LOCAL INITIATIVES IN LARGE-SCALE DEVELOPMENTS
An Alternative Strategy For Urban Development
In Massachusetts.

by

GEOFFREY ROSS LE PLASTRIER

M.Arch., Harvard University
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Dip.Tech.(Arch.), N.S.W.I.T.
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Signature of Author.......................... May 1, 1975
Department of Urban Studies and Planning

Certified by...................................... Thesis Supervisor

Accepted by..................................... Chairman, Departmental Committee on Graduate Students
THESIS ABSTRACT: Local Initiatives in Large-Scale Developments.

AUTHOR: Geoffrey Ross Le Plastrier.

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This thesis is concerned with strategies that state and local communities may use to initiate large-scale developments. Large-scale developments have been, and will continue to be an essential means of providing housing, and space for commercial, industrial and institutional uses. In the past two Federal programs, Urban Renewal and New Communities Assistance, have provided the strategies for implementing large-scale developments. Both these programs have recently been abandoned and replaced by Title I of the 1974 Housing and Community Development Act. This Act provides block grants directly to state and local governments for community development projects. Therefore what is needed is a new strategy for initiating large-scale developments that works within the communities in which the project is located, and attempts to overcome some of the problems which were characteristic of the Urban Renewal and New Communities Programs.

Chapter 1 introduces the subject and discusses the reasons why large-scale developments are important to study. Large-scale projects are defined and some of the important characteristics of projects which demand public-private collaboration are described. Two past Federal programs, 'Urban Renewal' and the 'Surplus Federal Land Program', and the present Community Development/Revenue Sharing Program are outlined in Chapter 2. The discussions stresses the reasons why the past programs have failed and have been discontinued. Chapter 3 is concerned with three case studies in Massachusetts. All the projects are non-Federally assisted urban renewal projects - two located in Downtown Boston, and one in a suburb of Boston. The projects are evaluated in terms of the agencies and actors involved, and what problems each faces in achieving implementation. Chapter 4 examines the roles that public and private bodies play in the development of large projects. This chapter then goes on to suggest four alternative strategies which stress state, regional, district and local initiatives for large-scale development.

Chapter 5 describes a new strategy. The recommendation is for a two level strategy that deals with the regional impacts of large-scale developments. Each city or town would be permitted to establish Community Development Corporations, and in cases where the impacts of large projects spill over local government jurisdictions, the state could establish Special Development Districts.

Chapter 6 shows how the new strategy would work in a typical situation - the Alewife area of Cambridge, Massachusetts. This area is currently being replanned because of the proposed extension of the Red Line from Harvard Square.

Thesis Supervisor: Gary Hack
Title: Assistant Professor of Architecture and Urban Design
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CHAPTER I

INTRODUCTION TO LARGE-SCALE DEVELOPMENTS

WHY STUDY LARGE-SCALE DEVELOPMENTS?

Why bother studying large-scale developments, let alone focus on their implementation problems? It might be argued that because two previous attempts\(^1\) to make implementation less difficult have failed, then additional governmental attention is unnecessary or unprofitable. In what follows, I shall dispute this contention, and argue that it is essential that we continue to plan and build large-scale developments. This position is based on an analysis of a number of circumstances present in American urban areas especially the likely influence of urban population growth on the built environment.

American urban areas continue to grow at an extraordinary rate despite recent observations about declining birth rates. The pace of urban expansion has been caused by two forces - the countries increasing population as a whole and; a basic shift in the distribution of the population toward urban and metropolitan centers. The important point about this shift is that it is into the smaller urban areas, rather than the larger cities. As this expansion is at the heart of this study, some of the figures bear emphasis. The urban population added since 1950 about equals the entire national population in 1870. This increase from 151 million in 1950 to 213 million in 1975 occurred almost exclusively in metropolitan areas. In the next 20 years it is expected that there will be an increase of from one half to two thirds in the population of smaller urban areas.
The obvious question to ask is where and under what conditions this increased population will be accommodated. The current debate has centered on two directions 1) new communities, complete new towns built either as self supporting entities, or as satellites on the fringes of existing urban areas; or 2) to expand and intensify the use of existing urban areas. This second direction has important ties to the necessity for large-scale projects discussed later.

A number of European countries have been building new towns for many years. Although opinions differ as to their success, the towns have elevated some of the pressures for land around existing cities. In this country Presidents Johnson and Nixon took steps to encourage development of towns in less populated areas. But few new towns in this country have survived the political and economic problems to have made a meaningful contribution to housing large numbers of people. Whatever success the European towns have enjoyed, is attributable to the actions of a central government's control over land use. Although the long term solution to housing the increased population in this country must include new towns, there is little doubt that their success will depend on a change in attitude which would permit more public control of land. There is no indication that this change will occur in the near future and so we must look to the expansion and intensification of land use within existing urban areas as a short term solution to the population accommodation dilemma.

In terms of expansion and intensification there are three alternatives: 1) re use of existing structures; 2) expanding the perimeter of metropolitan areas; and 3) utilization of under
and undeveloped lands in urban areas. There are sound economic and social reasons why new uses should be found for old structures. The Federal Government recognized the importance of renovation in enacting the 1954 Urban Renewal Legislation. Rehabilitation has continued to be an important part of Federal Housing Policy since 1954. Apart from public action in this area, there have been many recent projects undertaken by the private sector that involve rehabilitating old warehouses, stores and factory buildings for use as apartments and shops. There is an obvious limit to the stock of old buildings that are capable of renovation. The re-use direction therefore will have only a minimal impact on the demand for living spaces.

The second alternative is to let metropolitan areas expand where the market forces dictate. This 'sprawl' has been taking place around major metropolitan areas for many years and has been the subject of numerous studies. Communities are realizing the cost of this unplanned sprawl and are taking steps to control it, such as stringent environmental impact studies and enactment of special zoning laws. It is in these communities that the first application of large-scale developments can be seen. Instead of allowing new growth to occur where it would create major impacts, it is better if the growth can be channeled into a large development where impacts can to some extent be controlled.

Finally, there is the alternative of intensifying land use by utilizing under and undeveloped land within metropolitan areas. Around most cities are tracts of land, which for reasons of obsolescence or abandonment are available for redevelopment. These lands include redundant railway facilities, obsolete defense
installations, and blighted or abandoned industrial sites. These sites have not been redeveloped previously because the cost of doing so might have been prohibitive, or community opposition could have hindered the implementation process. As land values in the city rise, and demand for building space increases, these areas become more attractive for redevelopment. This redevelopment will in most cases be more efficiently carried out if the whole site is planned and implemented as a single large project. Just why this is the case is a function of some characteristics of large-scale developments.

First, because of their size and complexity, large-scale developments tend to attract larger and more efficient developers and consultants more experienced in the development process. This more efficient management can make previously marginal development sites into profitable projects especially if development time is decreased. Second, building at a large scale can lead to both social and technological innovation. There are obvious economies of scale in large projects especially if many elements are repetitive. Large-scale developments, because of their size can enable innovative actions in terms of community forms and social mixing. Smaller projects lack the numbers to allow such experimentation and innovation.

**FEDERAL GOVERNMENT INVOLVEMENT.**

Although the Federal Government has not had any responsibility for directly initiating large-scale projects, there have been a number of programs that provide assistance to local bodies and the private sector to undertake large developments. A number of studies between 1930 and the early 1940's showed that in large
measure the growth and persistence of slums and blight, and its roots in the inability of private enterprise to rebuild (without financial assistance) the deteriorating parts of cities, to meet the changing needs and functions of urban areas. Slayton suggests two basic obstacles to private action. In the first place, the entrepreneur faces the problem of assembling a number of parcels of land, often under diverse ownership, in order to create a tract large enough to support efficient modern development, while at the same time withstanding the effects of adjacent blight. The second obstacle is the high cost that is incurred during the development process. The acquisition costs to a private developer often reflect inflated, speculative land values, and can also include the costs of existing structures. Although deteriorated and obsolete these structures do have an economic value that becomes a significant item of cost when they must be demolished to make way for new buildings.

To overcome these obstacles to private involvement, the Federal Government created several programs including Urban Renewal, New Communities and the Federal Surplus Land Program. These programs which were funded through categorical grants have now been discontinued in favor of community development grants made directly to local bodies. Urban Renewal, the Surplus Land Program and Revenue Sharing are discussed in detail in the following Chapter.

**DEFINITION OF LARGE-SCALE DEVELOPMENTS.**

What do we mean by the term 'large-scale developments?' They do not lend themselves to an easy definition, and in fact, it is probably not necessary to agree on an exact definition. Rather
it is more useful to describe what can be included in the term 'large-scale developments.' One way to think about them is to use a continuum which describes the whole built housing environment. This continuum is illustrated in Figure 1.

**New-Towns In-Town** - This form is found at the end of the continuum that approaches new communities. It is the largest project which could be classified as a large-scale development. New-Towns, such as the Roosevelt Island Development in New York, occupy large tracts of underdeveloped land adjacent to major urban centers. The Boston Redevelopment Authority's proposal to redevelop the Charlestown Naval Yards for housing, could also be defined as a New-Town In-Town.

**Recreation and Retirement Communities** consist of groups of housing units - apartments and condominiums - and includes, as a part of the development, extensive leisure facilities. These range from golf courses and ski-slopes, to swimming pools, pool rooms and adults and childrens club facilities. The projects are generally aimed at the market for second homes, a retirement community, or the 'Empty Nester.' As a rule this type of project is located in suburban areas, or in close proximity to accessible natural attractions such as to ocean or mountains.

**Planned Unit Developments** are receiving a lot of attention from developers and local government bodies, as an alternative style of living to the traditional 'Single Family Lots.' P.U.D's are primarily residential in terms of use, although they can include commercial and other uses as part of the whole development. Typically, these developments are planned around common open spaces and recreation facilities, and require regulations
FIG 1. A CONTINUUM OF THE BUILT HOUSING ENVIRONMENT
that differ from the traditional zoning laws.

Non-Residential Developments - There is a whole range of project types that cannot be classified as residential. These include downtown and regional retail centers, complexes of office and industrial buildings, hospitals, university campuses, transportation centers and large defence establishments. Large-scale developments can include a combination of these uses as well as a substantial amount of housing. The important elements that would qualify any project mentioned above to be termed 'large-scale' would be size, complexity and impacts on adjacent land uses. These, and other qualities which characterize large-scale development are described below.

SOME CHARACTERISTICS.

Several characteristics distinguish large-scale projects from other forms of development. Apart from physical size, they tend to be complex. This complexity is in part tied to size, but is also due to other reasons. Large-scale projects are invariably controversial raising all types of issues from the protagonists involved in the project. For many reasons large-scale developments require relatively long time periods to reach completion. Large-scale projects, probably as a result of the preceding, seem to suffer failure more often than other types of projects.

Size and complexity are closely related. The level of infrastructure and support facilities that are required by large-scale developments makes size important. For example, large projects usually require, as a prerequisite for implementation, important commitments by one or more public authorities. This
commitment can be in the form of important changes in the physical infrastructure of a site (such as utilities), changes in zoning, loans and mortgage guarantees for housing, tax incentives and guarantees, provision of schools and other institutional uses, and so on. The selection of which projects receive assistance is more often than not, based on reasons of political expediency, rather than on grounds of an urban growth policy, or social and economic needs. Another consequence of the size of projects, is that local ordinances that control the use of land (zoning) are not as easily applied as they are to smaller projects. For example, parts of some very large sites are zoned differently, because of intersecting municipalities (e.g. Charlestown Railway Yards - parts of it are in Boston, another in Cambridge and yet another in Somerville.) Also some sites are situated on the boundary of a local government body, and although the land itself is only subject to one jurisdiction, the development of the site can create externalities on adjacent communities where the controlling city or town has no authority. Yet another consequence of size is related to financing and the inflexibility of some zoning laws. In large projects it is not unusual to find that the uses are financially interdependent (for example, the commercial and retail spaces might be subsidizing the housing to keep rents competitive) and local laws that were never designed to permit such mixed uses can hinder the implementation process.

Complexity  In many cases large-scale projects are planned on land, which up to the time of the project's inception, had been considered as undevelopable (or developable only at a very high cost.) It is being developed now, only because there has been
a change in one or more of the conditions that in the past had rendered the land undevelopable. For example an ambitious developer prepared to assume the risks; or the demand for land in that particular location now makes it economically feasible to develop. Each project has its own peculiar activities but a typical list would include; the assembly and acquisition of land; generating development cash and mortgages; obtaining zoning, planning and building approvals; providing access and services to the development; actually constructing the project; and marketing the spaces which might be programmed for release over a period of many years. Often several of these are inter-related such that the degree of complexity is multiplied and implementation is complicated still further. For example - acquiring the land requires cash and lenders would be unwilling to risk funds unless development approval had been obtained, and the market for the final product established.

