Coastal Zone
Information
Center

COASTAL ZONE 08195
INFORMATION CENTER

The Council of State Governments

COUNCIL of State Governments

STATE COMMUNITY DEVELOPMENT POLICY

The Case of New Communities

HT
167
.C68
S737
1976

The Council of State Governments

The Council is a joint agency of all the state governments — created, supported and directed by them. It conducts research on state programs and problems; maintains an information service available to state agencies, officials and legislators; issues a variety of publications; assists in state-federal liaison; promotes regional and state-local cooperation and provides staff for affiliated organizations.

HEADQUARTERS OFFICE
Iron Works Pike, Lexington, Kentucky 40511

EASTERN OFFICE
1500 Broadway, 18th Floor, New York, New York 10036

MIDWESTERN OFFICE
203 North Wabash Avenue, Chicago, Illinois 60601

SOUTHERN OFFICE
3384 Peachtree Road, N.E., Atlanta, Georgia 30326

WESTERN OFFICE
85 Post Street, San Francisco, California 94104

WASHINGTON OFFICE
1150 Seventeenth Street, N.W., Washington, D.C. 20036

Property of CSC Library

STATE COMMUNITY DEVELOPMENT POLICY

The Case of New Communities

The study of the state role in new communities was sponsored by the Council of State Governments under Contract #H-2216R with the New Communities Administration, Department of Housing and Urban Development. Any opinions, findings, conclusions, or recommendations expressed herein are those of the study team and do not necessarily reflect the views of the New Communities Administration or the Council of State Governments.

U.S. DEPARTMENT OF COMMERCE NOAA
COASTAL SERVICES CENTER
2234 SOUTH HOBSON AVENUE
CHARLESTON, SC 29405-2413

HT161.C68 S131 1976
2456917
FEB 5 1997

THE COUNCIL OF STATE GOVERNMENTS
Lexington, Kentucky

Published July 1976 by
The Council of State Governments
Iron Works Pike, Lexington, Kentucky 40511

Printed in the United States of America

ISBN O-87292-016-X
RM—578
Price: $4.00

Contents

Foreword v

Preface vii

1. Overview and Major Findings 1
   - The State Role in Community Development 1
   - New Communities and State Growth Management 1
   - The Title VII Experience 2
   - Purpose and Scope of Study 3
   - Major Findings 4

2. The New Community Experience 9
   - Public Interest and New Communities 9
   - Great Expectations 9
   - Congressional Involvement 10
   - Performance of New Communities 14

3. State Policies in Community Development: An Inadvertent New Community Policy 24
   - State Activities in Land Use Management 25
   - State Activities in Housing and Community Facilities 32
   - State Activities in Economic Development 46
   - State Activities in State Planning 54

4. New Community Policies in the States: Explicit and Implicit Approaches 63
   - State Interest in New Communities 63
   - State Legislation: Explicit New Community Policies 64
   - State Support for Planned Community Development: Implicit New Community Policies 72

5. Issues and Options: The State's Role in Community Development 82
   - Issues 82
   - Options 86
   - The State Role: Implications for Federal New Community Programs 99

Footnotes 103

Appendix 105
Table 1. State Land Use Programs 106
Table 2. State Environmental Review Authority 108
Table 3. State Housing Finance and Development Agencies 110
Table 4. State Housing Programs and Regulatory Bodies .. 112
Table 5. Water Quality Management 114
Table 6. Special Services to Encourage Industrial Development 115
Table 7. Functions of State Offices of Community Affairs . 116
Table 8. Substate Districts 118

Suggested Readings 119

Figure 1. Summary of Title VII New Communities 15
Figure 2. Organizational Models of State Environmental Programs . 28
Figure 3. State Planning Activities 56
Figure 4. State Growth Planning Status 58
Figure 5. State New Community Legislation 65

Foreword

State policy for community development is a fundamental constitutional role of state governments. However, such policy is often perceived as a function of political subdivisions and the federal government. While there has been analysis of specific program relationships and particular policy issues, little attention has been devoted to the comprehensive involvement of state governments in the community development process.

This report examines the many linkages between States and their communities. Its point of departure is the development of new communities during the past decade. The interrelationships of state policies in planning, economic development, land use, and capital facilities are stressed. The report provides a perspective for state government officials and others interested in the field of community development.

The project was conducted by a team under the direction of H. Milton Patton, Associate Director for State Services; the principal author was Anne D. Stubbs, Special Assistant. The Council of State Governments is grateful for support provided by the New Communities Administration of the U.S. Department of Housing and Urban Development in studying this important area.

Brevard Crihfield
Executive Director
The Council of State Governments

Lexington, Kentucky
July 1976

Preface

This report provides an analytic examination of state policies and programs related to community development, especially new communities and developments that impose regional impacts. The report identifies the range of specific legislative authorities and programs of the 50 States as of early 1976 which provide frameworks for large-scale community development projects. It also assesses policy issues of and options for implementing a coordinated state program for community development.

