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## Small is Beautiful - Again

*The shrinking cities movement imagines revitalization without growth - and housing advocates take a hard look at what that means for the poor.*

**By Miriam Axel-Lute**

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No community developer likes to be told that the housing she just built was "not doing anybody a favor." But that's what Jay Williams, the young, incredibly popular mayor of Youngstown, Ohio, said to *Governing* magazine last fall about much of the low-income tax-credit housing built in his city over the past decade.

Williams is not anti-affordable housing. But Youngstown has lost more than half its population since 1970, dropping to 82,000 from 170,000. Some neighborhoods have only a couple of occupied buildings left per block. Others are semi-rural, never having gotten expected development before the collapse of the area's steel industry depressed the local economy. In the mid-20th century, Youngstown was a booming steel center. But on "Black Monday," Sept. 19, 1977, Youngstown Sheet and Tube announced it was closing most of its operations. By the mid-1980s, the industry the city had relied upon had withdrawn or collapsed. Average home values in the poorer neighborhoods hover around \$8,000, and even seasoned planners like Terry Schwarz, at the Urban Design Center of Northeast Ohio, say the amount of abandonment is "stunning."

The housing market is weak enough that Youngstown's chief planner, Anthony Kobak, notes that many in the city have said building a new house just produces an abandoned building elsewhere in the city. New housing scattered in some of the emptiest areas, sometimes between two abandoned buildings, is the kind of development that drew Williams' disparaging remark.

The mismatch between the city's physical size and infrastructure and its population is serious enough that during the 2002 to 2005 Youngstown 2010 planning process, a vision embracing Youngstown as a dramatically smaller city bubbled up from the community. The planners embraced it and made it a central piece of their new vision. Williams guided the process in his previous role as director of community development, and it is his mandate as mayor to implement it.

How to implement it is the difficult question. The long-term vision is to target the city's efforts and resources to bringing back a dense, vibrant urban core and to eventually return some of the emptiest areas of the city to green space. In the short term, it means hard choices. For example, the city used to offer housing rehab grants to low-income residents on a first-come-first-served basis. But now they have decided not to approve them for the most devastated areas, targeting their limited resources to areas where they are more likely to have a bigger effect. For Youngstown and other shrinking cities, these hard choices are putting a new twist on the challenge of balancing the needs of places and people.

### **Shrinking Cities Movement**

The United States is famous for clinging to the belief that bigger is better, so it's no surprise that research on policies for "shrinking cities" (also known as "smart decline," in a play on "smart growth")

began in Europe. East German cities emptied precipitously after the fall of the Berlin Wall, prompting researchers and planners to start asking what one does with a half-empty city.

The term "shrinking cities" was coined for a project begun in 2002, initiated by the German Federal Cultural Foundation and the architecture magazine *archplus*, and financed largely by the German government. The Shrinking Cities International (SCI) project gathered four interdisciplinary teams to study shrinking cities around the world - Detroit, Mich.; Manchester and Liverpool, England; Ivanovo, Russia; and Halle and Leipzig, Germany. The project's second phase involved a call for "interventions" to address shrinking cities, especially in Germany, other than just knocking down large housing towers.

The concept has gained currency among some American urban studies researchers, including those at the Institute of Urban and Regional Development at the University of California, Berkeley, who have created a Shrinking Cities Group.

Youngstown may be one of the first American cities to embrace the term, but the United States has plenty of places that meet the description: Think Detroit or Cleveland. The most visible and most troubling thing these cities share is an epidemic of abandoned property. In Flint, Mich., the five-year-old [Genesee County Land Bank](#) owns a full 10 percent of the parcels in the city. In Cleveland, one neighborhood is called "The Forgotten Triangle," which Schwarz calls "the most disturbing name for a neighborhood" she's worked in. Empty parts of downtown Detroit are often described as "urban prairie," home to enough wild pheasants that the city has exported some of the birds to rural areas.

Trying to revitalize a city that has contracted this far can be a daunting task. Joe Schilling, of the [National Vacant Property Campaign](#), recounts how community developers in Cleveland came to see that they were bringing 200 to 300 new housing units on line every year, but losing about 1,000 to foreclosure and abandonment. Property values in the most depopulated areas have often dropped so far that remaining owner-occupants are trapped.