**Controversial.** Large-scale projects, for one reason or another are invariably controversial. Their physical size usually creates impacts and externalities of some type, on the surrounding social and physical environment. The parties frequently indulge in debates, arguing the relative merits of the projects. It is a characteristic of these debates that issues not directly related to the project emerge and become major barriers to implementation. For example the proposed Park Plaza development in Boston raised, and very largely depended for its support on the provision of jobs for construction workers. This was in turn related to the decision of the Governor to stop all construction work on highways inside Route 128. In other projects it is anticipated profits that
will accrue to the developer that sparks off a controversy. Controversies can arise even when two parties use almost identical facts. The recent enactment of laws requiring preparation of Environmental Impact Studies have touched off debates in which the parties arrive at opposing positions. Witness the debate over the proposal to build the John F. Kennedy Museum-Library complex off Harvard Square in Cambridge. Using the same traffic projections, the parties who opposed the project disagreed with supporters, that the increase in traffic volume would not adversely impact the adjacent community.

The Time Period. Large-scale projects require relatively long periods of time to develop. There are many reasons for this. If we start with the land itself, it is frequently owned or controlled by many agencies or individuals, and the acquisition and assembly of all the parcels into a workable package, either through direct purchase, eminent domain, or legislative action, can take many years of work. This of course assumes that in fact insurmountable obstacles to assembly are not encountered that can effectively halt the project at any stage. Another activity which may require a considerable commitment of time and effort is obtaining building, planning and zoning approvals, especially if variations from local ordinances are necessary. The actual time involved to obtain approvals depends largely on the attitude of the local government of the city or town in which the project is to be built. If this body is not sympathetic to the development or deems it politically expedient not to support the project, then the resulting prolongation of approval times, possible appeals, public meetings, reviews, litigation and so on, together may com-
bine to force the abandonment of the project completely or delay it at least until a more conducive government is elected. The complexity of the project may require a massive input of resources for the investigation of site conditions, master planning and design of the project. Market considerations also can contribute to prolongation of the preconstruction period. The developer may consider it advisable to wait until a definite trend in the market for the final space, say speculative office space or retail areas, is known. Fluctuations in the availability and cost of development funds, and interest rates may also contribute to prolonging the development period.

**Failure** Large-scale projects seem to experience more failures in the planning stages than do smaller projects. Comparative figures to support this assertion could not be found, but experience suggests that a majority of large-scale projects on which architects and planners offices work, never reach fruition. There are many reasons for this phenomena, and they are not always clear. One reason is that the issues of size, complexity and controversy combine to simply exhaust the energies and finances of the key actors in the process. Another, perhaps more prevalent reason is that the basic premises on which the project was based, were not logical to begin with. It is also the case that some projects fail because the individuals involved view its successful implementation as a manifestation of their own success, and they fail to see obvious deficiencies in the project's feasibility.
NOTES

1. The Federal Urban Renewal and New Communities Programs.


3. In fact the Federal Government's first large ventures into residential rehabilitation were made in the early 1930's by the Home Owners Loan Corporation, and by the Federal Housing Administration.

4. The most recent of these studies is The Costs of Sprawl, a 1974 study sponsored jointly by the President’s Council on Environmental Quality, the Environmental Protection Agency and the Department of Housing and Urban Development.

5. See The Operation and Achievements of the Urban Renewal Program by William L. Slayton.

6. The term 'Urban Renewal' is used throughout this thesis. Urban Renewal refers to the series of government programs charged with assisting states, cities and the private sector, in undertaking renewal projects. On the other hand urban renewal is used in the general sense to describe a philosophy of dealing with the problems of slums and blighted areas. The distinction is important here because the 1974 Housing and Community Development Act terminated all Federal Urban Renewal and New Communities aid to state and local bodies for specific projects. However many cities still have viable proposals to undertake 'renewal' in some areas. The only difference now is that the Block Grants will be provided directly to the city, and not for a specific urban renewal project.

7. Although large-scale developments can include non housing structures, the main emphasis of this study is on housing. Hence the continuum which is limited to the housing built environment.

8. This use of the term 'New-Town In-Town' should not be confused with the 'New-Town In-Town' program, using surplus Federal lands as proposed by the Johnson Administration. This program is discussed in more detail in Chapter 3.

9. For some of the reasons for this interest see Planned Unit Development: Its Significance for New Communities by Malcolm D. Rinkin in proceedings of the A.I.A. 1971 Conference on New Communities.
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CHAPTER 2

FEDERAL PROGRAMS - PAST AND PRESENT

The previous chapter discussed some of the reasons why the Federal Government has become increasingly involved with large-scale developments. To reiterate the main reasons: The Government determined that many social problems originated in the slums and blighted parts of cities. In large measure the growth and persistence of these areas had its roots in the inability of private enterprise to rebuild without financial assistance. Federal response to this situation led to two basic approaches - the Urban Renewal programs to redevelop slum areas of cities; and programs such as New Communities Assistance,\(^1\) to aid the development of totally new environments outside of the main urban centers. It is these two approaches that will be discussed in this chapter. The last part of the chapter deals with the latest Federal Program, Community Development/Revenue Sharing.

URBAN RENEWAL

Perhaps no other Federal program has aroused so much controversy as Urban Renewal. Wilson\(^2\) notes about these programs:

(they were) "not the most expensive or the most far reaching domestic programs of our time, yet it is one of the most widely discussed and perhaps most controversial"

Proposals for the elimination of blight and slums can be traced back to legislation as early as 1933.\(^3\) But it was the Housing Act of 1949\(^4\) that first promulgated comprehensive housing legislation and the first to set forth a national housing policy. This Act, which really formed the basis of the Urban Renewal programs provided the following: It authorized financial assis-
tance to a local agency for a project consisting of the assembly, clearance, site-preparation and sale or lease of land for uses specified in a redevelopment plan. Capital grants were authorized to help meet local losses in connection with a project. These grants required that the redevelopment plan be approved by the local governing body; that the plan conform to an overall plan for the locality; that the user of the land be obligated to devote it to uses specified in the redevelopment plan; that families and institutions be suitably relocated; and that no land be acquired until after a public hearing had been held.

The most significant amendment occurred in 1954. This revision was the first to use the term 'Urban Renewal' in lieu of redevelopment. It defined an Urban Renewal project as 'including, not only previously authorized acquisition, clearance and disposal of land by local agencies, but the restoration of other blighted or deteriorated areas by a plan of voluntary repair and rehabilitation of other buildings in accordance with the Urban Renewal Plan. The revision also introduced the concept of the 'workable program', to make communities produce a plan for action. It also provided for mortgage insurance; grants for state and local planning, and demonstration projects; and for the first time made an exception to the requirement that Urban Renewal areas must be for predominantly residential uses.

In essence the Federal Urban Renewal program was initiated to attempt to rebuild rundown areas of cities by channeling vast sums of money into the operations of the private sector of the economy. It did not complement the private market, it short circuited it. The program worked generally as follows. A
section of a city or town which was in a deteriorated condition, was declared an Urban Renewal Area, and plans were prepared for its renewal by the local Renewal Agency. The plans were then subjected to approvals by the local governing body and H.U.D. officials in Washington. A public meeting was then held at which local officials outlined the case for urban renewal of the area. The public at that stage were also given the opportunity to speak on the projects impact to the community. After this meeting actual implementation could begin. In fact the public meeting and implementation frequently occurred simultaneously. There were six basic steps involved in the process.

- Land acquisition - land and buildings were acquired by negotiation with the owners, but if that failed, the Renewal Agency could use its powers of eminent domain to acquire the land.

- Displacement and relocation - individuals, families and so on, located in the renewal area were forced to move and find premises in some other area of the city. The law provided for some compensation to property owners, and required Renewal Agencies to relocate people satisfactorily in other premises, but in practice this did not always happen.

- Site clearance - demolishers and wreckers would then move into the area and remove any structure not considered useful to the renewal plan.

- Site improvements and supporting facilities - the cleared land was then usually improved by the construction of streets, sewer and water lines, electricity supplies, schools, parks and so on.

- Disposition of improved land - the cleared and improved land could then be sold, leased, donated or retained by the Renewal Agency. Usually the land was sold to private developers either by competitive bidding or by negotiation between renewal officials and the private buyer.

- New construction - the new construction could be residential, industrial, commercial or public. The private developer was usually obliged to build according to a general plan approved by the renewal authorities.
The most obvious, and widely felt impact of Urban Renewal was the social upheavals it created. Regardless of the language of the legislation, it was largely oriented towards luxury housing and non housing uses with a few middle income projects interwoven, dispossessing low income slum dwellers who could not afford to occupy the new apartments. Local Renewal Agencies were supposed to relocate the dispossessed families in comparable housing, but in many cities, such housing was scarce or simply not available. However, the issue being discussed here is not whether the tearing down of slums is desirable or not, but rather how to accomplish large-scale projects. Obviously any new strategy which is concerned with redeveloping parts of cities must, if it is to receive community acceptance, be aware of the sociological lessons of the Urban Renewal programs.

The attacks on the social consequences of Urban Renewal alone might have resulted in the program being disbanded. There are however a number of other reasons why Federal Urban Renewal has been replaced by other programs.

Until recently, Urban Renewal projects were funded through an allocation system of Categorical Grants. Under this method, individual projects were funded directly from Washington and were for a fixed duration. This method also reinforced the centralization and fragmentation of government, especially at the Federal level. Starting in 1972, under the Nixon administration's New Federalism Doctrine, Federal funds were allocated directly to state and local governments according to a statutory formula. The final act that ended Urban Renewal and several other Federal programs funded through Categorical Grants was the 1974 Housing
and Community Development Act. This Act (which is discussed later in this chapter) provides for Block Grants directly to state and local governments for a range of projects concerned with community development. Even if there were no other factors contributing to the demise of the Urban Renewal program, the 1974 Act phased out all funding for Federal Urban Renewal projects, in lieu of Block Grants.

The second factor that contributed to the failure of the Urban Renewal program concerned the centralization of its administration. The reason that centralization was one cause of failure is in part due to the intrinsic nature of bureaucracies. The original objective of the program was to foster local actions to redevelop slums and blighted areas of cities, but by the late 1960's the program was bound up in a bewildering array of bureaucratic procedures and red-tape. The administrative difficulties led to a proliferation of books and manuals on how local officials could best apply for assistance funds. Although the initiative to undertake urban redevelopment was still maintained by local communities, decisions as to the funding of projects were made by Federal officials in either Washington or one of H.U.D.'s regional offices.

A third factor, concerns the program's inability to take into account the plans and objectives of metropolitan and regional agencies. Regional planning is by no means a new concept in this country, but until recently its function has been mainly advisory or co-ordinative. In the early stages of the Urban Renewal program, the Federal Government did recognize the importance of ensuring projects conformed to local area plans.
It did not however acknowledge the importance of regional co-ordination until much later. This failure to ensure projects conformed to regional objectives, led to many earlier projects ignoring important aspects of regional concern such as growth policies, industrial and economic development, transportation and public services. Adjacent communities often were competing for the same industries and funds for urban renewal projects, a situation which regional co-ordination might have avoided. The 1974 Housing and Community Development Act makes it mandatory that all applications for Community Development grants go through the A-95 clearance process of regional review.\textsuperscript{13}

Another criticism of Urban Renewal concerns the role of \textit{community participation} in the initiation, planning and decision making processes of implementing urban redevelopment projects. It was shown earlier in this chapter that, in the normal Urban Renewal process, a public meeting to announce a project was only held after the plans had been prepared, submitted and approved by local and H.U.D. officials. In the early stage of the program, community opposition was minimal, but as other groups began to learn about the process, resistance to many projects mounted.\textsuperscript{14} Records do not show just how many of the projects instigated by local officials, for whatever reasons, suffered from community opposition, but if the amount of time taken to actually implement some controversial projects is any indication, then the number would be substantial. It is possible to make two observations about the role community groups can play in the initiation of urban \textit{redevelopment} projects. First, it would seem obvious that much opposition can be avoided if local officials
involved the community in the project at an early stage in its planning. The second observation concerns the actual programs for the project. Even in non-Urban Renewal projects, these are inevitably written in language which is inflexible, and leaves little room for compromise and amendment. This can lead to officials and the community taking up intransigent positions on certain issues and result in a project being delayed or abandoned.

The final reason why Urban Renewal lost its impetus in recent years was that most of the worst slums and blighted areas of cities have been cleared. Those areas that had been torn down were the weakest politically and were unable to fight the administration. Those that survived, have done so because local officials are aware that to propose their clearance would be politically unwise. There is another aspect to this discussion, and that concerns the changing social attitude to slum life. The early renewal projects were characterised by an attitude on the part of Federal, state and local officials to rid the city of slums, and hence eliminate many social problems. There was little awareness of the intricate social patterns that existed in depressed areas of the city. Gradually, through such writers as Gans there has been a change in attitudes to slum areas. Of course this must have affected attitudes to the value of Urban Renewal so that an area thought to be in need of redevelopment in the early 1950's would not be seen in the same light today.