The role of the States in community development has long been overlooked by the advocates and developers of planned new communities, just as overriding attention to the federal Title VII New Communities Program has overshadowed the significant number and performance of other large-scale, planned communities. Yet, planned new communities highlight the range of state activities affecting community development. Land use management, the provision of housing and community facilities, economic development, and state planning efforts are all integral to the planning and development of sound community development patterns and are largely within the State's control. While specific legislation for large-scale, planned communities has been adopted by several States, significant efforts have been made in numerous States to use existing authority and programs to encourage planned community development.

The analysis by the research team revealed significant responsibilities for state governments in the community development process. These responsibilities reflect the fundamental constitutional role of the 50 States within the federal system as the keystone of community development. While this report examines the tangible and specific phenomena of new communities, it suggests the need for expanding research and analysis into the state role in the community development process. Future research by federal, state, and local governments and universities might explore the impacts of state tax policy, capital investments planning, program development, and policy frameworks on regional and local community development activities. It is hoped that this report provides a beginning perspective for such analysis.

This report was prepared by a study team of the Council of State Governments, with the assistance of many individuals in the new communities, state government, and development fields. Special consultative assistance was provided by D. David Brandon, former Director of Development for the New York State Urban Development Corporation, and by Mark H. Freeman, former Executive Director of the League of New Community Developers. Individuals

serving in an advisory and review capacity included: Dorothy Eck, State-Local Coordinator for the Office of the Governor in Montana; John C. Gliege, Attorney, Scottsdale, Arizona; Vladimir Wahbe, Secretary of the Maryland Department of State Planning; Harold R. Katner, Director of the New Orleans City Planning Commission; Roger D. Lee, Utah Department of Community Affairs; Robert F. Miller, Assistant Secretary for Community Development, Maryland Department of Economic and Community Affairs; Patrick W. Ryan, Executive Director of the Louisiana State Planning Office; Bernhard Stamm, Local Governments Services, Ohio Department of Economic and Community Development; Daniel Varin, Chief, Rhode Island Statewide Planning Office; and William Wiley, Kentucky Legislative Research Commission. The New Jersey Division of Legislative Information and Research, Legislative Services Agency, provided valuable assistance in its sponsorship of a planned growth seminar in conjunction with this research study. While these individuals provided valuable and substantive comments throughout the study, the views expressed in this report should not necessarily be ascribed to any of the persons acknowledged above.

The project team for the Council of State Governments was supervised by H. Milton Patton, Associate Director for State Services, and included: Jimmy E. Hicks, L. V. Watkins, James Breithaupt, Tom Hauger, Robert D. Matthews, and Leonard U. Wilson. Support services were provided by: Mardell Horn, Joan Miller, Susan Harding, and Brenda Mearns. The principal researcher and author was Anne D. Stubbs.

H. Milton Patton
Associate Director for State Services

Anne D. Stubbs
Special Assistant

1 | Overview and Major Findings

The State Role in Community Development

The State, as repository of the fundamental constitutional authority over development activities and as broker of governmental programs in the federal system, is the keystone in the community development process. The State affects community development through its actions in four major areas: (1) land use management, (2) economic development, (3) capital improvements, and (4) growth policies and planning processes.

Although the federal role in setting criteria and in funding community development programs is highly visible, the State plays the major role in the allocation of federal funds. Local governments make many of the decisions on zoning and the delivery of public services which influence local and regional growth patterns; yet the State can strengthen local governments' capacity in planning and management, and encourage local officials to consider the impacts of their actions on neighboring jurisdictions. The New Federalism increases the importance of state and local governments in devising community development policies and programs most appropriate to the needs and opportunities within various substate regions. The new emphasis on decentralization requires greater planning and administrative capability, and offers greater potential for coordination of related programs and flexible responses.

New Communities and State Growth Management

The renewed awareness of the States' role in community development and growth, and the interest of many States in growth management, highlight the mutually supportive relationship which potentially exists between new community development and state government. New communities—large-scale, planned communities—provide the opportunity for States to use their constitutional powers and intergovernmental position to encourage sound patterns of community development, and to optimize the sometimes conflicting goals of environmental protection and economic development. The process of developing new communities—and the final product—can contribute to the States' efforts to ensure that the impacts of growth on their citizens are beneficial. New community development involves decisions affecting land use and the provision of community facilities and employment opportunities. In the process of their development, they touch on the relationships of the private and public sectors and on the labyrinth of federal, state, and local government relations.

New communities are designed to provide a quality living environment which minimizes the adverse impacts of urban development on land and natural resources. The findings of the Real Estate Research Corporation study of

prototype planned development patterns offer evidence of the relative advantage of the clustered development pattern associated with new communities.[1] Planned developments of all densities, and higher-density projects to a greater extent, are less costly to both the public and private sectors to create and operate than sprawling development patterns. Benefits accrue to both the public and private sectors through lower costs associated with the economic and environmental areas:

- Economic costs—the capital and operating costs of residential units, public utilities, open space and recreation, schools, streets and roads, and public facilities and services;
- Environmental costs—the incidence of air pollution, water pollution, noise pollution, and erosion; water and energy consumption; adverse effects on vegetation and wildlife; and the amount of developed land within the project's boundaries.