"In some neighborhoods, you could channel public dollars into those neighborhoods from now into the future and not have the kind of impact you were hoping to see," says Schwarz. Building new low-income housing in these areas may only serve to trap people in areas of concentrated poverty.

Another descriptor often used for struggling cities is "weak-market," and although there is considerable overlap between the two concepts, not everyone agrees on their application. Kim Burnett, community revitalization program officer at the [Surdna Foundation](#), says that at one shrinking-cities-themed conference she attended, hot-market cities that had recently had a modest population dip, such as Boston or the San Francisco Bay area, were deemed shrinking cities, although their needs differ markedly from those of Detroit or Youngstown. On the other hand, notes Burnett, some people studying these cities believe that weak-market cities can be induced to bounce back, and therefore it is a mistake to plan for them to stay small. "It is really hard to get people to accept that they're not going to be the city they were," says Burnett.

Even among those who are applying the shrinking-city lens to weak-market cities only, there is no consensus about how to achieve the goal of "right-sizing," or matching a city's infrastructure, budget,

and amenities to its size so it can regain a functioning economy and healthy neighborhoods. Their most common recommendation is to stop spreading development investment evenly throughout a city, instead targeting a select group of neighborhoods. The idea is to be able to reach a threshold of investment that will catalyze a turnaround. Richmond, Va., pioneered the targeting concept with its [Neighborhoods in Bloom](#) program. A 2005 study of the program by the Federal Reserve Bank found that an investment of \$20,100 per block seemed to be a critical mass of funding that spurred dramatic improvement and the return of the private market.

Where advocates of right-sizing part company from past practices and other attempts to spur revitalization is that they are not aiming to redevelop every acre. As Dan Kildee, treasurer of Genesee County, which is home to Flint, Mich., notes, if the market isn't there, trying to force it will just perpetuate the speculation and abandonment cycle. Kildee spearheaded the creation of the Genesee County Land Bank (GCLB). Like most land banks, GCLB takes control of tax-foreclosed properties (they now control 10 percent of the parcels in Flint) and manages them until they can be returned to productive use. However, unlike many land banks, GCLB isn't trying to resell every parcel at all costs. For many properties it makes more sense to turn them into green infrastructure: side yards for homeowners, parks, trails, urban agriculture, community gardens, open space.

Youngstown, too, recognizes that it can be generous with its land. It is even looking into offering land to companies that need to create new wetlands to mitigate development elsewhere. "Maybe 10 or 15 years from now, as a neighborhood heals and the land heals, there might be an opportunity to transfer some of this green infrastructure back to housing or neighborhood commercial," says Schilling.

In fact, Youngstown's long-term and somewhat controversial goal is to allow or encourage some areas to empty out fully enough that the city can scale back services such as sewers or plowing and even contemplate removing some streets altogether. This would bring the city's infrastructure costs more in line with its population and allow it to focus its resources more on a healthy core. It makes sense, says Karina Pallagst, program coordinator at the University of California's Institute of Urban and Regional Development, but no one has made it happen yet.

### **Left Behind**

The catch, of course, is that "depopulated" doesn't mean empty. "We like nothing better than a blank slate," says Schwarz, "but it's not blank at all." She notes that even Cleveland's Forgotten Triangle still has 1,200 residents. "The people left behind are entrenched, and really, really vulnerable," she adds. These residents often have few choices about where to live, and many of them rely on social networks that are still place-based, "even in neighborhoods that look bombed out," notes Liz Hersh, executive director of the [Housing Alliance of Pennsylvania](#).

Few people would disagree with the goal of taking control of abandoned properties and demolishing those that are not salvageable. That is a big enough challenge. But anything more than that poses a particular challenge for the community-development world and its historic commitment to distressed city neighborhoods.

If the remaining residents are not taken into account, the results can be ugly. To Irene Baldwin of the [Association for Neighborhood and Housing Development](#) in New York City, taking certain areas off-

line is reminiscent of a policy of "planned shrinkage" proposed (and, residents say, implemented, though it was never made formal) by then-New York City Housing Commissioner Roger Starr in the Bronx in the 1970s. "They actually decreased essential services - police, sanitation, etc. in certain neighborhoods," says Baldwin. "It was an awful, failed policy that those neighborhoods are still recovering from in some ways."

