

LAND USE: ALIGNING A REGIONAL VISION WITH CORE INVESTMENT

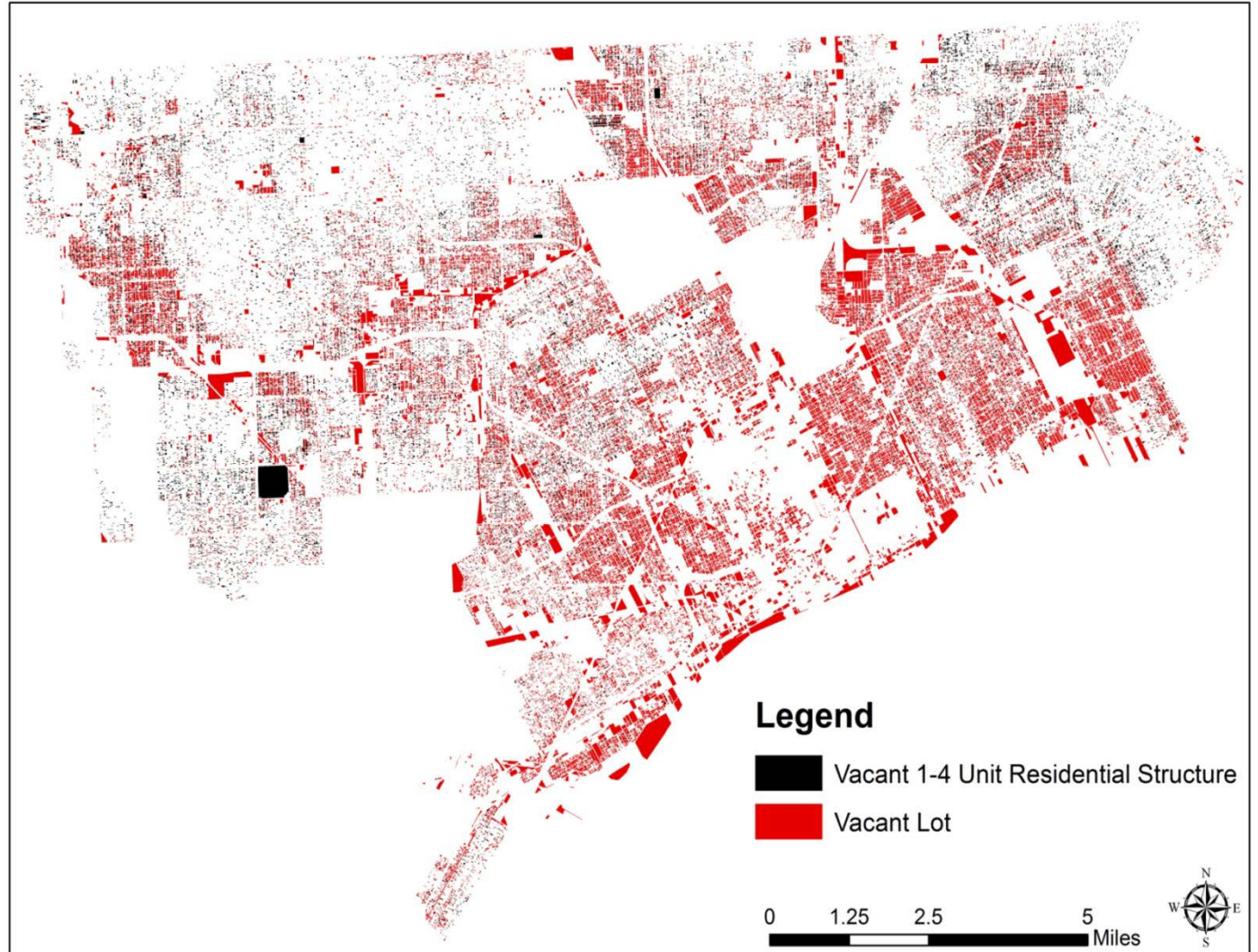
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“THE FORMER MOTOR CITY:” 30% LAND VACANT, UNDERMAINTAINED, ABANDONED

Locations of Vacant Parcels and Residential Structures in Detroit



Source: City of Detroit Planning and Development Department. NU/LD, 6-27-2012

TWO PERSPECTIVES ON LAND USE POLICY: MICRO & MACRO

Micro perspective focuses on, e.g.:

land use zoning

land banking

blight removal

green & blue infrastructure

urban farming & forestry

commercial corridor redevelopment

“right-sizing” city footprint

Macro perspective focuses on:

countering regional forces eroding

DEMAND for city land of all types

OUTLINE OF PRESENTATION: “MACRO PERSPECTIVE”

Describe regional “Urban Disassembly Line” eroding Baltimore, Cleveland, Detroit & Philadelphia

Describe 3 federal / state policy foci for countering “Urban Disassembly Line:”

