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Leading Developments: How the Leadership of Cities Is Changing And What It Means for Neighborhoods, Developers, Real Estate Professionals and Businesses

Civic leadership has changed dramatically in the last 30 years, and that is creating a new “growth model” for cities, Otis White told the Triangle Community Coalition members at TCC luncheon meeting. Otis is president of Civic Strategies, a public policy consulting firm specializing in cities and regions, and is one of the nation’s leading civic leadership analysts. In his presentation, Otis talked about the changes taking place in America’s cities and facilitated a discussion about how these changes are affecting urban development.

What is civic leadership? It is everyone who works to change a city’s direction. That includes not just elected officials but business leaders, non-profit executives, neighborhood association leaders, minority activists and others with a cause. Every city has these people involved in its mix of civic decision-making. Where cities differ is in the roles that these people play. In some cities, business executives are almost completely uninvolved in local politics, and elected officials govern in collaboration with powerful neighborhood associations. In other cities, business leaders are equal partners with elected officials and neighborhood associations are mostly silent. In still others, ethnic associations have become powerful political organizations and no important decision is made at city hall without their approval.

Despite these differences, when you look at cities as a group, some trends are clear. The three most important of recent decades:

- Business leadership has changed – and, in most places, weakened dramatically.
- Cities are no longer as committed to growth as they were in the 1970s and 1980s.
- “Quality of life” has become the measure by which most civic initiatives are judged.

This is a report on a presentation by Otis White to the Triangle Community Coalition in Raleigh, N.C., July 29, 2002. Copyright 2002, Civic Strategies, Inc.

The Old Model: How Do We Grow This City?

Cities in the early 1970s were dedicated, above all else, to growth – and usually this meant population growth. Part of the desire for growth was a natural competition among cities – the assumption that, if a place was growing, it must be on the right track. And if the city down the road wasn't growing, it must be on the wrong track.

But it was more than urban rivalry that was behind the desire for growth. Cities were driven to grow, in part, because of the people involved in setting civic goals, particularly within the business community. Even among business executives, people came to civic leadership for a mixture of reasons – self-interest, pride of place, ego, fear that a city was on the wrong path – and every city had some leaders whose reasons were complicated and personal.

Even so, there was a set of industries that were involved in almost every city. The industries were banks, utilities, newspapers and development. Why were executives from these industries so involved? Because their companies depended almost exclusively on local growth. When more people moved to a city, banks could make more loans, newspaper publishers could sell more papers, utilities could supply more electricity or gas or telephones, and developers could fill their buildings. These industries and their political allies were such a dominant force in cities that, in the mid-1970s, a sociologist at the University of California at Santa Barbara gave them a name. He called them the “urban growth machine.”

But the growth machines reached their high-water mark in the 1970s. In the 1980s and 1990s, pro-growth coalitions fell apart in one city after another. The reason: The ownership of these industries changed from local families to national chains, and the new people running banks and newspapers and gas companies were no longer lifelong residents but mobile executives who stayed in a city for a few years before moving on. By the time these “drive-by executives” learned a city well enough to influence it, they were packing for their next move. The result was that many never got involved in local leadership.

There was an echo of this instability in local politics, as term limits were enacted in numerous cities in the 1990s, forcing out longtime city council members and county commissioners around the country.

Power Gets Smaller

What happened to power in cities in the transition from long-term, stable leadership in the 1970s to the flux of the 1990s? It got “smaller,” shifting from a handful of big businesses and their political allies to a multitude of community groups. Neighborhood associations, in particular, became more powerful as they got more sophisticated about the approval processes. But other non-profit groups, including minority organizations, business associations and local foundations, also gained in influence.

This didn't mean big projects didn't move forward in the 1990s – Atlanta won the Summer Olympic Games in 1996, for example, and major civic attractions were built around the country – but these projects were increasingly headed by people motivated by personal vision rather than economic self-interest. These “visionistas” approach their projects as a life's ambition, and once the project was finished – the aquarium was built, the baseball franchise was formed, the Olympic Games were played – they faded from civic life.