Although the Urban Renewal program has been criticized for many reasons including those mentioned above, it still succeeded in clearing and redeveloping huge areas of the country's major cities in its 25 years of operation. By contrast the program
described in the next part of this chapter is notable for what it did not achieve. Of all recent Federal programs that have attempted to assist in the implementation of large-scale developments, none have met with such a complete failure as did the New-Towns In-Town program.\textsuperscript{16}

\textbf{NEW-TOWNS IN-TOWN PROGRAM}\textsuperscript{17}

This program was the first in which the Federal Government actively became involved in the implementation of new towns.\textsuperscript{18} The program's aim was to create model new communities on land controlled by the Federal Government in and around metropolitan areas. The program was so ill conceived and administered that between the time the scheme began in the summer of 1967, and the end of 1971, only 120 units of housing in new communities had been built.\textsuperscript{19}

The idea for the program grew out of the social activism of the 1960's. One result of this activism was the demand for more involvement of government in achieving social equality. The New Towns program was an attempt to supplement other Federal programs aimed at providing more housing for low and moderate income families. The program was founded, on what were then, two obvious propositions: These were:-

\begin{itemize}
  \item That the cost of land and the time involved in assembling large enough blocks of land for construction of housing constituted the greatest barrier to successfully implementing the development of low and moderate income housing. Moreover the need to borrow money for long periods of time usually required in assembling large tracts of land, aggravated the cost of financing the construction of the development; and
  \item That the time delays caused by the involvement of local citizens could be avoided if non residential land was made available. Hence it would overcome the tremendous
social and physical costs incurred under the Urban Renewal program of relocating families and businesses and demolishing existing buildings to provide a cleared site.

The Federal Government had been involved since 1937 with public housing, and through the Urban Renewal program described earlier had supplied a variety of subsidies for clearing and rebuilding city land. The rationale was that the new program could be used to help produce additional new housing for low income families, and President Johnson, whose idea it was for the program, believed that one way to help produce more housing was through the Federal Government providing aid in the form of surplus land.

The way the program was supposed to work was simple enough. In and around many of the nations cities, the Federal Government owned land that was either vacant, or its original use had been superseded. These 'surplus' tracts of land, as they were designated, could under existing legislation be disposed of for development as housing projects. Initially the program was a totally Administrative responsibility, and it relied on the ability of the White House to co-ordinate the Executive Agencies involved in its operation. H.U.D. was charged with the responsibility of preparing guidelines, surveying and selecting sites, co-ordinating with local agencies, and providing the initial funds for planning and experimentation.

Once the projects had been identified, a Federal planning team was sent to the city to consult with local officials about the nature and prospects for the development of the New-Town. The planning team then described the purpose of the program, solicited local co-operation and gave certain undertakings con-
cerning grant applications. If local officials agreed to proceed, the team then asked the local officials to prepare an 'action program' that would outline the localities plans for the development. H.U.D. supplied the guidelines and regional officials could be called upon to assist in preparation of such a program. After the action program was submitted to H.U.D., the Administration would announce the project. All that theoretically was supposed to happen then was for H.U.D. to begin operating in its normal Urban Renewal role within the community, and construction could commence within the prescribed guidelines. What happened, in fact, bore little resemblance to the theory as the following discussion indicates. Projects consistently were hampered by conflicting interests of local community groups, and by the intricate maze of bureaucratic procedures established by the initiators of the program.

Derthick suggests the main reason for the program's failure is attributable to the centralized role of the Federal Government. Before exploring the centralization issue in more detail, it is worthwhile to note some of the contributing causes of the failure. Some have argued that the program's demise was linked to the political destiny of President Johnson, but as Derthick points out, the program had already failed, prior to the President's announcement of his intention not to seek re-election. Another reason had to do with community involvement in the development process, especially the low and middle income earners who lacked the ability to organize themselves into an effective political force, and assert their interest. But if low-income groups could not present a unified organization, the
local government officials invariably did. Their ability to act effectively was the cause of several projects being abandoned. Yet another reason has to do with the intrinsic nature of large-scale development. Even where local politics posed no real barriers, it was still extremely difficult to implement a project because of the number, location and self interests of all the organizations involved.

Four reasons have been advanced by Derthick concerning the reasons why a centralized government was not the best way to implement this program.

The administrative remoteness from local politics made it difficult to understand local housing problems and to determine the relative value of new housing, as well as could local officials. The Administration failed to understand that low-income housing is a mixed blessing for some communities. It was believed that low-income housing had not been implemented previously because of the objections of those who would be displaced, or from those into whose neighborhoods, the displaced would invade. If local officials could be supplied with vacant land, the Administration reasoned, then they could develop their own housing. This rather simplistic notion overlooked the objections of persons whose neighborhoods would be impacted by new development, and it overestimated the willingness of local officials to support the construction of low-income housing. What defeated the program locally was identical to that which defeated previous attempts to build low-income housing: the preference of local officials to encourage developments that would yield tax revenue; their understandable reluctance to act in the face of
opposition; and the absence of organized local support. Remoteness manifested itself also in the lack of knowledge on the part of H.U.D. officials to determine the political climate for success in each city. H.U.D.'s central office had to rely for its information on what the planning teams and regional officials reported. They in turn obtained their information from local officials, who were frequently a long way from being an unbiased source of advice.

The second reason for the program's failure had to do with the supply of incentives. To attract local officials to accept responsibility for developing new housing, the Federal government had to provide some incentive. The Administration assumed that low cost land would be available for this purpose, an assumption that proved to be incorrect. In fact, to sell land at less than the market value would have required a change in the law, and this was never carried out. The program might still have survived had local officials really been interested in saving it, because, even without the land price reduction the program provided assistance to assemble land and relocate displaced families or institutions. Federal ownership of the land provided another incentive during the early stages of a project because it relieved developers of tax and interest burdens incurred while holding the land. However, cities even with these incentives showed little interest in wanting to use the land for housing - they were much more interested in using the land for the more lucrative tax generator of industrial development. In short, the incentives offered were not what was needed to encourage local action.

The third reason is related both to the remoteness and the incentives problems - the inability of the Federal Government to
use incentives effectively. Because the program depended largely on local officials for its implementation, whatever weaknesses were inherent in these official's capability to perform, - to gather local support, to organize and administer, - were liabilities for the new-town program as well. H.U.D. tried to direct local government to 'create' their own support, and the planning teams were supposed to 'urge' mayors to set up an 'advocate force' in the city. Where little support existed, a directive from H.U.D. to the mayor could not create it. The mayor would do what was asked of him only if he was in need of the assistance for his town. In the Surplus Land Program, the aid (land) in itself was a problem, and the terms of its use - new-towns in-town for low-income housing - were not always appealing to the local government concerned. So not only were the incentives not provided in the right form or quantity, but there was not a sufficiently effective enough system to implement them.

Finally, the scheme was afflicted by a problem that applies to many large-scale developments - that is, it was initially set up to achieve objectives that were overly ambitious. So ambitious in fact (especially the size of the project) that some measure of failure was certain. The goals and objectives of the program were established by H.U.D. officials and consultants, and by the Administration, in terms of their own ideas of what was to be done. Put another way, the implementation of the projects relied on local officials, but the initiation of the program and the establishment of its goals were independent of local activities. The program planners sought to establish goals that would serve society as a whole, and wrongly assumed that different social
classes and races could be integrated through a shared attachment to the symbolism and lifestyle of a particular 'place'. To burden the projects still further, the Administration sought innovation in every aspect of planning, design and development. In the end this weight of experimentation proved too great for the fledgling program to bear. In summary, the effort to achieve integration through a 'new' community, yielded plans of high cost, great complexity and impossible to achieve objectives. The quest for innovation further inflated the objectives and produced a host of economic, technological and political problems that could not be solved.

COMMUNITY DEVELOPMENT/REVENUE SHARING

Programs such as Urban Renewal and New Communities were funded through an allocation system known as "Categorical Grants". Under this system grants were made according to a statutory 'formula' or allocated directly to 'projects'. The operation and influence of these grants has been the subject of several studies. The important point about Categorical Grants, is that the 1960's witnessed a tremendous growth of Federal involvement in urban life. Under the Johnson Administration a number of Federal programs were initiated which were aimed directly at improving the quality of life in urban areas, particularly for minority groups and families on low and middle incomes. A characteristic of these programs was that they were largely administered from Washington by individual Federal Agencies. The consequences of this growth in these programs, and of their centralized administration, was a fragmentation in responsibilities. In some cities there were as many as 50 agencies offering jobs to low-income
earners. Many of these agencies had different requirements and procedures, and applicants were confronted with large Federal bureaucracies and endless red-tape. Partly in response to this fragmentation, politicians began to think about Revenue Sharing, an old method of allocating funds that has existed for years in other countries. The Nixon Administration however really dealt Categorical Grants the final blow and initiated the first Revenue Sharing Act in 1972. The State and Local Fiscal Assistance Act of 1972 provided for the return of Federal funds directly to state and local governments according to a formula based on population, tax effort and per capita income. The rationale of the Act was that local government would be more responsive to the community's needs and would not generate the fragmentation and bureaucracies that existed under the old Categorical Grants system. The next stage in the introduction of Revenue Sharing occurred in August 1974 when President Ford signed the Housing and Community Development Act.

The provisions of this Act altered Federal involvement in a wide range of housing and community development activities. There are eight titles in the law: community development, assisted housing, mortgage credit assistance, planning, rural housing, mobile homes, home mortgage assistance and some miscellaneous provisions. The most important to this study is Title 1 - Community Development, which consolidates several existing categorical programs concerned with community development into a single program of Community Development Block Grants. The Act terminated the following programs:

- Open space - Urban Beautification-Historic Preservation Grants
Public Facility Loans
Water and Sewage and Neighborhood Facilities Grants
Urban Renewal and N.D.P. Grants
Model Cities Supplemental Grants, and
Rehabilitation Loans.

In addition a circular from the Department of Housing and Urban Development in early 1975, advised that no new funds would be made available under the New Communities program.

The objective of the title is to develop viable urban communities by providing decent housing principally for low and moderate income families to be achieved through the elimination of slums and blight and detrimental living conditions. The preamble also outlines numerous other conditions. It is also the purpose of the title to further the development of a national growth policy by:

- providing assistance annually to communities,
- encouraging community development consistent with local and area plans,
- further achieving the national housing goals, and
- provide for co-ordinated housing and community development activities.

Communities must comply with five requirements to be eligible for Block Grants.

1. Produce a three year plan which identifies community needs and objectives, developed in accordance with area-wide development planning and national growth policies, and which demonstrates a strategy to meet those needs.

2. Formulation of a program which includes activities to meet community development needs and objectives, and indicates resources other than assistance under the title, available to meet such needs.

3. A program to eliminate, or prevent blight, slums and deterioration and improve community facilities, including health and social services.

4. A housing assistance plan which a) surveys the com-
munity housing stock and assesses needs of lower income families in the community, b) specifies an annual goal for housing assistance including mix of new, existing and rehabilitated units and the size and types of project and assistance best suited to the needs of lower income families, c) indicates location of low income housing to show revitalization, avoidance of undue concentration of low-income families, and availability of adequate public facilities and services for such housing.

5. Applicants must be in compliance with the Civil Rights Acts; provide for adequate citizen participation; have applications reviewed by the A-95 clearing house body; and prepare annual performance reports including an assessment of past activities relationship to the titles and the recipients stated objectives.

Funds received under this title may be used to assist the type of activities which were eligible under the prior community development programs. The Act describes specific activities which may be appropriate. Those relevant to large-scale development include:

- The acquisition of real property which is blighted or appropriate for rehabilitation and conservation; appropriate for historic preservation; to be used in eligible public works; and to be used for other public provisions.

- The acquisition, construction or installation of public works, facilities and site for other improvements.

- Activities necessary to develop a comprehensive plan and policy-planning-management capacity to more effectively determine needs, goals and objectives, and to carry out management activities necessary for plan implementation.

The miscellaneous section of the Act also contains some provisions relevant to large-scale development. One provision concerns State housing finance and development agencies. The Act encourages the formation and effective operation of these agencies which have the authority to finance, assist, or carry out activities designed to:
- Provide housing and related facilities through land acquisition, and the construction or rehabilitation for low-moderate and middle-income persons.
- Promote sound growth and development of neighborhoods through revitalization of slums and blighted areas.
- Increase and improve employment opportunities for the unemployed or underemployed through the development and redevelopment of industrial, manufacturing and commercial facilities, and
- Implement the development aspects of State land use and preservation policies, including advanced acquisition of land. The Secretary of H.U.D. is authorized to provide technical assistance to State Housing Finance or State Development Agencies to assist in the planning and carrying out of development activities.

