LAND USE: ALIGNING A REGIONAL VISION WITH CORE INVESTMENT

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

Locations of Vacant Parcels and Residential Structures in Detroit

Legend
- Vacant 1-4 Unit Residential Structure
- Vacant Lot

Source: City of Detroit Planning and Development Department. NU/LD, 6-27-2012
TWO PERSPECTIVES ON LAND USE POLICY: MICRO & MACRO

Micro perspective focuses on, e.g.:
- land use zoning
- land banking
- blight removal
- green & blue infrastructure
- urban farming & forestry
- commercial corridor redevelopment
- “right-sizing” city footprint

Macro perspective focuses on:
- countering regional forces eroding DEMAND for city land of all types
Describe regional “Urban Disassembly Line” eroding Baltimore, Cleveland, Detroit & Philadelphia

Describe 3 federal / state policy foci for countering “Urban Disassembly Line:”
--- where development most profitable
--- where affordable housing is located
--- how local gov’ts raise revenues
Suburban new housing construction in excess of regional household formation

→ Excess housing supply in region

→ Chain of moves ultimately vacating least-competitive housing in region (mostly in City)

→ Undermaintained, Vacant & eventually Abandoned buildings & land in City

→ Selective Population loss from City

→ Retail & Commercial Disinvestment in City

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

→ City’s competitiveness falls; More demand for suburban land…Perpetuation of process
Tri-County SE MI area: 1940s - 2000s Decades

- Change in # of Detroit Housing Units
- Change in # of Suburban Housing Units
- Net New Households
- # Housing Units Constructed

Decades: 1940s, 1950s, 1960s, 1970s, 1980s, 1990s, 2000s
Suburban new housing construction in excess of regional household formation:

annual ave. 10,000 (1950-2010)

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

10% of habitable dwellings vacant
30% of land area of Detroit vacant parcels
3% of parcels w/ abandoned dwellings
Selective suburbanization of population

*Detroit lost 60%+ population since peak*

*Vast majority outmovers white & not poor*

*2010 Detroit pop. 90% minority; 38% poor*

Retail and Commercial Disinvestment

*# Establishments ↓ 65% (1972-2002)*
Erosion of Detroit’s income & property tax revenues, quality of public services

Assessed Values ↓ 79% (1958 peak)
Income Tax ↓ 76% (1972 peak)

Bankruptcy July 2013; $18 billion debt

Less demand for City land; More demand for suburban locations
Population Trends in Metropolitan Detroit Since 1900

- Detroit Total Pop
- Suburban Total Pop
- Regional Total Pop
WHAT SHOULD BE DONE? 3 FOCI FOR CHANGING MACRO LAND USE PATTERNS

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

--- where development most profitable

--- where affordable housing is located

--- how local gov’ts raise revenues
WHAT SHOULD BE DONE? EXAMPLES

--- est. growth boundary @ urban fringe

--- adopt inclusionary housing strategy

--- resuscitate revenue sharing
Recognize regional “Urban Disassembly Line” eroding Baltimore, Cleveland, Detroit & Philadelphia

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

--- where development most profitable

--- where affordable housing is located

--- how local gov’ts raise revenues
THANK YOU