The Title VII Experience

Efforts to build new communities have been undermined by the loss of federal government program supports as the role of the federal government was redefined in all domestic programs. The New Federalism undermined a history of governmental centralism and removed government from the role of catalyst to that of inducer and supporter for private sector and local government initiatives. The programmatic consequences created a particularly severe burden for Title VII developers who had assumed special social and economic objectives for their projects. The suspension of categorical grants in favor of general revenue sharing reduced the total flow of federal community development dollars and resulted in a bias toward existing communities in the allocation of funds. The moratorium on housing programs removed the major means by which developers were able to offer low- and moderate-income housing. In terms of funding authorizations, the community development block grant program continues to shortchange new community projects relative to Title VII legislation. However, depending upon Administration policy toward new community development, Title VII projects may fare better in competing for the discretionary funds within the block grant program than they did with the more visible Title VII special authorizations.

The Title VII legislation created exceptionally high demands on and expectations of new communities; yet, large-scale developments and new communities have achieved some successes in phased development planning, intergovernmental cooperation, mixed housing, and sound physical and environmental design, in spite of management shortcomings and marketing difficulties.

Both developers and public officials have gained valuable experience in defining, managing, and coordinating the respective roles and responsibilities of the public and private sectors in longer-term, comprehensively planned, development projects. New financing mechanisms for large-scale community

development have emerged, and new techniques and procedures for intergovernmental cooperation have evolved. Many new community development projects represent pioneering efforts in environmental protection, physical design, the provision of open space, and the mixture of housing types.

Purpose and Scope of Study

The concept and building of new communities has created a plethora of articles and books, conferences and interest groups, and federal and state legislation. Title VII of the Housing and Urban Development Act of 1970 initially intensified the interest of developers and the public in large-scale, planned communities, and the use of new communities as a vehicle to resolve social, economic, and housing problems of urban areas. However, in the 1970s the pressing problems of the economy, the energy crisis, and environmental concerns have overshadowed new community development and altered the outlook for their survival.

It is time for a new look at new communities—time for a new perspective on what they are, what they require for successful development, and how they fit into patterns of growth and urbanization. It is the purpose of this study to examine and explore the role of the States and, by extension, local governments in the development of new communities. The report looks at more than the federal Title VII new communities program, for the vagaries of the Title VII program and economic and financial difficulties of individual new community projects obscure the basic definition of and purpose for the development of new communities. As defined in this study, new communities are independent, relatively self-contained, large-scale, comprehensively planned communities developed under unified management. New communities are one form or one approach to community development. Therefore, the States' concern for new community development cannot be limited to the Title VII program, for that one program cannot begin to respond to the need and demand for funds and programs for improved community development at the state and local levels.

The focus of the study moves beyond new communities to the range of state actions affecting community development. Therefore, the wide-ranging literature on new community development is supplemented by studies of state policies and actions in the areas of growth management, land use, economic development, capital investments, housing, and state planning. The study benefits from parallel staff studies on state planning and state growth policy activities. A major part of the research effort is the input from individuals involved with new community development. The study relies heavily on state and local officials whose views and comments were obtained in advisory groups to the project staff and in individual interviews. Interviews with state and local officials involved with new community development were supplemented by interviews with public agency and private developers of new communities.

Major Findings

1. The failure to include state governments in the legislative process of Title VII, coupled with the failure to implement Title VII incentives for state and local participation, have contributed to the limited visibility and uncertain priority of new community development in state government policies and programs.

Though the goals and incentives of Title VII legislation are significant components for a national growth policy, Title VII was not a top priority in Congress, and thus was passed without the debate, scrutiny, or compromises which characterize more controversial issues. Since the legislation was not highly visible to state government officials, program incentives for cooperative state and local government actions reflected more of a hope than a sound assessment based upon a reading of state and local policies and activities. Support for private development indebtedness was forthcoming, but the various programs to encourage state and local government capacity and involvement were terminated or never funded.

2. The scale of new community projects reveals the critical role played by local governments in the community development process.

The current debate over traditional pro-growth attitudes within the Nation, coupled with controversy over implementation of the Title VII program, raise more fundamental issues of new communities and community development. Current policy relegates government to a subordinate role, and views the private sector as the key actor in the new community development process. Yet the timely development of new communities is closely tied to decisions made by local officials on zoning, environmental reviews, and the provision and financing of public services and facilities.

3. The planning and financing difficulties associated with large-scale, planned developments are partially attributable to the limited capability and willingness of local governments to plan for, finance, and deliver the infrastructure and services required for such projects. Local units of government have insufficient financing capabilities and jurisdictional authority to plan for and manage the impacts of community development projects with the scale, complexity, and comprehensiveness of new communities.