In addition the Act authorizes guarantees, and allows H.U.D. to enter into commitments to guarantee, taxable obligations issued by State Housing Finance and Development Agencies, and to make or contract to make grants to or on behalf of such agencies to cover a maximum of 33 1/3% of the interest payable on financial obligations issued, whether or not guaranteed.

There are a number of implications of Community Development/Revenue Sharing for local initiatives in large-scale developments. First, because the grants are not of a fixed duration, local bodies can undertake planning for long term projects with the certainty that funds will be available. Second, local government can allocate the funds to those areas in the community which have the greatest need. And third, the Act does not specify any form of organization that must be established to administer the grants. The city or town can choose its own structure for dealing with Community Development funds.
NOTES

1. There are a number of H.U.D. programs that have provided assistance for new communities such as Title VII, Public Law 91-609 of the Urban Growth and New Community Development Act of 1970 and the ill-fated New-Towns In-Town (Surplus Federal Lands) program of the Johnson Administration. The 1974 Housing and Community Development Act has superseded assistance for new communities.

2. Urban Renewal - The Record and the Controversy by James Q. Wilson (page xiii)


5. See 'The Federal Bulldozer' by Martin Anderson in Wilson's Urban Renewal - The Record and the Controversy.


7. Urban renewal in the true sense is still being carried out in many cities and towns and will undoubtedly continue in the future. The distinction here is between the Federal Urban Renewal Program which has been replaced by the 1974 Housing Act, and urban renewal which is being undertaken directly by state and local agencies.


9. Local control was supposed to be ensured by the following conditions of The Urban Renewal program.
   a) A state legislature adopt an enabling law (M.G.L. 122) to give cities the power for urban renewal.
   b) A city council approves the project.
   c) A city council has first authorized local public expenditures to supplement Federal Funds, and
   d) Local citizens must participate in the process.
10. For example see 'Urban Renewal Administration - Practices, Procedures and Record Keeping' by Emanuel Gorland (1971).

11. The 1920's saw a proliferation in the establishment of regional agencies and commissions. For a description of the place of regional planning in the whole city planning movement see American City Planning by Mel Scott (especially from Page 221.)


13. Under a series of intergovernmental co-operation acts beginning in 1966, the Bureau of Budget (now the Office of Management and Budget) established under Section 204 of this legislation and through circular A-95, a highly important Federal grant planning and clearinghouse system. Under this system every governor of every state was required to establish a state wide regional planning system, setting up official planning agencies where they did not exist, or making use of the economic development districts already in existence or using a combination of both. All applications for Federal aid for highways, sewers and water systems, open space beautification, pollution abatement and many other Federal programs had to go through a clearinghouse process via regional planning agencies.


15. By 1965, of 27,000 acres bought by cities since 1949, 10,439 had been resold; of the remainder, 7,400 acres were still uncleared, another 3,308 acres were cleared but lacked a sponsor, and about 5,879 cleared acres were close to sale. Source - Some Blessings of Urban Renewal by Wallace F. Smith in the Journal of the American Institute of Planners, Vol. 31, No. 2. (May, 1965) pp 179-180.

16. Much of the material for this chapter is drawn from an exceptionally well documented study of this program - New-Towns In-Town by Martha Derthick.

17. This program was, at various stages, known by other names. The most well known of these was the 'Surplus Federal land for Community Development' program.

18. The distinction should be made here between the 'New Communities Assistance Programs' and the 'New Towns' program. The first Congressional action to assist development of New Communities was set out in Title IV of the 1968 Housing
and Urban Development Act. This provided for financing guarantees which allowed interest and principal repayments to be deferred during the early stages of the development. Title VII of the 1970 Housing Act created the Community Development Corporation within H.U.D. to assist in developing new communities.

19. **New-Towns In-Town** - Derthick.

20. In 1937 it had provided cash subsidies to local public authorities for the construction of public housing to be rented to persons with incomes below a specified level. In 1961 it had provided mortgage insurance at below the market rate to private developers. This program (221(d)(3)) was designed to produce homes for moderate income persons - those not poor enough to qualify for public housing, yet too poor to afford unsubsidized decent housing.

21. After President Johnson left office the program to all intents and purposes was abandoned. However, it still retains a tenuous existence as a responsibility of the Office of Community Planning and Management in the Department of Housing and Urban Development.

22. The task force set up by President Johnson had representatives on it from the General Services Administration; The Department of Housing and Urban Development; the Department of Defence (as the controller of most Federal lands); and the Department of Justice.

23. Note that at this stage there was no attempt to involve the community in the project, or to determine their opinions and requirements. Later on, of course, this failure led to some projects being abandoned through lack of a consensus of community requirements.

24. **New-Towns In-Town** - Derthick, pp 83-84.


26. In limited circumstances, requirements 1, 2 and 3 may be waived in the case of smaller communities.
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CHAPTER 3

CASE STUDIES IN MASSACHUSETTS

This chapter will describe three large-scale developments in Massachusetts which are not substantially funded through the Federal Urban Renewal program, and evaluate each in terms of the government agencies involved and what problems each has to contend with. The three projects are:

- Park Plaza Development in the Park Square area of downtown Boston,
- Bedford-West Development in the Washington Street retail area, and
- Wellington Circle Development - a transit station/suburban development in Medford.

Each project is concerned with urban renewal. Although none of the developments are presently receiving Federal assistance, Bedford West and Wellington Circle have received some aid previously. The projects were selected to show a range of conditions which large developments must face in Massachusetts. Park Plaza and Bedford-West are both downtown renewal projects, but any other similarities end here. Park Plaza has been the object of disputes almost since its inception, yet one barely hears a word about Bedford-West. The following discussion explains the reasons why this is the case.

PARK PLAZA DEVELOPMENT - BOSTON (Fig. 2)

Park Plaza, along with the infamous West End Urban Renewal project probably represent the two most controversial developments in the recent history of Boston. The Park Plaza project is a non-Federally assisted urban renewal project, centered on Park Square. The project has undergone many changes since it was first announced, in an effort to make the whole development package more
FIG. 2 PARK PLAZA URBAN RENEWAL PLAN.
politically acceptable to both state and local officials as well as community groups. The history of the project is complicated because issues seemingly unrelated to the development were raised to hinder the implementation process.

The total area of the development is about 35 acres. At the time of preparing this dissertation, the first stage of the project (parcels 1, 2 and 3 and excluding the Combat Zone area) comprises the following:

- an 800 room hotel-convention center
- 1650 units of housing
- 1.2 million sq. ft. of commercial office space
- 300,000 sq. ft. of retail space, and
- parking space for 3,000 cars.

The history of the project could be summarized as follows:

1967 The project was initiated as an integral part of the scheme to link the Prudential/Back Bay spine to the downtown retail and financial districts and Government Center. The scheme was prepared by the B.R.A. and the Committee on the C.B.D. The B.R.A. began proceedings to obtain Federal Urban Renewal assistance to undertake the project.

1968 President Nixon announced Federal funding reductions to non-residential Urban Renewal projects.

1968 A number of private developing consortiums interested to in the Park Square area submitted proposals for its redevelopment. However no developer was able to submit a viable development package.

1971 The City of Boston approved the development as an Urban Renewal project. Under Massachusetts law the Department of Community Affairs must approve all state-assisted Urban Renewal Projects. A formal developers kit was prepared by the B.R.A. to solicit submissions from private developers. Five developer/architect teams submitted schemes. The scheme selected was submitted by Boston Urban Associates and Davis and Brody, New York architects.

1972 Urban Renewal plan written after developer appointed. First of four attempts to have state D.C.A. approve the project.
1972 Four submissions made by developer and B.R.A. to D.C.A. The first two under Commissioner Mahoney were rejected as failing to comply with all seven conditions. In 1973 Commissioner Mahoney was dismissed by Governor Sargent and replaced by Commissioner Crampton. The third submission was also unsuccessful. The fourth submission in 1974 included an undertaking by the B.R.A. to complete an Environmental Study and its intention to sign a letter of intent with the developer. Crampton approved the project in principle but imposed a number of stringent conditions. The legality of this Conditional Approval has yet to be tested in court. One of the conditions of the Approval was the establishment of a Citizens Advisory Committee to review the plans.

1975 The B.R.A. Urban Design staff are completing a review of the design objectives of the project, especially parcels 1, 2 and 3. The review is being carried out in conjunction with consultants, Saratoga Associates and the Citizens Advisory Committee in accordance with a D.C.A. approved work program.

The principal participants and actors in the project could be summarized as follows:

State Department of Community Affairs: Under section 48 of Chapter 121B of the General Laws, the D.C.A. is required to give its approval to urban redevelopment projects, approved by cities and towns.

Executive Office of Environmental Affairs: Under Sections 61 and 62 of Chapter 30 of the General Laws the E.O.E.A. is required to approve urban renewal projects to ensure compliance with the State's Environmental Laws.

Governor's Office: Governor Sargent approved of the project in principal. He was also obliged for political reasons, especially the support of the construction unions, to publicly back the project.

City of Boston: Mayor White has always been an ardent supporter of the project. Boston Urban Associates, it is understood,
were the mayor's personal preference as developers. The B.R.A., whose director is appointed by the Mayor, also approved the project.

**Civic Advisory Committee:** This body, established as a condition of approval, reviews all proposals, but has no veto power. It does have certain indirect powers however through its access to the press and consultants.

**Business Interests:** The Park Plaza business owners opposed the project, mainly on economic grounds. On the other hand businessmen in the City of Boston as a whole are 'mildly for' the project. All business shares a distrust of the B.R.A. to some extent.

The Park Plaza project raises many complex issues about large-scale development. This analysis is therefore a rather superficial evaluation of what were frequently a confusing and interrelated series of events. The major problem, that has plagued Park Plaza, is that almost the entire initiation and planning procedures were carried out in City Hall, with no attempt to actively involve the local community and landowners in the project. Their participation may not have made the project any less controversial because the community opposes any redevelopment on economic grounds, but it is interesting to speculate on what alternative course the project could have taken if the community had some meaningful input into the development.

Park Plaza has also tended to polarize many of the controversial issues surrounding Urban Renewal. A variety of individuals and vested interest groups that either oppose or support Urban Renewal, used Park Plaza as a platform from which to expound their
point of view.

Another important point to note about this development is the important role played by the State. Governor Sargent agreed with the project, but he was forced into a position of public backing for reason quite unrelated to the development. In 1973 the Governor had stopped all highway building inside Route 128. This step did not endear him to the construction unions who saw in the move a loss of jobs for their members. Park Plaza was an ideal situation in which to appease the unions because it would have created many jobs over a period of several years. The project also marked the first time that the Department of Community Affairs actively examined a project under the State Urban Renewal Assistance Laws. Park Plaza then was really the 'guinea pig' on which the D.C.A. decided to set standards for future approvals.

In terms of the State's role in the development, it could well be asked why it took four attempts by the B.R.A. to secure the approval. The answer, according to Commissioner Crampton was that the first three presentations by the B.R.A. lacked sufficient detail and depth of appreciation of the problems. The lesson here is the important role that professionals can play in the implementation of large-scale developments.

Finally, some note should be made of the economic feasibility of the development. Not that it in itself is all that relevant, but rather that it was a source of some controversy. Both supporters and opponents concede that the financial viability of the project is very finely balanced. But those people who favor the development believe that the project can be implemented without substantial public assistance. Opponents argue that the project
will never work financially by itself and will need assistance from the City and/or the State. This assistance would be in the form of funds raised from the sale of tax exempt bonds and paid for out of the revenues from the project.

**BEDFORD WEST DEVELOPMENT - BOSTON** (Fig. 3)

In comparison with the Park Plaza project, this development has completed the planning, design and approval stages without major controversies. It also is a non Federally assisted urban renewal project centered on the retail district of Washington Street in Downtown Boston (see Map Fig. 3). Although most of the land in the development is in private ownership, some key parcels are owned by the City.

The total project comprises about 7.2 acres, 5.2 acres is in private ownership, and 2.0 acres is controlled by the City of Boston. There are two parts to the development - the Eastern parcel containing the Jordan Marsh complex and the remainder of the land known as Lafayette Square. The project, as now proposed, consists of the following:

- a 500 room hotel complex
- 250,000 sq. ft. of retail space
- 1,500 parking spaces (by ity)
- 1.5 million (plus) sq. ft. of office space (staged over 15-20 years)
- miscellaneous recreational and cultural facilities.

The history of the project is very straight forward and could be summarized as follows:

1971 Jordan Marsh began studying various proposals to incorporate the existing retail complex into a single structure. The studies showed that there was suffi-
cient land to accommodate a new building and that there would be a substantial parcel of land left over. The Corporation decided to have a competition to select a developer to complete the balance of the site.

