

The Urban Environment

A NEW feature in the fall semester at New York headquarters is a series of 15 lectures on Economic Realities of Urban America, on Tuesday evenings at 6:30. Leading off on September 15th was Professor A. M. Woodruff, Chancellor of the University of Hartford, who said that cities, the most complex works of man, are incredibly interdependent. Even the anarchist is dependent on services he is trying to destroy.

The time/space decisions which all cities reflect constitute a binding commitment. Owners of buildings decide what is the best use of their land at the time, and such buildings as they put up remain until the land under them is worth more than the combined value of the land and buildings for any use to which it can be put.

A further body of decisions confronting builders involves buyers, landlords and sellers. These are affected by a number of restraints like migration factors, building and zoning laws, mortgage costs and income taxes. Within this area the builders play their game and build what they think they can sell. And as they are persons of habit they put up buildings that look very much alike, hence there is a surprising immobility in the industry.

The mortgage is a monolithic factor controlled by a relatively small number of people. The best loan goes for the kind of house for which the mortgage man thinks there will be the largest demand at a price the average buyer can pay. That kind of house then, becomes the only type available, and the buyer is exposed to a depressing sameness. "Individuality is one of the things you sacrifice for the privilege of living in New York," the professor said. This depressing sameness exists in large cities and also on the campuses.

The mortgage market which was very effectively invaded by the Federal government around 1930, was the largest single force in determining the shape of cities. The 1920's provided better mortgage terms for suburban houses than for city houses, with the result that there was a 90 percent increase in suburban building. Old houses in the City of New York were appropriated by poorer people and many cities are in general ringed round with houses of better quality. This is in marked contrast to Hong Kong and Singapore which are static cities where the center is still the desirable residential area.

Building laws, another restraining influence, are an ancient family of laws. They frequently tend to discourage innovations and introductions of new materials, thereby increasing the expense of housing. For instance, plastic bathtubs, which are light and inexpensive, are in use elsewhere but cannot be used in New York because of restrictions by the building code.

Zoning laws, a second restraint, mandate the under-use of land and have a marked effect on land values. Land that can be used for office buildings will be worth more than that for houses or agricultural purposes. As builders join in a collective effort to get zoning changes permitting a larger use of locations, this builds up value of the land.

Automobiles have been the greatest cause of urban congestion because they, unlike private rail transportation, permit travel any place any time—and the vast expenditure for highways comes out of the taxpayer's pocket.

Dr. Woodruff said that urban economists have learned to ask better questions and he implied that some of these would be discussed later in the series.

The Role of Land

William Grigsby, Professor of Planning at the University of Pennsylvania, in the second lecture, on the role of land, enumerated goals and asked some of the better questions, but gave no solutions because he said that the solutions offered were not commensurate with the problems.

He noted that Henry George was far ahead of his time in that though the country was then chiefly agricultural, he could anticipate the present dilemma, and therefore he still has a lot to tell us. Ninety-one years after his death, George's ideas still have currency as evidenced by the mention made of him in the Kaiser Commission Report and the considerable attention given to him in the Douglas Report.

In today's technology however, many of our problems were said to be created by affluence rather than poverty, and the government as well as the landowner represents a monopoly interest.

How then is the U.S. going to handle an increased population of 75 million in the next 30 years in such a way as to maintain a high quality of environment and share more equally?

The matter of optimum size is often a concern of planners, but this has been found to be relative—it depends on the size of the city or town one is accustomed to. For some the optimum is the size of their own city 20 years earlier. With the growth of population increasingly centered in urban areas—70 percent in cities of 50,000 and over—there is not likely to be a diminution of the crisis.

Perhaps the urban areas are too large, but how can land-use regulations control them or redistribute the population? The National Commission on Urban Growth suggests creation of additional new towns, but to create enough of these to house 35

percent of the population growth, as is planned, would take a very long time.

One proposal which was suggested and abandoned was a corporation idea where everyone would give up some of his land rights to a corporation and all would share in whatever escalation of land values resulted. This was not successful because no one wanted to give up any rights. There is something about having a piece of land that is very important, and people do not want to give up.

Zoning is a critical factor in creating a better environment through land-use controls. If exclusionary zoning were confined to a few communities it would not matter, but when it is widespread it greatly reduces consumer choices in housing and drives land prices up, making it very difficult for housing to keep up with demands. Such exclusionary practices have brought on the boom in apartment houses because people cannot afford the carrying charges on houses.

The physical characteristics of land affect the way it is used, and an example was given of a man who bought 40 acres at \$2,000 an acre, in anticipation of a highway to be built. The highway department took nine acres at \$5,500 an acre and left him with property valued at \$6,000 an acre. The speaker believed that if nothing more was done in the way of correction than to worry about such land around intersections, that alone could do a lot to recapture the investment.

The mobile home industry is another notable attempt to meet the emergency. Also part of the problem can be solved by creating more land. But the planning professor did not offer much hope. Americans tend to react only to disaster and perhaps they will decide something must be done when at last the situation is desperate. Meanwhile a lot of land is being eaten up.