Of course, anyone looking at New York's housing market today, or even 15 years ago, would be hard-pressed to imagine policies designed for shrinking cities to be relevant there. But it should stand as a reminder that "policymakers and funders sometimes are wrong in their predictions about neighborhood viability," says Hersh.

"Hindsight is 20/20," agrees Beth Lewis, executive director of Jubilee Urban Renewal Corp., which in cooperation with two other organizations built much of Youngstown's tax-credit housing over the past decade. "It's hard to know what a neighborhood is going to look like until the abandoned homes come down."

Even if you are right about a neighborhood's viability, there's still the question of creating humane policies for the people who've stayed put. Jennie Dennison-Budak, the director of [Interfaith Home Maintenance Service](#) in Youngstown, understands wanting to direct new construction and major rehab dollars for the most impact. "It's hard to justify putting \$50,000 into a \$20,000 house that's the only house on the street," she says.

Interfaith provides emergency or necessary home repairs, such as installing a new furnace or fixing a water main break, to low-income owners on an as-needed basis. Dennison-Budak sees this as a very different question from major development investment. "If you can't sell your house and you can't move, what are your choices? You can't just sit there and freeze to death; that's inhumane." She notes that enabling the low-income elderly, for example, to stay in their homes probably saves the public more in terms of not paying for nursing-home care than the potential savings in shut-off services if enough of them move out.

And so, Dennison-Budak reacts strongly to comments like the one Hunter Morrison, director of the urban and regional studies program at Youngstown State University and a prime mover in the city's planning process, made to *Governing*: "What we're saying in Youngstown is, the past is the past. It's time to turn granny's picture to the wall." To her, this implies that the homes, community ties, and general welfare of the people remaining in depopulated neighborhoods should take a back seat to the goal of saving money on city services. "The idea of 'turning Granny's picture to the wall' is pretty abhorrent," she sputters. "You can't [revitalize the city] over the bodies of people who thought they were doing their part." (Mayor Williams, whom Dennison-Budak supports, has, in fact, explicitly promised to continue services to all occupied areas.)

In some ways, the legacy of urban renewal leaves the residents of America's shrinking neighborhoods better defended against wholesale disruption than Europe's, says Pallagst. "In [the former] East Germany, for example, they don't have a [community-development] lobby. When cities say 'We have to shut down this housing block, people don't protest, they just move.' "

Nonetheless, the shrinking cities conversation must eventually address the question of relocation. "If you're going to take things off line, you're going to have to move some people who are isolated on some blocks," says Burnett.

But it's a difficult discussion to have, especially in the aftermath of the 2005 U.S. Supreme Court ruling in *Kelo v. New London*, allowing the principle of eminent domain to be applied to the taking of residential property for private development. Since *Kelo*, anti-eminent domain sentiment around the country has spurred legislation restricting the taking of property to combat blight. Youngstown plans to keep relocation voluntary, hoping to offer people in depopulated areas who would have qualified for home-rehab assistance the same grant for a house in a better neighborhood. "We've always shied away from saying 'eminent domain.' We never believed in having it come to that," says Kobak. "There's always negotiating a better opportunity, there's always waiting people out."

Of course negotiating and waiting can take a long time, while costs to service these areas mount. Burnett thinks the model of "responsible relocation" being developed by the [Annie E. Casey Foundation](#) for helping households displaced by redevelopment projects could be relevant to shrinking cities, if expensive. Casey's program involves a wide array of financial and social supports to ensure that relocated families end up in better housing situations than they started in.

### **The Balancing Act**

Are there ways to reap the benefits of right-sizing without hurting a city's most vulnerable populations? In theory, yes, but as Schilling says, no one has really done it yet. Nevertheless, researchers and planners are starting to sketch the outlines of what it might look like.

"The community and owners need to be involved," says Schilling. Yet having a true community-planning process is often easier said than done. "You have to ask, and then you have to listen," says Dennison-Budak, "and those two things in that particular sequence are rarer than they should be."

To protect the most vulnerable, there would be a threshold of city services and housing assistance for all areas, even those not chosen for new investment. "You say 'We're going to provide a basic level of services citywide, but in core areas we're going to increase the level of investment,'" says Schwarz.