1973 In July, the French developing group, Sefrius, in conjunction with architects, I.M. Fei, were selected to undertake the development of a second department store with ancilliary arcades and smaller shops.

1973 Period of detailed planning and negotiations with the B.R.A. to ensure compatibility with City plans.

1975 April - Project scheduled to be announced by Mayor White.

The principal participants in the project could be summarized as follows:

**State Agencies**: No agency at the state level has had a significant involvement in the implementation of Bedford West. The developer must of course comply with the provisions of Chapter 121(A) M.G.L. Urban Renewal for private developers and the Environmental Policy Act (M.G.L. Ch. 12 and Ch. 30). The M.B.T.A. was involved in ensuring compatibility of the project with its station operations.

**City of Boston**: The City owns two key sites and is able to exert influence over another. The parking garage will be owned and controlled by the City, and will be used by the project. They also own a key site (the old Rayments site) on Washington Street which is being sold to the developers, subject to the B.R.A. approving the plans. The City through Chapter 121(A) is also able to influence the planning of the Jordan Marsh site.

The Mayor and the B.R.A. are officially in favor of the project which will redevelop a key downtown area.

**Boston Edison** previously owned a portion of the site and had
commenced construction of an electrical facility when the B.R.A. asked them to consider moving it. The result has been that the facility is now located under the proposed City garage.

**Design Advisory Committee:** Set up by the B.R.A. to review projects. They are generally in agreement with the B.R.A. on Bedford West.

The most important aspect of the Bedford West project is its singular lack of major contentious or controversial issues. If there has been any problem it has occurred through the efforts of local historic preservation organizations to preserve the old Jordan Marsh Building, but their efforts failed. The main reason the project has been free of controversy is its location. Unlike Park Plaza there are no concerns with the environmental impacts on an adjacent park or neighborhood. The whole site is in the ownership of 3 institutions. There are no problems with site assembly, relocation of families or citizen reaction to the development. As the main developer is using private funding, there is some incentive to keep the project moving. With Park Plaza, the longer the development period, the more profit is returned to the developer. Boston Urban Associates of Park Plaza have so far invested very little in their project. The developers of Bedford West on the other hand have a sizeable investment in land, holding charges and consultants fees in their project. This desire not to delay the development for financial reasons has resulted in the developers' willingness to work with the B.R.A. to ensure their proposal is environmentally compatible. (The City also had other controls mentioned earlier.)

The B.R.A. has learnt a good deal about large-scale projects
from its experience with Park Plaza. The City is now much more aware of the importance of thoroughly studying a project's environmental impact at an early stage in the implementation process. The City is also more concerned with ensuring that private developers plan projects which conform to the best interests of the City. In short, the value of having urban design and planning professionals involved at the initiation stage has been demonstrated.

WELLINGTON CIRCLE DEVELOPMENT - MEDFORD (Fig. 4)

The development of the Wellington Circle area has been precipitated by the extension of the Orange Line and construction of a transit station and parking facilities. It is of interest to this study primarily because the development of the station will have impacts of a regional nature, specifically on the Mystic River Corridor. Unlike the previous two studies, Park Plaza and Bedford West, this project is located in a suburb of Boston and is surrounded by several tracts of open and developable land. Although there are no specific project boundaries, Wellington Circle development could be considered as consisting of three components:

- The immediate station area comprising the transit station complex (about 10,000 persons/day) and 900 spaces for car parking.

- The 'joint development district' - Three sites have been designated within a radius of about 2,500 feet of the station. Proposals have been presented to develop these sites as medium to high density housing and some commercial facilities. The City has also been granted air-rights development approval by the M.B.T.A. and M.D.C. to develop areas adjacent to the station.

- The Mystic River Corridor - The M.D.C. has plans for upgrading the corridors recreation areas and providing bicycle and pedestrian paths. The City is also concerned
Area 1.
WELLINGTON STATION AREA
Station complex, parking, retail.

Area 2.
THE JOINT DEVELOPMENT DISTRICT
Air-rights developments, housing, recreational and open space areas.

Area 3.
THE MYSTIC RIVER CORRIDOR
Recreational and open space improvements

FIG. 4. WELLINGTON CIRCLE DEVELOPMENT PLAN
with the impacts on the corridor of building the transit-station.

The history of the project could be summarized as follows:

1962 Wellington Circle was selected by the M.B.T.A. and the D.P.W. as the location for a transit station on the extension of the Orange Line.

1969 The State Legislature passed two special acts enabling the City of Medford to lease air-rights from the M.B.T.A. and the M.D.C.

1971 Funds were obtained from the Urban Mass Transit Administration to undertake planning studies in connection with the transit station.

1975 A report prepared by consultants Nash-Vigier Inc. proposes developing three specific sites near to the station. No action has been taken on this report. Wellington Circle transit station scheduled for opening.

The principal participants in the project could be summarized as follows:

**City of Medford**: The City's objectives are: to facilitate orderly development of the Mystic River Corridor; to take advantage of the increased accessibility provided by the Orange Line extension; to develop a residential, retail and commercial center and; to increase the City's tax base.

**Massachusetts Bay Transportation Authority**: The M.B.T.A.'s major goal is to ensure the efficient planning and operations of the transit station including bus, car and pedestrian access. To a lesser extent the Authority is concerned with the development of land uses in the vicinity of the station.

**Metropolitan District Commission**: The M.D.C. is concerned with preserving and improving the quality of the Mystic River Corridor for recreational use.

**Massachusetts Department of Public Works**: The D.P.W.'s objective is to improve the handling of vehicular traffic onto and
off Route 93. It also would like to maximize the use of the station as an auto intercept node.

Metropolitan Area Planning Council: The M.A.P.C.'s role is to co-ordinate the interests of all agencies and authorities operating in the region.

Local Community Groups: The station site is physically separated from any existing residential neighborhoods. Thus far no major concerns have arisen. A homeowners association has been active in local environmental matters.

Private Developers: The City is actively seeking to attract private developers into the development by providing incentives such as special use zoning.

The City of Medford does not have an aggressive development policy. It has in fact had very little experience with urban renewal, such as is the case with Malden. They are therefore looking toward private developers to undertake the projects rather than actively pursue public implementation methods. A special Act has been passed that enabled the City to establish an Office of Community Development. This combines all community agencies, the planning department and the redevelopment authority into a single office. It is too early to say just how effective this reorganization will be in initiating community projects. Another point about the City, is that its major objective in undertaking development is to generate taxes. It is therefore less concerned with means than it is with ends.

The development is located adjacent to the intersection of three local government areas - Medford, Somerville and Everett and at the head of an important regional recreation resource -
the Mystic River. But because the major part of the development is in the City of Medford, the adjacent communities impacted by the project will not have an input in the development process.

In terms of the development itself, there seems to be some difficulty in planning for proper vehicle access to the parking area. Although not a major concern, at present, it is a part of the project requiring further study. The consultants' study suggested three (originally four, but poor soil conditions forced one to be abandoned) possible sites for medium to high density housing. However there is little likelihood, that given current (1975) economic conditions, private developers will be unwilling to undertake development for at least 2 to 3 years. The alternative is of course to initiate the development using public housing programs, but as of this time no action in this direction is evident.

So far citizen opposition has not created any major problems, mainly because there is a physical separation between the station and residential neighborhoods. However it is fairly certain, that considerable opposition will be raised when adjacent sites, away from the station are announced for rezoning.

The important question arising out of this discussion is - What can be learned from these projects that would assist in preparing new strategies for initiating large-scale developments?

There are four aspects of the Park Plaza development which are particularly relevant to new strategies:

- The rising influence of the State through the D.C.A. to control urban renewal projects.
The effect on the project of not actively including in the planning process, the interests of the local community.
The impact on the implementation process of using or not using professional expertise effectively; and
That many political decisions affecting implementation are made independently of the project's objectives, and outside the influence of any initiation strategy.

From **Bedford West** we could note the following:

- The control exercised over the project by the City through acquiring key sites and utilizing the existing State Urban Renewal Laws.
- The importance of having design and planning professionals involved in the early stages of a project, and
- The important financial incentives to developers of expediting a development.

The analysis of the **Wellington Circle** development highlighted the following:

- Although the major part of a development is contained in one city, its impacts can be transmitted to adjacent communities without their being represented in the development process, and
- The ability and willingness of the city government is an important element in implementing large-scale developments.
NOTES

1. Under Chapter 121(B) of M.G.L. an Urban Renewal plan must satisfy 6 conditions. The seventh is concerned with the environmental impacts of a plan. The conditions are:

i) The project area would not by private enterprise alone, and without either government subsidy or the exercise of government powers, be made available for urban renewal.

ii) Land use and buildings in the project will afford maximum opportunity to privately financed urban renewal, consistent with sound needs of the locality.

iii) That the plan is financially sound.

iv) That the area is of decadent, substandard or in an openly blighted condition.

v) That the relocation plan is consistent with Chapter 79(A) of M.G.L.

vi) That the plan is sufficiently complete as required by Section 1 of Chapter 121(B).

vii) That the plan conforms to the State's Environmental Policy Act.
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CHAPTER 4

ROLES AND STRATEGIES

Any discussion concerning roles for government, in Massachusetts, would be incomplete without understanding some of the forces which make this state unique. Massachusetts has one of the strongest traditions of "home rule" in the country, and any new strategy must respect that tradition. Prior to the passing of the 1966 Home Rule Amendment, the State Constitution prohibited changes in local government powers, structure or organization unless authorized by the Legislature. The Amendment now permits any city or town to make changes and except in defined circumstances, and with certain limitations the Legislature may not interfere in local matters. The consequence of this Amendment is that any legislation which took powers away from local government would almost certainly be defeated. There is also a strong distrust of 'big government' in Massachusetts. Almost every year a Bill is submitted to the Legislature to establish a State Urban Development Corporation, and every year it is defeated. Although there is much to commend a state agency, which could undertake the development of large-scale projects, it is unlikely that given the political traditions in this state, such an agency could be established.

Massachusetts does not have a strong county system of government. They are far less important governmental units than cities and towns, and are largely limited to penal, judicial and deed recording functions. Counties in this state have no ordinance making powers, almost no police powers, and are completely controlled by the Legislature. The importance of this system of weak
counties is that there is no intermediate level of government between municipalities and the state which could perform a developmental function on a regional scale.

The final fact which tends to make Massachusetts a unique case is that there is no unincorporated land in the state. Every piece of land is contained within the jurisdiction of one of the 351 cities or towns. It is this fragmentation that has been blamed for many of the difficulties encountered in developing large projects in Massachusetts. One of the ways which has been proposed to reduce the impacts of fragmentation is to utilize a level of government at the metropolitan or regional level, but given the history of county and regional government in this state, it is unlikely such a level of government would ever be created.

**GOVERNMENT ROLES**

In the development of large projects, the Federal Government exercises power essentially through one function, its power to "tax and spend for the general welfare" - albeit a broad power. Because Congress allocates funds to implement national policy, it can and does have a strong voice in determining how it is spent. By 'withholding', or threatening to do so, Congress can influence state and local operations and regulate individual conduct. By 'attaching conditions' to grants, it can regulate what it can not constitutionally control by legal fiat. It can also 'induce' states to adopt certain programs and perform functions. For example the Federal Government in 1966 made it mandatory, that all proposals for projects using Federal funds, be reviewed by state regional planning agencies thereby ensuring some degree of co-ordination.
State Governments are at the center of the formulation of policies which affect urban growth. Even if the Federal Government does establish a national policy, its ability to carry it out effectively depends largely on the states' willingness to co-operate with a program. Whether a single national growth policy is feasible or even desirable is debatable, but regardless of the outcome of this debate it is certain that decisions affecting land-use are best made at local or state levels. The states possess important powers that affect both private and public bodies. They exercise ultimate authority over land-use through zoning enabling acts; over land acquisition through eminent domain powers; and other regulatory functions derived from the police power. States can also influence the location decisions of housing and industry through taxation incentives and capital investment in public utilities, highways, schools, hospitals, ports, transit lines and so on.

Because of the difficulties involved in initiating large-scale developments and the broad powers they exercise, state governments, to a greater or lesser degree, are beginning to assume more active roles in the process. The involvement ranges from formalized intervention by a public corporation (New York's U.D.C.) to experiments in state land use policies, or ineffectual preparation of studies for future action.