--- where development most profitable

--- where affordable housing is located

--- how local gov’ts raise revenues

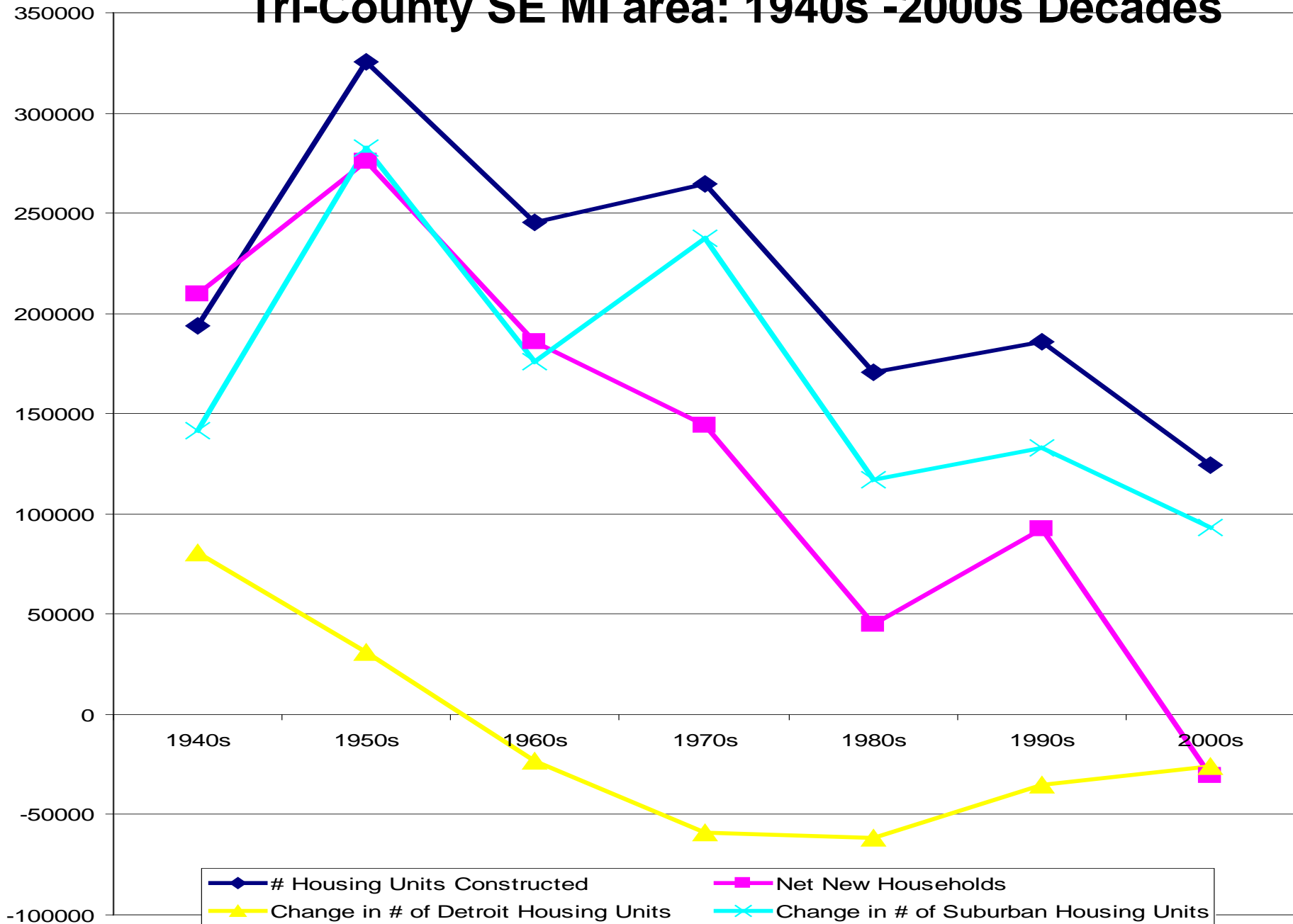
“URBAN DISASSEMBLY LINE:” OVERVIEW

Suburban new housing construction in excess of regional household formation

- Excess housing supply in region**
- Chain of moves ultimately vacating least-competitive housing in region (mostly in City)**
- Undermaintained, Vacant & eventually Abandoned buildings & land in City**
- Selective Population loss from City**
- Retail & Commercial Disinvestment in City**
- Erosion of City’s income & property tax revenues, quality of public services**
- City’s competitiveness falls; More demand for suburban land...Perpetuation of process**

REGIONAL DETROIT HOUSING

Tri-County SE MI area: 1940s -2000s Decades



“URBAN DISASSEMBLY LINE:” THE DETROIT EVIDENCE

Suburban new housing construction in excess
of regional household formation:

annual ave. 10,000 (1950-2010)

→ Undermaintained, Vacant & Abandoned
buildings in Detroit (2009):

10% of habitable dwellings vacant

30% of land area of Detroit vacant parcels

3% of parcels w/ abandoned dwellings

“URBAN DISASSEMBLY LINE:” THE DETROIT EVIDENCE (CON’T.)

- Selective suburbanization of population
Detroit lost 60%+ population since peak
Vast majority outmovers white & not poor
2010 Detroit pop. 90% minority; 38% poor
- Retail and Commercial Disinvestment
Establishments ↓ 65% (1972-2002)

“URBAN DISASSEMBLY LINE:” THE DETROIT EVIDENCE (CON’T.)