Second, the areas that are targeted for investment should include sufficient new affordable-housing development to absorb existing demand and that of people who might be ready to move in from other areas. In fact, Schwarz emphasizes that a commitment to creating affordable housing has to be part of the deal of accepting targeted investment. Relocation assistance should be provided to those who want it. "You've got to be able to offer people something better than the status quo," says Schilling.

Some people are also talking about models that don't aim to empty depopulated areas, but rather try to increase the value and quality of life without draining precious investment resources from other areas of the city.

Schwarz, for example, suggests an aggressive side-lot program. Many cities will give a vacant lot to a neighboring property owner for a side yard, on condition that the owner maintains it. But many of these programs have a restriction of one lot per property owner. What if, says Schwarz, you gave one

owner several lots? Even in a distressed area, a half-acre or an acre of property can be a meaningful asset, increasing property values and the financial position of remaining owners. Larger lots might even attract new residents who are interested in the unusual idea of semi-rural living right next to a city downtown. "If we grab [the interest of] 2 percent, or heck one-half percent [of buyers], suddenly we've created market demand in an area that doesn't have any," says Schwarz.

Schwarz also recommends taking a lighter hand with zoning and regulation in areas that have become very low density, to allow a more "organic" mix of uses. Residential zoning usually prohibits most commercial uses, especially those likely to be noxious to their neighbors. But in a mostly empty neighborhood, if a property owner opens a car repair shop that is a block away from its nearest residential neighbor, who is it hurting, asks Schwarz. Why not replace strict zoning with a policy of "show us how you would use this land without creating a nuisance, and we'll take it back if it becomes a nuisance," she suggests. This means people could become more entrepreneurial about what they do with their land, which would also increase its value.

Schilling presents another possible scenario, in which small village-like clusters of housing are developed for remaining residents in the neighborhood, allowing them to retain, and even strengthen, their local networks, while letting the city deliver services more effectively and package land into larger contiguous green spaces.

Talk of clustering and semi-rural densities, and especially talk of decommissioning streets, makes some urban advocates nervous that the premise of not engaging in large-scale redevelopment of these areas might give way to the allure of suburban-style housing developments. "CDCs and private developers [have been] chasing the suburban housing market, thinking the only way to lure them back downtown is to build suburban style," says Schilling. One example is the Church Square development in Cleveland, which Schwarz describes as "a suburban-style shopping center with some very large suburban-style houses built nearby." Kobak veers into this realm when he talks about the potential for "bigger private driveways" in areas with fewer streets.

But chasing suburban growth smacks more of urban renewal and the "growth at all costs" mindset than the "proud to be a small city" places like Youngstown are trying to adopt. Taking out streets reduces the accessibility of neighborhoods for existing residents, and adding suburban housing doesn't necessarily result in less costly services. In cities with very tiny lots, downzoning can make sense, says Burnett, but in cities that already have larger lots, you do run the risk of compromising the urban fabric. And, of course, there's the question of whether the market is really there.

And after all, the whole point and promise of the right-sizing and greening movement, as Kildee says, is that "It doesn't make a lot of sense for us to require growth for us to consider our community successful." It's a hard assessment to make, and once made, the real work begins. But with careful attention to the needs and rights of the residents of the weakest market areas, the result just might be cities that are both healthy and humane.

"There's real promise in shrinking cities," says Schwarz. "It drives me crazy when people get all depressed about the decline, because there's lots of opportunities too."

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## Resources

Shrinking Cities International

[www.nhi.org/go/shrinking](http://www.nhi.org/go/shrinking)

The Shrinking Cities Group

University of California at Berkeley

Institute of Urban and Regional Development

[www.nhi.org/go/berkeley](http://www.nhi.org/go/berkeley)

Urban Design Center of Northeastern Ohio: Kent State University

[www.nhi.org/go/kent](http://www.nhi.org/go/kent)

Youngstown 2010

[www.nhi.org/go/youngstown](http://www.nhi.org/go/youngstown)

National Vacant Properties Campaign

[www.nhi.org/go/vacant](http://www.nhi.org/go/vacant)

Building a Better Urban Future: New Directions for Housing Policies in Weak Market Cities.

[www.nhi.org/go/urbanfuture](http://www.nhi.org/go/urbanfuture)

Bringing Buildings Back: From Abandoned Properties to Community Assets.

[www.nhi.org/go/bringingbuildings](http://www.nhi.org/go/bringingbuildings)