If the Federal Government has the money, and the state the powers, then it is local government that must deal directly with the problems of urban growth. The key to a new implementation strategy in this State lies with the cities and towns. Whatever the size and location of a project, it will at some stage in its progress come under the scrutiny of local government. Depending
on the nature of the project, the influence can be great, such as a development requiring a zoning exception, or minimal for a housing project developed under the Anti-Snob Zoning Law. In most cases however, regardless of the type of project, the initiative to implement the development lies with local officials. The reverse is also true because if local officials find a project undesirable they can force delays and even abandonment of the development. In the future two factors will influence the role of local government in initiating large-scale developments. First, local government has not as yet fully explored the full potential of the Home Rule Amendment to modify their organisation to better initiate large-scale community development projects. And second, the 1974 Community Development Act provides grants direct to local government, and with certain restrictions, a city or town can use these funds for a range of projects concerned with community development.

PRIVATE ROLES

For reasons associated with the instability of real estate construction and investment generally, the entrepreneurial group engaged in large-scale developments must be regarded as a highly dynamic and changing range of organizational types. They are generally limited in numbers by the requirement of substantial equity capital and a willingness to forego immediate income over a relatively long planning and development period. So defined, the large-scale developer can be distinguished from the merchant builder and the land developers.

For these reasons it is difficult to generalize concerning the characteristics and investment objectives of large-scale
developers. All developers operating in the private sector do however exhibit certain common characteristics in that they all operate according to the economic principle of the free enterprise market. Their particular economic unit is attracted to those projects which will produce the highest returns for the least risk. The returns might be in the form of cash flow, recapture of investment on resale, tax shelters, or even "psychic gratification." The risks a developer faces include fluctuations in the cost and availability of money; uncertain market conditions; unpredictable site (foundation) difficulties; prolonged labor disputes; and protracted land acquisition negotiations. The public sector can attract private developers to a development by early land acquisition and clearance; mortgage insurance; tax abatements and other financial incentives.

The main skills that the private sector possesses and which are important to a new strategy, are those concerned with management— that is the ability to carry out the total development process from acquisition through to sale or leasing. Government bodies as a rule do not possess these entrepreneurial skills necessary to initiate projects and a new strategy therefore should make provision for the public body to enter into agreements with private developers to utilize these skills.

**STRATEGIES GENERALLY**

Any new strategy, if it is to be effective, should incorporate a number of provisions. It must contain mechanisms through which local bodies can initiate projects independently of state and Federal programs. Local government must be given the power to raise their own capital to undertake community projects through
the sale of bonds. Provision should also be made for cities and towns to work in co-operation with private developers who possess the necessary managerial and entrepreneurial skills to implement projects. Joint ventures and profit sharing arrangements are two ways to achieve this provision.

Local citizen participation must be made mandatory. Easily comprehensible structures should be established, and the powers and roles of the participating groups must be clearly specified. Voluntary advocacy committees should be avoided. The community group should be provided with funds and professional staff if their contribution to a development is to be meaningful.

State and regional plans and growth policies must be given adequate weight in a new strategy and provision should be made for the various agencies responsible for these functions to be included in the initiation process. This participation should be made mandatory for all projects over a certain size, and where the impacts of a development are transmitted to areas outside of the city in which the project is to be built.

All communities (and the Massachusetts Housing Finance Agency) have access to Community Development Grants. A new strategy must be able to incorporate the important procedural and administrative requirements of the 1974 Housing and Community Development Act. Ideally the local body would allocate a portion of the total grant to a Community Development agency for initiating large-scale projects if so required. This allocation would also mean that other non-building, community development programs would still receive funding.

Technical staff assistance should be available to local bodies
if they so desire because few local government bodies possess the necessary staff skilled in the planning and development of large-scale projects. The strategy should enable the state to establish a pool of professional design staff to assist local bodies in initiating large developments.

The states are the possessors of those powers mostly concerned with urban development and "are the legal masters of local governments, and far superior to localities in their ability to raise revenues." Therefore any strategy concerned with implementing large-scale developments would assign the significant powers to state government. Direct state involvement has been tried in New York where it has been very successful in terms of the amount of housing it has developed. The New York U.D.C.'s future at present is in some doubt, but that situation has been caused by financial mismanagement. However there is no doubt that the U.D.C. did achieve considerable success in carrying out its stated objectives. The state might also consider setting up regional authorities to undertake development or, where it is so needed, to establish special development districts. At the municipal scale, the state could consider allowing local bodies to set up Community Development Corporations to initiate and develop large projects.

STATE DEVELOPMENT CORPORATION

There have been several proposals to form a state development corporation in Massachusetts. In 1973 the Secretary of Communities and Development proposed the establishment of a Massachusetts Development Corporation (M.D.C.) which would have had a structure and powers similar to the New York U.D.C. Although it was
not adopted by the State, it is worthwhile examining because if ever such an agency was to be created, it would probably be similar to the M.D.C. The Corporation would participate through financing, acquisition, planning and development in a range of project types including civic, commercial, industrial, land use improvements, mixed uses, new communities and towns, recreational and residential developments. A Project Area Council, elected by local officials reviews each project for its local impact and desirability and all projects would be subject to the Environmental Policy Laws, and be approved by the local governing body.

A subsidiary would be created to carry out each major project. The majority of the Directors of this subsidiary would be drawn from local residents, and it could only be formed if there is no existing or willing Community Development Corporation capable of carrying out the project. The M.D.C. would raise finances by selling revenue bonds which would not be backed by the full faith and credit of the Commonwealth, but the Corporation would be required to maintain a debt service reserve adequate to meet a full years obligations. The M.D.C. could take land by eminent domain, but only after local approval, and if the land is vacant, or on land approved by the community as open and blighted.

Short of new, state-wide enabling acts, the creation of an M.D.C. would be the best way of implementing large developments. It would be in the best position to attract entrepreneurial skills and could undertake the development of a project, independently of the private sector. The M.D.C. strategy would ensure coordination of planning and investment decisions at the state level and would give the State control over planning for urban
growth in the Commonwealth. However, impressive as these advantages are, an M.D.C. at present is politically unacceptable mainly because of the power of eminent domain, its infringement on home rule and because of apprehension over creating a new, large, powerful state agency. The financial capability of an M.D.C. is also questionable. Because the Corporation would be responsible for development throughout the entire state, the resources required would be substantial and it must rely solely on the sale of bonds to raise development financing.

REGIONAL DEVELOPMENT CORPORATIONS

Agencies with regional jurisdictions are important for two reasons. In the first place, one criticism of Urban Renewal and the New-Town programs, was that they failed to adequately take into serious consideration, the goals and policies of the region in which the project was to be located. A good deal of this failure was due to a national apathy with regional planning, and with a reluctance to consider metropolitan areas as an alternative form of government. The Federal Government now makes regional review mandatory through the provisions of the A-95 clearing-house requirements. The other reason concerns a characteristic of most large-scale projects that their impacts are invariably felt by communities, both within and outside the city in which the project is located. Only in a few large developments can costs and benefits be contained within the immediate area of the project. Any new strategy should provide ways for distributing these impacts over a wider regional area.

One approach to establishing Regional Corporations might be through expanding the powers of the Regional Planning Agencies.
In 1966, 67 and 68, the Department of Commerce and Development proposed enabling legislation that would have allowed the Regional Planning Agencies to act as industrial or economic development authorities. This legislation was not enacted, however, Special Legislation has been passed that allows the Southeastern Massachusetts, and the Cape Cod and Dukes County Regional Planning Agencies to assume the powers of an economic and industrial development authority.

Another approach could be through the legislation that permits municipalities to establish Industrial Development Finance Authorities to attract new industry, or an Economic Development and Industrial Corporation when substantial unemployment exists. Two or more contiguous local bodies may agree to consolidate their I.D.F.A.'s into a single authority which can acquire and sell land, and finance projects through the sale of bonds. The type of project is however limited to industrial and commercial developments.

Politically, there seems to be some support for a regional approach to developing large projects. The fact that there are agencies already in existence adds to this strategy's attractiveness, but unless they are given wider powers, they will accomplish little more than they do at present. There is also a question as to whether or not the existing bodies possess the necessary staff capabilities to initiate and develop large projects.

**SPECIAL DEVELOPMENT DISTRICTS**

The proliferation of special districts has characterized the urban political structure in recent years. Opinions differ as to their real benefits but their impact on governmental decentralization is not disputed. Marion Clawson first proposed
this strategy as "suburban development districts." The district boundaries would conform to the size of the project and be determined by a responsible state agency or the legislature. The powers of the development district would be an authorization from the state to acquire land within its boundaries through eminent domain, purchase or option, to contract with private developers, and to supply all necessary government services.

The District would be administered by an elected Board and a Council with representatives from the adjoining local government areas, state agencies and authorities, citizen groups and developers. Ideally each group would be permitted to purchase stock in the District (depending on the corporate organization). The District would be established as a semi-public corporation which would be an independent authority, and responsible to the State through the elected Board. This strategy would provide each District with authority over zoning and subdivision within its jurisdictional area. The capital needed could be raised by the State sale of bonds, which would be placed at the District's disposal for specific purposes approved by the responsible state department. All taxes collected in the Development District would be shared amongst the participating cities and towns. The Districts would be eligible for funds through state programs administered by the Department of Community Affairs, and Federal funds either through direct contribution from cities using Community Development Block Grants, or through the M.H.F.A. also using Community Development (Title 8) Grants and State funds.

The immediate advantage of the Special Development District strategy would be to concentrate and coordinate private and
public development activities into a particular area. By including in the Administration of the Special District Corporation, representatives of all interested groups, there would be more opportunities to incorporate into the development, the plans and goals for the immediate area as well as for the region. This strategy like the M.D.C. would also go a long way towards distributing the positive and negative impacts of a project over a broader geographic area than if just the local government of the dominant town or city initiated the project.

A Development District would also be a vehicle for carrying out state land-use and urban growth policies. Because a state agency would be responsible for the Districts, it could influence the economic and industrial development in certain areas by establishing Special Districts in key locations or by discouraging them in other areas where growth is not thought to be desirable. Each district would be large enough to include those areas where the major impacts of the development would be felt, but small enough to permit detailed planning of the project, efficient cooperation of all development activities, and to permit completion of the development within a certain time period.

In terms of this strategy's political acceptability, at this stage it would probably meet with the least resistance of those so far discussed. The state would be responsible for formulating the Districts through one of its agencies and through the operations of the Districts, the state could direct growth more effectively. Another advantage of this strategy is that it could utilize existing agencies and authorities but would organize them in a more efficient manner that could assist in in-
initiating large-scale developments.

COMMUNITY DEVELOPMENT CORPORATIONS

Legislation presently exists which allows local bodies to establish two types of initiating structures - Redevelopment Authorities and Economic Development and Industrial Corporations. Each can perform some functions but neither has the potential or powers to implement a range of large-scale projects and to carry out the complete development process. Therefore what is needed is a new organization which can carry out all the necessary development functions, and which rationalizes the operations of those local agencies concerned with community development.15

The Corporation would be responsible for carrying out the planning and zoning functions of the city; performing the administrative functions required by the 1974 Community Development Act; and acquiring and developing land for projects as determined by the governing body. It would be responsible for organizing community and citizen groups and arranging for their participation in the development process. In terms of its development function, the Corporation should have power to undertake the following:

- acquire through purchase, eminent domain or lease, land within its jurisdiction for community and large-scale development projects.

- develop a wide range of project types as required by the municipal body - housing, retail, commercial, industrial, recreational and institutional.

- raise development financing independently of State and Federal programs through bond issues and arrangements with private developers, and

- enter into joint arrangements with private developers, and be able to retain an equity interest in the land or completed project.
This strategy has a number of advantages. First, it is in the best position of the four described here, to understand and act upon local issues. From this position it can influence, channel, and include citizen interests into the initiation process. Second it would be able to influence where Community Development funds should be spent through providing land and buildings, and services infrastructure.

One weakness of the Community Development Corporation strategy is that it may not be able to attract sufficiently skilled staff, experienced in implementing and developing large projects, to work for it. A solution might be for the State to establish a pool of expert staff, who could assist the Corporations to undertake developments in their city or town.
NOTES


2. For example in 1970 the Governor of Massachusetts proposed the establishment of a Replacement Housing and Community Development Corporation. In 1973, the Lieutenant Governor proposed a Bill (s.1624) to establish a Massachusetts Economic and Community Development Corporation. Again in 1974 the Secretary of Communities and Development proposed the formation of a Massachusetts Development Corporation (s.1926). All these Bills were defeated.


4. The Federal government does have the constitutional power to act directly to undertake large-scale developments. For example the wartime housing projects and the Tennessee Valley Authority programs. These are special circumstances however, and although it possesses the power to initiate and implement projects in urban areas, politically it cannot act.

5. For a discussion of the arguments see Alternative Forms of Urban Growth in the United States by Downs.

6. For an analysis of the private sector's role in the 'New Communities' program see Philip David's paper in New Communities - Minutes of the A.I.A.'s Conference, June 1971.

7. Section 220 of the Federal Housing Administrations mortgage insurance program authorized the F.H.A. to insure loans secured by mortgages on property in certified renewal areas, up to 90% of the estimated replacement cost of the property and up to 40 years maturity at a charge to the mortgage of one half percent.