The frequent resistance of local officials to working cooperatively with new community developers reflects a fear of significant growth and social change, as well as a limited capability to respond to new and ever-increasing demands. Local governments in the metropolitan fringe or nonmetropolitan areas typically chosen by new community developers frequently lack the staff expertise to conduct their own or analyze the developers' economic, land use, utilities, and social needs projections and planning. Unable to generate internal studies, and often hesitant to accept developers' statistics, local officials may delay their consideration of the proposals or condition their approvals upon the developers' assumption of a greater share of the cost of providing basic services.

Equally important is the structural problem which hampers local governments' ability to respond to large-scale developments. Large-scale

developments typically impinge directly upon several local and sublocal jurisdictions (municipalities, counties, school districts, sanitary districts), and the number increases when those indirectly affected by the projects must be included in reviews and approvals. However, the mechanisms to resolve differences among the various jurisdictions are typically weak or absent, and developers frequently assume the time-consuming and costly role of mediator.

4. The new community experience highlights both the varied and important roles of government in community development and the fundamental and wide-ranging role of the States in community development.

The scale and comprehensive planning associated with new community development reveal the range of activities which, though frequently overlooked, are components of community development. When viewed comprehensively, the community development process includes land use regulation, public facilities and services, economic development, and the numerous planning decisions of local, regional, and state governments.

States are the source of governmental authority over land use regulation, and they have important funding and administrative roles in the provision of public capital improvements projects. The States' position in the federal system equips them to play a "broker" role in government programs and to create a comprehensive planning framework to link the varied actors and programs into a coordinated community development process.

5. States are actively involved in large-scale, planned community development, regardless of whether the involvement reflects a recognition of the relationship between the needs of new community development and state growth and community development objectives.

Since new community development is but a special process of community development, state policy and program initiatives in land use, economic development, capital improvements, and planning processes constitute a state new community policy—be it explicit, inadvertent, or implicit. There is evidence that officials in many States are aware of the relationship between new community development and ongoing growth and development activities of the States, and seek to develop it to the mutual benefit of the States and the new communities. Though several States have adopted explicit new community policies, the greatest potential for policy lies in coordinating new community development with state initiatives in land use and environmental regulation, capital improvements, economic development programs, and comprehensive planning. New community projects provide an arena in which state officials can reassess the States' role in community development, and can hone the art of linking capital improvements, land use programs, economic development, and comprehensive planning into a growth management process.

The similarities in objectives and processes between new community development and growth management policy make the experience and continued development of large-scale, planned community development particularly relevant to States, in spite of the difficulties of current projects and federal

programs. However, the potential benefits of new community development to the public sector will not be realized without changes in federal and state governments' roles in community development programs.

6. New community development can be effectively integrated with state community development and growth management policies and programs.

The process of developing new communities can broaden the perspective of state and local officials on the content, geographic scope, and process of community development programs. New community development has unique characteristics which make it a potentially valuable component of emerging state growth management policies and programs. New communities are regional in their social, economic, and land use impact, and require regional input for their successful development. New communities are a catalyst for population settlement and economic development; thus, they can complement state programs for regional growth and development. New community development is a comprehensive physical, economic, and social planning process; a land use development program; a packaging of public services and facilities; and a packaged financing program for community/public infrastructure. In short, new community development is growth management on a regional scale.

7. States should begin to transfer the knowledge, experience, and innovations gained from Title VII and other new community developments to the range of their community development programs.

State governments' interest in new community development lies not solely in helping existing new communities to survive and to achieve their goals, but in what they can learn from them about community development. The new community experience clearly illustrates the importance of state police powers in the community development process and the need for policymakers to consider a restructuring of the state role and a redefinition of the public-private and intergovernmental partnership in all community development efforts. Large-scale, planned developments can become arenas where the States' social, economic, and environmental programs are designed and managed to better define and serve the public. They offer arenas where state experience in comprehensive planning and growth management policies and techniques can be refined and developed.

If the knowledge and experience gained in the policies and planning, financing, and functional programs supportive of new communities are transferred to other, less ambitious, community development and redevelopment efforts, these state policies for new community development have a multiplier effect. The problems of inner cities and rural areas, the use of surplus state lands, and the threat posed to communities by the shutdown of large government facilities may not be resolved by new communities. However, their resolution benefits from public policies and programs which incorporate the insights gained from the new community experience. A number of States are facing the "boom-bust" growth and community development patterns associated with intensive energy resource development, be it strip mining, oil shale development, or off-

shore drilling for oil and gas. For these States, the new community model and its experiences, and their lessons on the responsibility for and timing of public capital investments and development staging, are particularly relevant.

8. States should act to strengthen the links of public-private sector relations in development activities, regional cooperation, and intergovernmental coordination in the process of community development.

Many of the potential benefits associated with new communities are dependent upon timely public decisions on land use regulation and provision of services, and upon consistent and coordinated programs of federal, state, and local governments. With the scale, complexity, and comprehensiveness of new community development, greater public initiatives, interlocal cooperation, and coordination of the varied state and federal functional programs affecting community development are vital. States are the governmental units with the requisite authority and position in the federal system to strengthen the capabilities of state and local public entities to initiate and support the financing of development projects and to encourage greater regional and intergovernmental coordination.