→ Erosion of Detroit’s income & property tax revenues, quality of public services

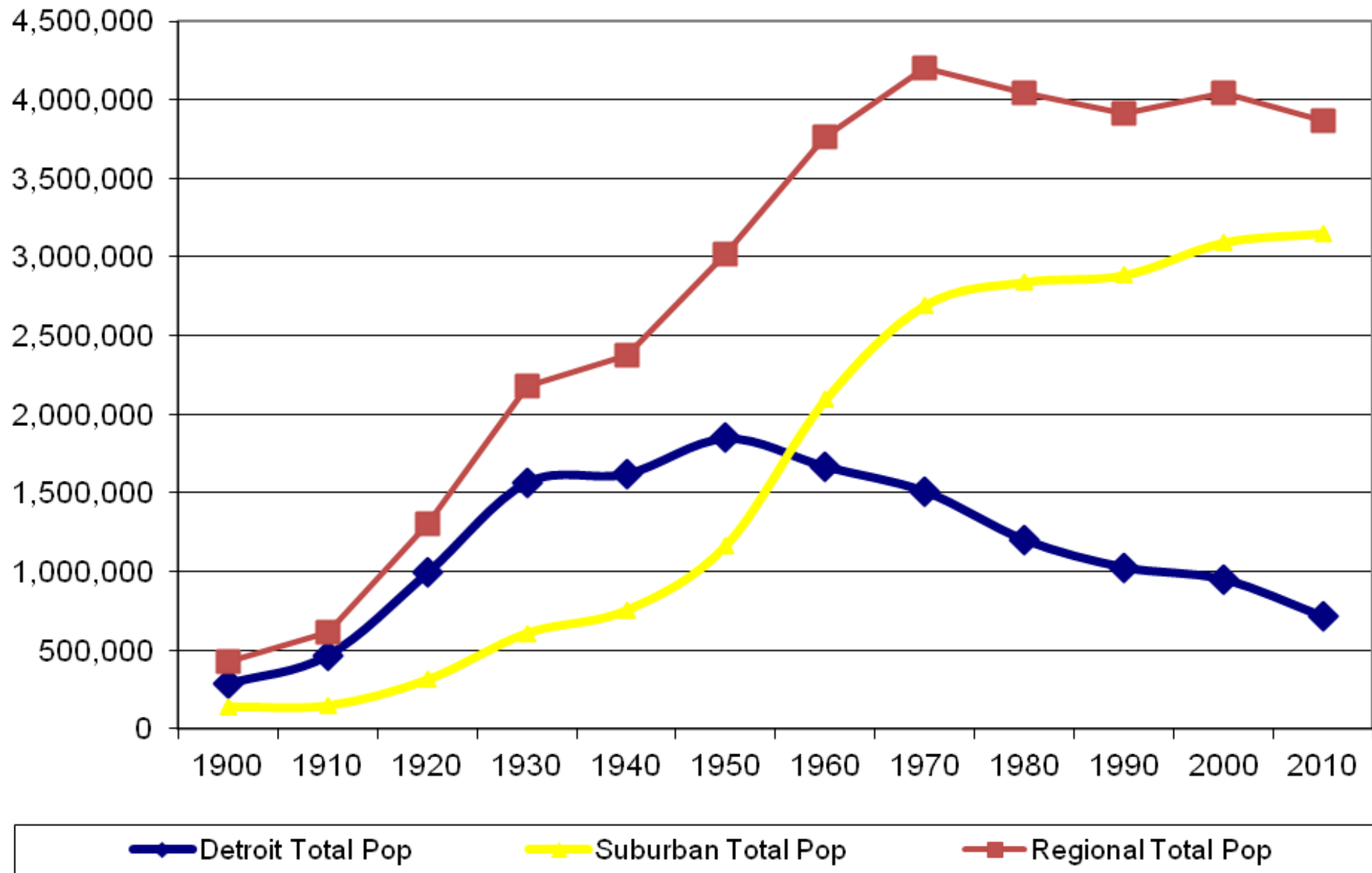
Assessed Values ↓ 79% (1958 peak)

Income Tax \$ ↓ 76% (1972 peak)

bankruptcy July 2013; \$18 billion debt

→ Less demand for City land; More demand for suburban locations

Population Trends in Metropolitan Detroit Since 1900



WHAT SHOULD BE DONE? 3 FOCI FOR CHANGING MACRO LAND USE PATTERNS

Federal and/or State gov'ts must require
CHANGE IN THE RULES:

--- where development most profitable

--- where affordable housing is located

--- how local gov'ts raise revenues

WHAT SHOULD BE DONE? EXAMPLES

- est. growth boundary @ urban fringe
- adopt inclusionary housing strategy
- resuscitate revenue sharing

SUMMARY OF PRESENTATION: “MACRO PERSPECTIVE” ON LAND USE POLICY

Recognize regional “Urban Disassembly Line” eroding Baltimore, Cleveland, Detroit & Philadelphia

Advocate 3 federal / state policy foci countering “Urban Disassembly Line:”

--- where development most profitable

--- where affordable housing is located

--- how local gov’ts raise revenues

THANK YOU