9. Such an approach has been proposed for areas around transit stops in the National League of Cities report Transit Station Joint Development.

10. A number of existing agencies do have varying responsibilities for large developments. Within the Executive Office of Communities and Development is the Department of Community
Affairs which has responsibility for the 'development, renewal and rehabilitation of our communities; and the mobilization of the states' resources to fight poverty and to carry out social service projects throughout the Commonwealth'.
The Division of Community Development administers the state-aided housing programs and the urban redevelopment programs. The Massachusetts Housing Finance Agency has authority to make long-term low interest mortgage loans to facilitate and expedite the construction of rental housing for low-income families. But there is no single agency with responsibility for state urban development such as the New York U.D.C.

11. Massachusetts General Laws, Section 772, Chapter 40D.


15. The City of Medford, prompted by the 1974 Act has formed an Office of Community Development which incorporates all city departments concerned with community development including the Planning Department.
REFERENCES

CHAPTER 4


Large-Scale Community Development by Paul F. Wendt in the "Journal of Finance" May 1967.


CHAPTER 5

A NEW STRATEGY

It is the recommendation of this study, that new legislation be enacted that incorporates both the Special Development District and Community Development Corporation strategies. Figures 5 and 6 set out the important organizational components of the new strategy. This position arose out of an analysis of the nature of large-scale development, previous attempts to facilitate local implementation, and an understanding of what is within the probability of political acceptability.

The basis of the strategy is that large-scale developments fall into one of two types - projects in which impacts affect areas outside the city or town where it is located, and projects where there are no major impacts on adjacent communities. This establishment of impacts is a critical step in the strategy because it would determine the type of organization that would be responsible for implementing a development. It is therefore important to understand how this determination would be made.

It was shown in the previous chapter that the state is in control of all powers that affect local government. One State department in particular, the Department of Community Affairs (D.C.A.), has sufficient powers under existing legislation to influence the implementation of large developments. The strategy proposes that plans for all construction projects over a certain size (probably 10 acres) would have to be submitted to the Department of Community Affairs for determination of its regional impacts. The plans would be accompanied by an Economic Impact Statement.
FIG 5. ORGANISATION OF SPECIAL DEVELOPMENT DISTRICTS

FIG 6. ORGANISATION OF COMMUNITY DEVELOPMENT CORPORATIONS
which would be similar to, or even form part of, an Environmental Impact Study. The Economic Study would be required to indicate the impacts a development would have on the economy of the immediate area, the region, and even the state. The D.C.A. would decide, as a result of the study, whether the project should be implemented by the Local Community Development Corporation, if there are no regional impacts, or whether a Special Development District should be created.

This procedure would ensure that state and regional plans and policies are given adequate importance at the earliest stage in a development. It would also enable the State, through the D.C.A., to control the standard of large projects and to ensure that certain procedures such as adequate citizen participation had been carried out. The two level strategy would permit development initiates to be taken at any one of the three levels. The State could set up a Special District in an area which it determined to be in need of development. This would be done in co-operation with local government and would have to satisfy the requirement of having elected officials administer the District. A group of contiguous local bodies might also decide to request the establishment of a Special District to implement a project which affects each city. Along similar lines, a State Authority such as the M.B.T.A. or M.D.C. and a local government unit might also apply for a Special District to be established to undertake a 'joint development' project. Finally, the strategy should make it easier for individual cities or towns to initiate developments in their own areas, when the additional powers described in the previous chapter, are delegated to a Community Development Cor-
There has been a good deal of discussion in recent years concerning the possibility of permitting local communities to undertake projects as a public development corporation. Philadelphia tried a limited program to encourage participation, but apparently without much success. In terms of its operation, the Corporation would be administered by a Board consisting of several members elected from the local community, a member appointed by the mayor, and a member appointed by the Department of Community Affairs.

The Corporation would have power to initiate projects in a number of ways. First, it could facilitate development through land acquisition and then disposing of it to a private developer. Second, it could acquire and service land by furnishing utilities, access and grading before transferring it to a private developer. Third, it could enter into either a joint-venture or a limited-divided partnership with private developers, sharing both the profits and losses. Finally, it could undertake the sole development of a project, and either retain an interest in the property, or dispose of it to a private owner. An important aspect of this initiating role would be the ability of the Corporation to raise investment equity, and construction and permanent financing for projects, independent of public sources. The equity could come from three sources - Community Development grants which would be allocated by the local governing body, State Urban Renewal Assistance Funds administered by the Department of Community Affairs, and tax increment financing, or the issuance of tax allocation bonds to subsidize local projects.¹
The Legislature has already passed special legislation that permits the consolidation into a single agency all the community development functions of a local body. This Act was passed to enable Medford to establish an Office of Community Development and includes the functions of the redevelopment and housing authorities, the planning board, and the housing inspection and code enforcement department. Ideally, this type of organization would, under the new strategy be incorporated into the Community Development Corporation. Combining the functions should reduce some of the fragmentation of the community development responsibilities of local government.

The planning and zoning functions of a city could also be incorporated into the Corporation. Zoning alone remains an inadequate tool to achieve development, although new forms, including planned unit development and incentive zoning are adding to its flexibility. Zoning provides little assistance in the implementation of large-scale developments, in fact it can hinder the process if a variance is required. Because zoning exerts such tremendous power over the use of private property only the administrative functions would be carried out by the Commission. The appeals process would still be handled by the elected Appeals Board. The planning function, in part serves the zoning process so combining their operations would seem to be desirable. Including the planning department in the Corporation has other advantages. Many planning departments act in a purely advisory capacity to the city government and their effectiveness is often nullified. The planning function can better serve the needs of community development if it is included in one body re-
ponsible of all community development projects. Another reason for including the planning function within the Corporation is that the 1974 Community Development Act requires a local body to prepare certain plans and report annually on how the funds are being used.

The Corporation would also be responsible for ensuring that there is proper and meaningful citizen participation in all community development projects. The actual details of how the participation would be achieved would be left up to the Corporation, but the process should be formalized with clearly defined powers of review, approval and amendment. Another responsibility of the C.D.C. would be to ensure all community development projects are compatible with State and regional objectives and plans. This would be carried out through the Corporation co-ordinating its plans and projects with regional planning agencies such as the M.A.P.C. This co-ordination is mandatory for Federally funded projects and so it should not be difficult to extend that responsibility to include all community development projects.

These, then are the major powers and responsibilities of a Community Development Corporation. Should a Special Development District be established in a city or town, the C.D.C. would represent the interests of the respective local bodies on the District Council. The functions of Special Development Districts will be described next.

SPECIAL DEVELOPMENT DISTRICTS

The determination of the size, location and functions of Special Development Districts would be made by the Legislature and the Department of Community Affairs. Special Districts would
be established to initiate and develop large projects of regional significance throughout the State and be administered by an elected Board, and Advisory Council and an Executive Director.

Districts would be authorized to carry out the following functions:

- undertake and manage the development of large-scale projects of regional importance including industrial, commercial, recreational, residential and institutional projects.

- collect revenues and property taxes in the District and redistribute these according to a formula to the participating communities, and

- carry out planning functions for the District including co-ordination with local and regional planning agencies.

The powers of a District to act as a public development corporation are essentially the same as those described for the Community Development Corporation. The District would be empowered to zone and subdivide land under its jurisdiction. It could acquire land by eminent domain, purchase, or option, provide the land with services then develop or sell it to private developers. Two avenues for undertaking developments would be open to the District. First the District would be authorized to enter into arrangement with private developers. The arrangements could be for either a joint venture or profit sharing agreement or only for provision of private sources or financing. On the other hand, a District would be enabled to carry out the complete development process including acquisition, design, construction and disposal of the project by either sale or leasing. Apart from the private sector, the District could obtain funds to undertake development from three other sources - Community Development grants either directly or through the local bodies; State Urban Renewal Assistance; and revenue from the sale of
bonds.

In terms of planning, the District would have two responsibilities. First, it would prepare plans for development within the District using either its own staff or outside consultants. This planning function could be funded out of Community Development grants. The other planning role would be to ensure that plans for the District are compatible with State and regional policies and objectives and representatives from these agencies would be represented on the District Council. Regional co-ordination of the A-95 requirement and this strategy would make this review mandatory for all large-scale developments, not just Federally assisted projects.

The District, like local C.D.C.'s would be responsible for ensuring that plans for development are compatible with the requirements of residents and landowners in the area. To carry out this function, proper participation and co-ordination structures would need to be established with well defined powers or review, amendment and approval.

Once a District had been established, it would assume the responsibility for the collection of property taxes and revenues from projects within its jurisdiction. The taxes and revenues could be used to finance projects and pay off bonds and the balance redistributed to the participating cities or towns according to a formula. There are a number of opportunities that could result from such an arrangement. For instance, the District might agree with the local bodies, that for the duration of the development, or some agreed to period, the city would receive property tax reimbursements levied on the property value,
prior to the implementation of the development. The residual
taxes collected as a result of the development (e.g. the increase
in land values brought about by a new transportation facility)
could be used to either pay off bonds or be returned to the local
bodies.

If the strategy described here was to be implemented, what
would the system, statewide look like in say 10 years from now?
Enabling Legislation would permit local governmental units, to
establish Community Development Corporations so that in 10 years
from now, the largest cities and towns, and those actively con-
ccerned with community development, including renewal and redevelop-
ment would have established C.D.C.'s. The Legislature would have
established a number of Special Districts to develop large pro-
jects. Ideally the Department of Community Affairs would identify
a number of District proposals and submit these to the Legislature
in a single package. Not all would be immediately activated but
would lie 'dormant' until the need to implement projects arose.
In the Boston areas there could be an Alewife Development District,
a Wellington Circle Development District and a Charlestown-Cam-
bridge Development District. If the concept was effective, it is
possible that the Legislature might also establish a Central
Artery District to implement the depression and redevelopment of
the Central Artery; in downtown Boston.

RECOMMENDATIONS

This thesis has addressed itself to the problems of initiating
large-scale development, arguing that these projects exhibit cer-
tain characteristics that make it difficult for local bodies to
implement them effectively. There have been a number of pre-
vious public programs aimed at facilitating local action, but these in essence, failed to achieve their objectives. What is needed is a new approach - one which takes into account problems and failures encountered by previous programs and which is flexible enough to handle a range of project types and sizes.

The strategy being proposed here should not be interpreted as being the only solution to the implementation problem, or the panacea for all public sector initiation difficulties. It rather represents one approach, that is within the realm of political acceptability and which is specifically packaged to work within the framework of urban problems and large-scale developments described earlier in this study. There are other strategies, of course, which are worthy of our further attention and study. For example, instead of establishing a series of Special Districts as one way to deal with the problems of large developments, the Legislature could take an incremental approach. That is, it could enact legislation to deal specifically with the tax distribution problem through State property taxation or tax districts; or legislation to create Regional Development Authorities. Time did not permit detailed analysis of these alternative strategies.

If the two level strategy described earlier in this chapter was to be enacted into law certain actions would need to be taken. The actions can be divided into three sections:

- The powers and roles of the State agencies.
- Legislation permitting the establishment of Community Development Corporations by local bodies.
- Legislation permitting the establishment of Special Development Districts.

State Agency Provisions. The legislation would need to provide powers for the Department of Community Affairs to perform
the following:

- Administer Specific Development Districts where necessary, including their location and legal structure.

- Establish an office of professional staff, that is experienced in the implementation of large-scale developments, to be available for assisting Special Districts and Community Development Corporations to undertake and initiate projects.

- Continue to administer State Urban Renewal assistance through Chapter 121(B) of M.G.L. but amend to allow funds to be used by Special Development Districts.

Local Government Provisions. The second part of the proposed legislation would deal with the establishment, by local bodies, of Community Development Corporations. Specifically the legislation should provide for the following:

- The power for local government bodies to establish such a corporation, (repealing existing laws, establishing E.D.I.C.'s and redevelopment authorities) and allowing cities and towns to combine all community development functions into one office.

- Mandatory provisions for including participation by local citizens and interest groups in the development process.

- Mandatory provisions for requiring the Corporation to co-ordinate its community development plans with those of the region.

- The power for the Corporation to undertake projects as a public developer - that is, in addition to land acquisition powers, the Corporation must also be able to undertake construction, sales, leasing and so on and enter into agreements with private developers if necessary.

- Provision to raise development funds through the sale of tax-exempt bonds, financed out of the increased taxes generated by the development, and

- Provision for the Corporation to participate in Special Development Districts.

Special District Provision. The third section of the enabling legislation would provide for the establishment of Special
Development Districts to undertake the development of large-scale projects which create impacts of regional concern. The legislation should provide for:

- The power for the District to collect property taxes within its jurisdictional area, and redistribute these to participating local communities according to a predetermined formula.