9. A state policy on new community development should be designed to encourage maximum flexibility for public involvement in development projects.

An explicit, legislative new community policy may fail to address the varied state roles in large-scale, planned community development or to encourage the transfer of new community development experiences to other community development needs and programs of the State. A flexible state new community policy should permit the following: (1) delineation of the State's roles in the various land use, economic development, capital improvements, public services, and planning components of large-scale, development projects; (2) development of specific program tools which strengthen state and local governments' capability to initiate and participate in the various aspects of development; and (3) the packaging and repackaging of the State's roles and programs to address the specific community development and growth objectives and needs in the State, i.e., population growth in new towns, boom-growth areas, additions to existing communities, urban redevelopment, and urban preservation.

An optimal and flexible state policy on new community development, and community development in general, is well served by state activities in comprehensive planning and capital improvements programs. The development of state policy on community development may include the following: evaluation and assessment of state growth trends and local and regional community development patterns; the determination of goals and objectives to serve as a policy framework; and the development of state programs in land use, capital improvements, and/or economic development to implement state objectives in community development.

10. The effectiveness of private sector and state and local efforts in large-scale, planned community development requires a continuing, consistent, coherent, and adequately funded federal policy and programs for new

communities and community development. Such private, state, and federal activities and programs can have greater effectiveness when developed and implemented within the framework of a national growth policy and when state participation is made an explicit component of federal new community programs.

The key to encouraging state and local governments' participation and the success of the public and private sectors' participation in an undertaking as complex as new community development is the development and implementation of such programs within a committed and funded federal program of new communities. Federal policies on new communities must extend beyond the Title VII program to address the range of the federal government's functional and funding programs which affect the community development process. The new community program must be integrated with growth-related policies and planning processes at both the federal and state levels. Federal legislation and regulations in community development programs must provide for and encourage a greater state participation in program development and administration.

2 | The New Community Experience

Public Interest and New Communities

A candid examination of the new community movement in the United States suggests that high expectations, changing economic conditions, and the absence of government support have combined to give new communities a negative public image, even though they have made substantial contributions to social, economic, and planning objectives. Many public officials view new communities as a utopian dream and public support for them as a boondoggle which benefits only private developers, and most contend that governments, particularly state and local governments, should not expend their limited financial resources on such projects.

Such an outlook obscures one important fact—community development will continue, with or without federal programs to encourage its occurrence in large-scale, planned projects. Even when state and local governments avow no support for new communities, they are deeply involved in community building and will have to contend with its impacts, regardless of whether it occurs in large-scale, planned communities or by sprawling aggregation of small projects. As a consequence, the interests of state and local governments are served when community development complements governments' goals and the public interest.

Great Expectations

Though the new community concept has historically incorporated pragmatism, social vision, and utopian elements, federal policies during the optimistic and innovative era of the 1960s significantly raised and gave added legitimacy to the expectations of what large-scale, planned communities could achieve. The federal government has reaffirmed the right of every American to a decent home and living environment through various housing programs since 1949. Congress gradually expanded the notion of a decent living environment, and enlarged the scope and scale of the objectives with Title VII of the Housing and Urban Development Act of 1970. Title VII spelled out, for the first time, the federal effort to develop a national urban growth policy and launched a major federal commitment to new communities as an element of that policy. New communities were to provide a better life and a just social environment for all groups of citizens. The goal was not merely the provision of decent housing and some commercial facilities, but the re-creation of the sense of community associated with small towns.

Congressional policy sought to make the aesthetic, social, cultural, and recreational advantages available in upper-middle-class new communities (such

as Irvine, California, and North Palm Beach, Florida) accessible to low- and moderate-income families. It was expected that a broad range of housing types and prices would encourage a social mix among the residents, thus making new communities a vehicle for greater social and economic balance. Part of the "better life" would thus result from innovation—not only applied innovative technology, but also innovative social and planning processes for community development. It was thought that without the structural and attitudinal obstacles of the status quo found in existing communities, the social objectives of innovation would be readily accepted in the development of new communities.

A primary objective of congressional policy in Title VII was improved patterns of urban growth through careful planning. As embodiments of comprehensive social, physical, economic, and environmental planning on a regional scale, new towns were to provide an alternative to the dominant urban sprawl of America's landscape. Careful site design would permit maximum movement and ease of access, thus lessening dependence on the automobile, and encourage urban settings which minimized waste and pollution of air, water, and land resources. Adequate preservicing of public utilities and social services (schools, health programs, public safety) could provide more efficient service for all residents at lower cost to the public sector. As developments with regional impacts, new communities were expected to offer formally autonomous yet interdependent governments and agencies a vehicle to coordinate physical, social, and economic programs.

Congress also added economic requirements to the social and physical objectives of new communities. By providing for a full range of economic opportunity in industrial and commercial facilities, new communities were to be centers for growth. As self-sufficient entities, they were to revitalize rural and economically depressed areas, as well as reduce the social and economic pressures on the cities. New towns faced the awesome challenge of offering both well-designed buildings, developed in an aesthetically pleasing and environmentally sound manner, and the opportunity for fuller development of the human potential for all classes and races of people. With the explicit definition of and effort to implement programs to achieve these goals in Title VII, the tensions inherent in the new communities concept became apparent.

