Harvard University, March, 1979.

fees to developers. This unilateral action, however, may serve to throw regional development even further out.

Lacking in the Washington area is regional coordination between the competitive local units of government. Unless the region can begin to work and plan together, social separation and sprawl will increase and some of the fine planning that has occurred in places like Montgomery County will be rendered less effective. Reactive measures taken in places like Prince William and Loudoun Counties will become more prevalent.

The status quo commits the region to sprawling growth in land area disproportionate to population growth and worsening congestion, consumption of energy, pollution, and social separation. Regional land-use planning requires the region to plan both for new development and the growing externalities just discussed.

To begin the discussion of regional land-use reform in the Washington area, a regional compact or state agency must assemble demographic data and construct an infrastructure and development plan for the region that preserves the social health of the core, respects the environment, and makes the most efficient use of scarce local resources. The plan (or plans) could be for the entire region or for the metropolitan ring of communities within each state. Obviously a truly regional plan would be best, but the communities of each state acting in harmony regarding the Washington region's development would be a distinct improvement. Such plans should include local formation of regional goals for such things as: strong mixed income, economically competitive core communities, preservation of open space and productive agricultural lands, reduction of traffic congestion, improvements to air and groundwater purity, an increased supply of affordable housing, and regional coordination of transit (with an emphasis on connecting workers with jobs). The list can be small or large depending on local preferences. In the end, the process should require local units of government with land-use powers to submit their development plans for review and or/approval to a broader regional compact or state agency.

Increasing infrastructure costs and concerns about groundwater quality can require the provision of adequate infrastructure before development occurs. This is called concurrency. Concurrency protects the region from environmental harm often related to poorly planned septic development. It also saves money. As Robert Burchell has repeatedly shown, the remediation of septic systems and inadequate roads *after* development has occurred is a far more expensive undertaking than planning correctly for infrastructure beforehand. Regional concurrency can involve the designation of a geographically defined area wherein the region will grow, often called an urban service area. This growth area should be designated by either a regional compact or state entity that can make sure local plans are coordinated and that they work in harmony. Low-cost sewer infrastructure, with debt service underwritten by a large pool of rate payers, often makes this system more attractive. The Twin Cities region has a Metropolitan Urban Service Area (MUSA) and a low-cost regional wastewater system. These reforms have saved that region millions of dollars in public infrastructure costs and protected its groundwater.

The effort to stage development, can be part of, or evolve into, an urban growth boundary (UGB) which prohibits most types of residential and commercial development outside the

region's designated growth area. This type of boundary includes 20 or more years of land calculated at present growth rates and is expandable to accommodate changes in growth projections as they occur. UGB's are more effective than urban service areas in preventing costly "leap-frog" development patterns (development beyond the boundary where planning is not coordinated).

Regional plans can also encourage the development of communities that are friendly to mass transit, bicycling, and walking. Regional planning can cluster jobs so that they are ready transit destinations. Walkable communities do not necessarily imply Manhattan-like densities, but rather approximate the leafy street-car suburbs of Oak Park, Illinois or of Philadelphia's main line. Local shopping districts and the clustering of job centers along transit corridors allow commuters to spend less time in their cars and can help preserve local environmental quality. Some commentators suggest that this type of planning also improves the local sense of community because walkable neighborhoods increase human interaction.

An increased commitment to affordable housing in the developing part of a region is often a component of a good regional plan. Affordable housing allows people to live closer to new jobs created in outlying areas of the region and thus relieves congestion on the highways. It provides opportunities for parents with school-age children and the elderly to remain in their community and their school district—where they have an established support system—when their life situation changes, such as through divorce, death of a partner, long-term illness, or retirement. It allows young adults to live close to the places where they grew up. Finally, a gradually increasing commitment to affordable housing in the developing ring slowly relieves the concentration of social need growing in the city and declining older suburban neighborhoods.

C. Metropolitan Structural Reform

1. Overview

Metropolitan Planning Organizations, already set up to develop regional transportation plans and allocate enormous federal and state transportation resources, should be made more representative and accountable to the regions they serve. Presently, these MPO's make region-shaping decisions without detailed discussion concerning the impact of their transportation decisions on the social health of the older part of the region. Often there is not significant public input. Perhaps older communities and city neighborhoods and groups committed to these areas do not believe there is a large enough constituency in the region to provide a corrective to the status quo. This report argues that there is the basis for such a constituency.