What all these trends added up to was a remarkably fluid leadership structure, with business leaders coming and going (or never showing up), politicians coming and going, occasional vision-driven projects seizing the public's attention and, in many places, persistent conflict between developers and neighborhood associations. It's little wonder that approval processes are more contentious and less predictable than ever.

A New Standard for Cities

Little wonder, too, that the central goal of cities has changed. If growth was once the objective of most places in the 1970s and 1980s, then "quality of life" has become the standard today.

In most ways this is good, as "better" has replaced "bigger." But there are problems with using quality of life as a city's measuring rod. The greatest problems:

- It is nearly impossible to measure quality of life. What you end up with are cities increasingly "chasing their tails," trying to figure out (as in Minneapolis-St. Paul's case) whether a major-league baseball team is really necessary for a high quality of life. Minneapolis' old "growth machine" would have had no trouble figuring out what to do. It brought baseball to the Twin Cities in the 1960s to promote the region and attract more people. Unlike quality of life, population growth is easy to measure.
- It causes enormous political problems in locating unpopular but necessary projects, such as airports and landfills. Cities have a hard time telling one neighborhood it must suffer so others can enjoy a better lifestyle. If a city's objective is to build a better quality of life for its citizens, neighborhoods ask, why should *ours* suffer? Cities rarely have a good answer.

The Challenge for Cities

The challenge is to have growth and quality of life as twin goals of cities. The focus on quality of life has been good – the 1990s were the best years for cities since World War II in terms of crime reduction, property values, even population gains – but cities need a more objective standard of progress. The growth standard need not be population growth; it can be economic or personal income growth. But cities need an objective standard the way the United States needs a Gross National Product to measure economic progress.

Cities also need to reengage the business community. If top business executives are going to be in their cities for only a few years, then elected officials, chambers of commerce and non-profits need to figure out how to quickly introduce these leaders to their work and get the most out of them in a few years' time. If these groups dawdle, the drive-by executives will have driven off.

Finally, cities must learn to depend more on organizations than individuals. In the past, leadership came from strong individuals – Hugh McColl in Charlotte, Bob Woodruff in Atlanta, David Rockefeller in New York, Richard Mellon in Pittsburgh – but in the future it will come from strong organizations. The leading organizations could be chambers of commerce, citizens leagues – or perhaps groups like the Urban Land Institute – but they must be able to supply what the longtime leaders once offered: patience, persistence and a regional perspective.

How Development Has Changed

At the end of his talk, Otis asked Triangle Community Coalition members to divide into small groups, discuss a question for 15 minutes and report their thoughts. The question: How have the changes in urban leadership that Otis presented changed the way cities have developed, for the better or the worse?

The small groups reported some of their thoughts. Here are a few of them:

- A positive change is that decisions now involve a better cross-section of citizens than in the past. The negative changes: The process of getting land-use approvals is much longer and more adversarial. And some groups appear to have influence beyond their actual numbers.
- Another change for the better: Some “drive-by executives” have better ideas – based on their experiences in other places – than the “stay-at-home executives” of the 1970s did.
- Much of the focus on “quality of life” in the past 20 years has resulted in better planning and stronger neighborhoods. We have more pedestrian-oriented communities, and our attention to the environment is welcomed. Unfortunately, along the way property rights have been diminished, and many good development proposals have been chased away by NIMBYism.
- A negative change has been the inability of governments to deal with transportation congestion. That, in turn, has led to even worse decisions, including some communities’ decisions to “put on the brakes” on additional developments.
- A positive change is that governments in the area are now talking more seriously about regional cooperation. A bad development: They are making short-term solutions that may make long-term regional solutions more difficult, particularly in areas like water and transportation.
- Positive change: There is renewed interest in closer-in development. “The model is no longer the newest subdivision on the fringe.” And even in the suburbs, there is interest in “smart growth” models.

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