Congressional Involvement

As congressional action gradually expanded the scope and scale of new communities, it also encouraged a similar expansion of governmental involvement—federal, state, and local. Beginning with a limited program of mortgage insurance for privately developed, preserviced subdivisions under Title X (1965), Congress moved to the more comprehensive Title IV (1968) program of required development plans, provisions for low- and moderate-income housing, and loan guarantees. When the passage of Title VII (1970) saddled new community development with social, economic, and environmental goals, program support was expanded. Congress enacted programs to assist private

developers in balancing the heavy front-end financing needed within the longer development period and to encourage the active participation of state and local governments and public development corporations.

Title X

Title X of the Housing and Urban Development Act of 1965, a narrowly drawn and infrequently used program of mortgage insurance for subdivision development, represented the first congressional encouragement for large-scale, balanced developments. During hearings on amendments to Title X in 1966, new communities were mentioned as a means to contain suburban sprawl resulting from rapid population growth. Though a proposal for direct loans to public land development agencies for acquiring but not improving land was dropped, it marked the beginning of congressional concern to involve States and other public bodies in large-scale land development.

Title IV

In 1968, Congress enlarged the public purposes of and governmental involvement in the development of large-scale communities with the enactment of Title IV of the Housing and Urban Development Act. The act required an overall development plan conforming to areawide considerations, with the provision of a substantial amount of low- and moderate-income housing. For the first time, public purposes and special problems involved in financing new communities were recognized.

Through the program supports of Title IV, Congress signaled its intent that increased federal support was required for new communities if they were to contribute to such national goals as providing low- and moderate-income housing, advanced planning techniques and innovations, and more efficient basic community infrastructure and facilities. Thus, under Title IV, mortgage insurance was replaced with loan guarantees of up to $50 million (from 75 percent to 90 percent as contrasted with 50 percent under Title X), a larger fraction of development and land costs was covered, and supplementary grants for two water and sewer programs and an open space program were provided.

Title VII

By 1970, congressional interest in community development shifted to the broader concern for a sound balance between rural and urban America and the need for a national urban growth policy. Title VII of the Housing and Urban Development Act of 1970 spelled out congressional commitment to the "rational, orderly, efficient, and economic growth, development, and redevelopment of our States, metropolitan areas, cities, counties, towns, and communities in predominantly rural areas which demonstrate a special potential for accelerated growth."[2] It mandates the biennial preparation of a National Urban Growth Policy by the Administration to foster planning and provides a policy framework for programs to encourage balanced growth patterns.

In Title VII, Congress recognized the spatial impacts of federal programs and called for better coordination of these programs to achieve a wide variety of environmental, social, economic, and physical planning goals. New communities were mentioned as one way to encourage program coordination and to provide rational growth patterns conducive to these various goals of a national urban growth policy.

Congressional endorsement of "well-planned, diversified and economically sound new communities" as a tool for urban growth policies encouraged full fruition of the public-purpose concept of new communities. These public purposes include protection of the environment; realization of the economic potential of small towns, rural communities, and older central cities; provision of substantial amounts of low- and moderate-income housing; and integration of social planning and innovation with community development.

Congress spelled out the type of "balanced" new community which would meet these public purposes by setting demanding criteria for the receipt of federal assistance. New communities were to provide an alternative to disorderly urban growth, to be economically feasible, and to contribute to the welfare of the entire region. They were to be consistent with comprehensive social and physical planning; receive all necessary local, state, and federal reviews and approvals; contribute to good living conditions in the community; make substantial provisions for low- and moderate-income housing; and, finally, make significant use of advances in design and technology. Congress further recognized four distinct types of new communities which could contribute to the goal of balanced, orderly national growth:

(1) Satellite new communities—economically balanced new communities within metropolitan areas which provide alternatives to urban sprawl;

(2) Growth centers—additions to existing smaller towns and cities which can be economically converted to prevent decline and accommodate increased population;

(3) New towns-in-town—major new developments to help renew central cities, including the development of areas adjacent to existing cities for an increase in their tax base; and

(4) Free-standing new communities—communities not close to existing urban areas but, where there is a clear showing of economic feasibility, primarily built to accommodate population growth.

One of the most significant features of Title VII is congressional endorsement of both public-private sector cooperation and direct public sector involvement in new community development. This endorsement is supported by an impressive array of programs to encourage the development of public-purpose new communities. Congress moved from a rejection of support for public development of large-scale projects to a position of simultaneously maximizing the role of the private sector and strengthening state and local governments' capacity to deal with local growth problems. This change reflected growing congressional interest in the state role in community development.