Ultimately, with the participation of such groups, MPO's should evolve into bodies that much more explicitly weigh the effects of their decisions on the social health of the older parts of the region and the fiscal and environmental health of the developing areas. To do this effectively, MPO's should evolve into structures with proportional representation that fully takes into account the different types of regional communities and their varied needs. The Metropolitan Washington COG has a weighted voting system, but it is rarely utilized. Over time, more fairly apportioned bodies, representing the only entity with the proper geographic scope for regional

land-use planning, should assume growing responsibility for implementing the initiatives discussed above. MARC believes that these bodies should ultimately be directly elected.

2. Transportation and Transit Planning

Coordinated transportation and transit planning helps a region grow smarter. At the federal level, with the implementation of the 1991 Intermodal Surface Transportation and Efficiency Act (ISTEA), and more recently, the 1998 Transportation Equity Act for the 21st Century (TEA-21), large federal resources were made available for transit and other forms of investment which would strengthen the viability of the core of many U.S. regions. ISTEA has been a significant help to places with a strong commitment to public transportation and, if properly implemented, TEA-21 could be an equally important piece of legislation. Of particular importance to regional stability, TEA-21 includes an increase in funds for highway system improvements and a decrease in new capacity funds. TEA-21 includes a job access program which is intended to help people coming off welfare get to their new jobs located throughout a metro area. TEA-21 also includes a community preservation pilot program that addresses the integration of transportation and land use. A significant part of a regional agenda in any metropolitan area includes making sure that state legislation conform to take full advantage of the flexibility of TEA-21, making regional decision makers that allocate TEA-21 funds more accountable to all the citizens of a given region, and allowing representatives from the older, inner communities—places that have very different transportation/transit needs than those living on the region's fringe—to be full participants in decisions involving the allocation of transportation dollars.

Important legislation is currently being proposed in Congress to address transportation issues specific to the Washington region. Because the region is composed of two states and the District of Columbia—a unique situation—none of the existing state or metropolitan transportation agencies in the region has the necessary authority or resources to adequately address the transportation needs of the entire area. The Robb-Moran bill (also known as the Metropolitan Washington Regional Transportation Act) gives the existing National Capital Region Transportation Planning Board (TPB) of the Metropolitan Washington Council of Governments this authority.

There are opportunities and dangers in this legislation. This legislation could be a crucial first step in addressing regional transportation and transit reform in the region, and as this bill is currently pending, it provides an excellent opportunity to jump-start regional reform in the Washington region. In short, the intent of the legislation is to promote cooperation among the various state and local jurisdictions in the Capital region. The legislation gives the TPB the power to propose an interstate transportation compact which would include a list of needed transportation projects and regional funding mechanism(s) to pay for these projects. As incentive for the states and the District to agree to this compact, Robb-Moran gives automatic Congressional approval for the interstate compact, and more importantly, provides matching grants for projects included in the compact of up to $20 million a year from the year 2000 to the year 2002.

However, the dangers are equally significant and unless these issues are addressed and the bill revised, it should not be passed. The legislation as it is currently written does not require a discussion of the effects of transportation decisions on land use and the coordination of transportation and land-use planning. Nor does Robb-Moran require a fair or accountable form of governance so that the disparate interests of the different types of regional communities are taken into account before large transportation plans are undertaken. Hence, the danger is that Robb-Moran could simply become a very powerful agent of the status quo, creating more highways to serve the growing, high-tax base areas while neglecting communities in greatest need of new development and eschewing comprehensive planning. Robb-Moran in its present form could make the growing social separation and sprawl in the region worse.

V. Conclusion

The Washington metropolitan region is not prepared to meet the future.

The region's development is characterized by sprawling inefficient land use, worsened by wasteful zero-sum competition among states and local governments in a single regional economy. Over time, this pattern produces growing disparities between local governments, neighborhoods and the citizens of the region. In so doing, it serves to polarize the region socially, economically, racially, and politically—each year making cooperation necessary to solve vital present and future problems less feasible. The status quo represents a *divisive* system that wastes money, energy, time, human potential and in some cases even people's lives. It is preventing the greater Washington region from reaching its full potential in terms of economic growth, social stability, environmental stewardship, and quality of life.

This report represents the beginnings of an agenda designed to deal with growing regional instability and disparities. While it is controversial, it represents only a best first effort, subject to the negotiation, reformation, and synthesis that occurs in all political progress. While the issues will be difficult, it is our hope that this region can work together—reason together—to solve its mutual problems.

The real importance of this discussion is the realization that the Washington region is suffering from a series of problems that are too massive for the central city and individual suburban communities to confront alone.