- Power for the District to exercise eminent domain in acquiring land for development purposes.

- The power for the District to prepare plans for the development of projects within its jurisdiction and be responsible for co-ordination of these plans with local communities, regional planning agencies, and state authorities.

- The power to initiate projects as a public developer — to acquire land, furnish services to it, construct facilities, and either lease or sell the completed development, and

- The power to raise funds through the sale of tax exempt bonds financed out of the increase in taxes generated by the development and from project revenues.
1. This concept is already embodied in proposed legislation. The legislation would permit local communities to enter into contractual agreements with local redevelopment or housing authorities (or Community Development Corporations in this case) entitling the authorities to float short-term bonds for a specific project. Revenues raised from the bond issue is reserved in a designated fund and is pledged against prospective tax receipts from the increased assessments of upgraded properties within the renewal area. The bond float provides a funding base for renewal expenditures between the time when the project is authorized and the taxes are collected after completion of construction and resale. Money raised in excess of the amount required to pay off the authority's indebtedness (both principal and interest) is returned to the community treasury.
REFERENCES

CHAPTER 5


CHAPTER 6

AN APPLICATION - ALEWIFE

The area selected to show how the strategy described in Chapter 5 would operate, is the Alewife Brook area of Cambridge Massachusetts. This area is, in economic terms, considered to be 'very soft' because of the proposed extension of the Red Line from Harvard Square and the construction of a parking garage-transit station complex. The extension will create significant changes in the area of North Cambridge, and the station complex will determine much of the character and shape of the region in the future. State and local bodies are presently preparing plans and investigating various strategies for implementing the development of the area.

Figure 7 illustrates the organization structure of an Alewife Special Development District. The strategy provides for the Legislature to establish Special Districts where a development would create impacts on various local communities and on the larger region. The responsibility for administering the District would be with the Department of Community Affairs, a Board of elected representatives and an Advisory Council. The Board would appoint the Executive Director, and he would be responsible for the four District functions - planning, funding, development and taxing.

BACKGROUND, PROBLEMS AND OPPORTUNITIES

The Alewife Area (Figure 8) has undergone substantial changes in use during the last 100 years. The most recent interest has been prompted by the 1967 study proposing the extension of the
FIG 7. ORGANISATION OF ALEWIFE SPECIAL DEVELOPMENT DISTRICT
FIG. 8 ALEWIFE DEVELOPMENT DISTRICT
Red Line from Harvard Square. The original M.B.T.A. plans for Alewife proposed an on-grade station, marshalling yards and off street parking, encompassing about 55 acres. Current plans focus on a multi-level, multi-use development in a smaller area of 45 acres.

In 1968, A. D. Little Inc., in conjunction with the Cambridge Corporation submitted to the M.B.T.A. and the City of Cambridge a scheme for the multi-use redevelopment of the area bounded by the Central Massachusetts and Fitchburg Divisions of the B & M Railroad, and by the Alewife Brook Parkway.

In 1969, the Cambridge Redevelopment Authority received a Federal grant of $254,375, to explore various proposals to develop the area, but only $7,500 of this was ever spent. The funds were also to be used to determine the area’s eligibility for Federal Urban Renewal assistance. Also in 1969, Abt Associates prepared a proposal to redevelop the Fresh Pond Drive-In as a research and development complex, but no action was taken and in 1973 the New England Gas and Electric Company erected a high voltage transmission station on the site.

In 1971 the Cambridge Planning Board undertook a technical and engineering study to examine alternative uses for the City dump. The study indicated that the dump should be developed as an open space, recreational-sports complex. Also in 1971 the Mugar Corporation prepared plans to develop their property located just off Route 2 in Arlington. The proposal was for a retail/commercial center, parking facilities and 1000 units of housing. The Town of Arlington granted P.U.D. Zoning for the complex, but access and site conditions have so far discouraged development.
A plan prepared by the Mystic River Watershed Association proposes that open space in and around the Alewife area be developed as a linear park completing the concept of a water/green belt park system joining the Charles and Mystic Rivers. The Metropolitan District Commission owns a considerable amount of land along the Alewife Brook but have no firm plans for its use. As a general policy the M.D.C. would like to protect the open areas and improve both the operational and aesthetic character of the parkway. The M.B.T.A. however has an option on most of the M.D.C.'s holdings in the Alewife area until 1980.

At present, two state agencies are involved in the development of the Alewife area. The M.B.T.A. and the Department of Public Works who have commissioned consultants to study the relocation of the Route 2 - Alewife Brook Parkway interchange. The M.A.P.C. is co-ordinating the planning efforts of the M.B.T.A., the D.P.W. and the City of Cambridge but the other impacted communities, Belmont and Arlington are not represented on any planning body.

Figure 9 summarises the various government and semi-government agencies involved in Alewife, and their respective responsibilities and interests. The number of state agencies reflects the regional economic and transportation importance of the development, and the number of local bodies reflects the area's location at the intersection of three municipalities. The City of Cambridge is not opposed to the development but is concerned with the impact of increased street traffic, haphazard land-use, and the possible loss of taxes and industry. Arlington and Belmont do not oppose the development but are obviously concerned about the impacts on their communities.
<table>
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<th>LEVEL</th>
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<td>CONSTRUCTION/OPERATION OF TRANSIT-BUS SYSTEMS AND FACILITIES</td>
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<td>PLANNING ADVISORY AGENCY INCLUDING M.B.T.A., M.D.C. AND D.P.W. PLANNING FUNCTIONS</td>
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<td>CITY URBAN RENEWAL AGENCY.</td>
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<td>CAMBRIDGE CORPORATION</td>
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<td>EAST ARLINGTON CITIZENS GROUP</td>
<td>CONCERNED WITH IMPACTS OF DEVELOPMENT ON NEIGHBOURHOOD</td>
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**Fig. 9 Actors involved in Alewife area.**
This part of Cambridge is one of the last areas of the City to remain as a white, family, middle income neighborhood and although not represented by any formal organization have voiced strong opinions to students at M.I.T. against more low income housing such as Rindge Towers. Residents on the northern side of the area adjacent to the W.R. Grace complex have expressed apprehension about the size of the proposed buildings in the development. East Arlington residents have formed a Citizens Group in order to monitor any development in their area.

One of the opportunities presented by this area is that the land is in the ownership of a relatively few people and institutions. The 300 acres that could be considered to comprise the area, is in the control of 10 organizations and approximately half of this total is owned by the City of Cambridge and the State. Most of the area is presently zoned either 1-A (Industrial, warehouses, storage and light manufacturing) or 1-B (heavy industry).

Most of the site is composed of poor bearing clay soils, reclaimed ground and wetlands. The water table is high over most of the area and portions of the site are subject to periodic flooding. Therefore a large portion of the potentially buildable area is undevelopable or developable only at a high cost. Other areas are classified as 'Wetlands' and will be subject to special scrutiny by the State. Access to the site is difficult. It is both dissected and bounded by Route 2, Alewife Brook Parkway and a maze of railroad tracks.

Current land values are significantly lower than values for comparable land surrounding other transit stations. This difference
suggest substantial increases in the cost of land when the Red Line is extended. The increase would also suggest that many of the current industrial owners might voluntarily decide to move to cheaper land elsewhere, making their property available for acquisition.

**APPLICATION OF THE STRATEGY**

It is obvious from the preceding discussion that, regardless of the size of any development at Alewife, significant regional impacts will be generated. Even if no transportation improvements eventuated, the development would still have an impact on adjacent communities due to its location. The strategy proposes, that where construction of a large-scale project will create either a) regional impacts, and/or b) impacts on communities other than the one in which the project is being built, the State may establish a Special Development District. The initiative to establish the District can also come from contiguous local communities who would be affected by a large development. Therefore, under the strategy the first step would be for the Department of Community Affairs to prepare plans and documents for submission to the Legislature to create an Alewife Special Development District. The second step would entail the election of a Board to administer the District, the establishment of the Advisory Council and the appointment of the Executive Director. This last step is critical because the appointment of an experienced, highly skilled person can improve the entrepreneurial effectiveness of the District. Salary and conditions should be such, as to attract the most qualified people for this position. The same comments would apply to the selection of staff and consultants to the District.
The Board would consist of elected members\textsuperscript{3} and a member appointed by the Commissioner of Community Affairs. It would be responsible for making policy decisions concerning the development and would also be the official body to perform the District's legal functions. Under the Board, would be a Council composed of representatives of the affected local governments, citizens groups, regional planning agencies and state authorities.

Three municipalities would be represented on the Council - Cambridge, Arlington and Belmont. They would be represented either directly by their governing bodies or through their Community Development Corporations if established. As a significant portion of the land in the proposed development is in private ownership, the special interests of landowners would be represented on the District Council. The interests of neighborhood groups would be presented, ideally through a unified Citizen Advisory Committee. However provision should be made for representation by additional groups should unified citizen agreement prove difficult to obtain.

State and regional agencies with interests in the development of the Alewife area would also be represented on the Council. These agencies would be:

\textbf{Massachusetts Bay Transportation Authority:} This is the body that would have the overall responsibility for construction and operation of the Red Line extension and the Alewife station. The construction of this facility would be the single most important factor in redeveloping the area.

\textbf{Metropolitan District Commission:} The M.D.C. controls a considerable amount of land in the Alewife area.
Department of Public Works: A number of major highway construction projects are planned which affect the development of the area.

Metropolitan Area Planning Council: This body has the responsibility for carrying out the planning functions for the above three agencies and is also the responsible agency, designated for Federal A-95 clearinghouse review.

Joint Regional Transportation Committee: Is responsible for reviewing projects using Federal funds for transportation related uses. As Federal funds will be used in the transit station, the J.R.T.C. should also be represented on this Council.

There would be four basic functions of the District in the implementation process - planning, funding, development and taxing.

Planning: The District would be responsible for the preparation and co-ordination of all planning activities within the area. It would also be responsible for ensuring that any plans for the District are compatible with state and regional objectives and policies. Just how this function would be carried out would be left up to the Board to decide. However it would seem that in the case of Alewife, which raises some complex planning issues, it would be better to have the planning work done by an outside consultant.

Funding: One of the ways that projects can be initiated independently of State and Federal assistance, is for the District to raise its own funds. The critical period in any development, in terms of funding, is obviously the time between when a project is authorized and the time when property taxes are collected after
completion of construction and resale or lease. The Special District legislation would provide authorization to float short-term bonds for a specific project to cover this period. Revenue raised from this bond issue would be pledged against future tax receipts from the increased assessments of the properties in the redeveloped area.

The District could also utilize Federal Community Development funds contributed by the participating local government bodies or obtained directly. Other Federal assistance funds such as are available through the E.P.A., or U.M.T.A. or F.H.W.A. could also be utilized by the District. State funds would also be available to the District for Urban Renewal assistance.

Development: The Alewife District would be able to develop land in two ways. First, it would be authorized to enter into joint-venture or profit-sharing agreements with private developers. It could also act in the normal 'Urban Renewal' role and simply acquire and service the land, then sell it to private interests to develop. The second, and more important way in terms of initiatives, to develop land in the District, would be for the District to assume the responsibility of a "public development corporation". The District would be authorized to carry out the complete development process from acquisition, and construction, through to sale or leasing. Authority should also be given for the District to either maintain an equity interest in the completed project or turn it over to one or other of the participating communities.

Taxing: The final responsibility of the District concerns its taxing role. The legislation setting up Special Districts
would authorize Districts to levy and collect all property taxes in its area of jurisdiction. Obviously in Alewife, the District's area would include parts of Arlington, Belmont and Cambridge, and so the District would be receiving the taxes from properties in each of these cities and towns. The exact formula for redistributing these taxes back to the cities and towns, especially after the development had commenced, would have to be the subject of further study.

This chapter has described a large-scale development project in the Alewife Area of Cambridge, Massachusetts. The development was shown to raise a number of planning and development issues. The extension of the Red Line will create major changes in land-use in the North Cambridge area and because the station will be located near the intersection of three municipalities, its impacts will spill over into adjacent communities. Under existing methods of implementing a project it would be difficult to control or eliminate the externalities created by the project on adjoining communities.

Applying the recommendation of the previous chapter would provide for establishing an Alewife Special Development District. There would be twelve participants on the District including the three local communities, citizens groups and regional and state agencies. The District would have responsibility in four areas: planning, funding, development and taxing.
NOTES

1. The Alewife area has been the subject of several studio exercises at both M.I.T. and Harvard. Some of the material in this chapter is drawn from two of these studios - The Environmental Design Total Studio at M.I.T. in the Spring of 1974; and the studio of Visiting Professor Norman Klein at Harvard Graduate School of Design in the Fall of 1974.


3. The actual number of board members and the method of their election would be the subject of further study.
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CHAPTER 6

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