Congress provided several programs to support this concern for state and local involvement in new community development. These programs provided for:

—Increase in the federal share of 701 planning grants from two thirds to three fourths;

—Interest differential grants for public developers to make up the difference between the costs of tax-exempt and non-tax-exempt borrowing;

—Interest payment loans for public developers as well as private developers;

—One hundred percent loan guarantee for public developers;

—Eligibility for supplementary and public service grants from the Department of Housing and Urban Development (HUD), the Economic Development Administration (EDA), and the U.S. Department of Agriculture (USDA) for state and local public bodies and agencies to alleviate the financial burden of preserving new communities;

—The requirement that all new communities receive all governmental reviews and approvals required by state or local laws or by the Secretary of HUD;

—Grants to state and local public bodies to cover up to 70 percent of the costs of acquiring interest in undeveloped lands which, if withheld from commercial, industrial, or residential development, would significantly guide desirable patterns of growth.

Title VII is a significant refinement of federal involvement in new community development. It affirms the need for a national urban growth policy and makes new communities a part of that policy, while recognizing the respective roles of the private sector and federal, state, and local governments. At the federal level, Title VII calls for better community development planning and greater coordination among governmental units to guide growth and to strengthen the federal system's capability to carry out a growth policy. At the community level, it calls for the achievement of social, environmental, and innovation goals as a result of new communities.

Title I

Title I of the Housing and Community Development Act of 1974 extends the New Federalism principle of revenue sharing to the accumulated categorical programs for community development.[3] Congress does not neglect the Title IV and VII new community programs in the new legislation, for it singles out new communities as eligible for the consolidated block grant program. The formula allocation of funds—based primarily on population, poverty, and housing overcrowding—discriminates against newly developing communities which are designed to eliminate such housing and community problems; however, new communities can apply for grants made from the discretionary fund of the HUD Secretary, a fund limited to 2 percent of the total Title I appropriations. New community projects are not guaranteed HUD community development funds; they must compete with special areawide, innovative, or emergency projects of existing local governments and the States for grants from the discretionary fund.

Since new communities are both innovative and areawide projects, their prospects for grants may improve if States or localities are co-applicants.

Performance of New Communities

The achievements of new communities—large-scale, planned development—are being realistically assessed, with an ebbing of the burst of development activity, the passage of six years since the enactment of Title VII, and changing economic and social conditions. Both private and federally assisted new communities currently face serious financial problems and have lost favor in much of the development industry and with the public. In both the public and private sectors, the debate focuses on two major issues: (1) whether the achievements of new communities are significant enough to merit continued private investment and direct or indirect governmental assistance; and (2) identification and analysis of the factors contributing to the serious financial problems and the long-range financial viability of large-scale, balanced new communities.

The newness of new communities partially explains the current difficulty in judging their success in meeting the expectations of residents, urban designers, developers, and public officials. In terms of the planned development period of 20 years, all recent new towns, and especially the Title VII balanced communities, are in their infancy or adolescence. Most have not yet achieved the critical mass of population, employment, and commercial activities needed for a viable community. The differing objectives of various new community projects also defy general evaluations of the performance of their programs and projects. The vast majority of new communities are privately financed, and the goals of their developers are frequently more modest than the sweeping social and economic objectives required of the 15 Title VII new communities. (See Figure 1 for Summary of Title VII new communities.) Both the Title VII and non-HUD-supported projects must be evaluated in terms of their ambitious social, economic, and/or design objectives—the factors which distinguish new communities from other large-scale developments; yet any assessment of the achievements of these large-scale, planned communities must be tempered by their varying goals and stages of development.

Accomplishments of New Communities

Though Title VII sets forth awesome criteria by which federally supported and privately financed developments came to be judged, new communities have made significant accomplishments in planning, intergovernmental coordination, physical design, and housing. In the area of urban planning, new communities represent a significant advance over the incremental, fragmented development practices of the past. Community developments of such scale and complexity have been instructive for developers and government officials unaccustomed to such comprehensive planning. Several States have authorized procedures to resolve the inevitable conflicts and misunderstandings which arise between

Figure 1
Summary of Title VII New Communities*

New communities	*State*	*Location*	*HUD guaranteed debentures (in millions of dollars)*		*Recipient of federal grants*	*Size (in acres)*
			Committed	*Issued*		
Cedar-Riverside	Minn.	Downtown Minneapolis	24	24	Yes	100
Flower Mound	Texas	20 mi. N.W. of Dallas	18	18	Yes	6,156
Gananda	N.Y.	12 mi. E. of Rochester	22	22	Yes	5,847
Harbison	S.C.	8 mi. N.W. of Columbia	13	13	Yes	1,734
Jonathan	Minn.	20 mi. S.W. of Minnesota	21	21	Yes	8,194
Maumelle	Ark.	12 mi. N.W. of Little Rock	24.5	14	Yes	5,221
Newfields	Ohio	7 mi. N.W. of Dayton	32	18	Yes	4,032
Park Forest South	Ill.	30 mi. S. of Chicago	30	30	Yes	8,163
Radisson	N.Y.	12 mi. N.W. of Syracuse	(a)	(a)	Yes	2,351
Riverton	N.Y.	10 mi. S. of Rochester	23	16	Yes	2,374
Roosevelt Island	N.Y.	East River between Manhattan & Queens	(a)	(a)	Yes	122
St. Charles	Mo.	25 mi. S.E. of Washington, D.C.	24	24	Yes	6,980
Shenandoah	Ga.	35 mi. S. of Atlanta	40	25	Yes	7,250
Soul City	N.C.	45 mi. N. of Raleigh & Durham	14	5	Yes	5,287
Woodlands	Texas	30 mi. N. of Houston	50	50	Yes	16,939

**Source:* New Communities Administration, Department of Housing and Urban Development, fall 1975.
(a) Certificate of Eligibility for grants only.

developers and local officials. Since the planning for and the impacts of new communities affect so many governmental units at the federal, state, and local levels, intergovernmental cooperation has been encouraged, often with notable successes. Several new communities, both privately financed and federally assisted, have successfully integrated subsidized housing units with market-rate housing. However, the major accomplishments of new communities lie in the areas of physical design, environmental protection, and provision of open space.

Public Satisfaction

A recent, extensive study of the comparable performance of 36 planned and conventional communities found a mixed record of the social, economic, and design achievements of new communities. The study, *New Communities, U.S.A.*, was conducted by the Center for Urban and Regional Studies (CURS) at the University of North Carolina at Chapel Hill. Its findings are based upon attitudinal measures of consumer satisfaction (residents, relevant professionals, and public officials) and upon objective measures of various community attributes, including transportation systems, health care facilities and services, educational facilities and services, employment opportunities, commercial facilities, and economic and social mix of residents by income and race. The study is not an evaluation of the Title VII "balanced" communities, for only two such communities were sufficiently developed to be included in the study sample.

New communities were found to be superior to conventional community growth in several areas: (1) better land use planning and access to community facilities; (2) a reduction in automobile travel; (3) superior recreational facilities; (4) improved community livability; and (5) better living environments for low- and moderate-income households, members of minority groups, and the elderly. Most of these advantages are directly or indirectly linked to the careful land use arrangements, comprehensive planning, and central direction of the community development process which have long been associated with the new community concept. These are also the areas of community building most under the control of the developer.

In several categories, new communities perform as well as but not better than conventional communities. Some categories reflect personal and family aspirations and social interaction—areas of human satisfaction and behavior over which a developer has limited influence. These include satisfaction with key family goals, social perspectives and participation in community life, evaluations of housing and neighborhood livability, and satisfaction with quality of life.

The performance of new communities in other categories is more significant for governmental policies and programs. New communities are not perceived to provide community services (such as schools, health care, and commercial facilities) or community governance more effectively than are conventional communities. The less favorable ranking of new communities on these latter categories can be attributed to several factors: (1) the small size of most new community populations fails to create sizeable markets for commercial and

professional services; (2) the developers' lack of experience in comprehensive social planning and relative lack of interest in nonprofitable health care and medical services; and (3) the dependence of developers on one or more local governmental bodies to approve plans, to provide some front-end financing, and to operate or deliver services such as education and some public utilities.

The mixed record of the new communities documented by the CURS study suggests the areas in which public policy can be reasonably expected to influence new community performances. The hope that improved physical surroundings will significantly influence personal behavior and satisfaction seems unrealistic. However, the inability of new communities to perform more effectively in community services and population balances is subject to public policy influence. The problems contributing to this inability lie with the division of responsibility between the public and private sectors for social planning, environmental planning, and provision of subsidized housing. The private sector has limited ability and willingness to assume these public responsibilities without an increase in financial assistance. Local governments are often unable to surmount the problems of an inheritance of decentralization and fragmented public service responsibility and the inadequate financial base which are exacerbated by new community projects. New community projects, in spite of their commitment to public-purpose objectives, are frequently given low priority in metropolitan planning, in state investment decisions, and in the allocation of federal grants and public works funds.

Innovations

Many of the innovative breakthroughs in the community development process attributable to many Title VII and other new communities are already apparent. These achievements in the development process are integral to the performance of new communities, but they are not measured by attitudinal surveys. These achievements begin with the concept of a new community. The notion of conducting comprehensive planning procedures over an extended period and coordinating an extensive array of public and private investment decisions and carrying them out in full consideration of the complexities of the intergovernmental system is a forward step from the prevailing incremental, fragmented, developmental practices. The phased, comprehensive approach to new community development has provided the opportunity for advancements in the areas of financing, program delivery, and community planning and governance.

Financing. One consequence of the Title VII program is the development of the Project Agreement and Trust Indenture. This device, a contract between the developer and the federal government, is a significant departure from existing public-private financing arrangements. It protects the public sector with adequate contractual controls over a 20-year development plan which is tied to performance standards. At the same time, the flexibility to make limited changes gives the developer freedom from time-consuming prior bureaucratic approvals

of those changes. Since the Project Agreement is based on the financing relationship of the developer and HUD, local governments are not signatories; however, the financial and planning discipline required for such an agreement is an important experience for a potential development team and government officials at all levels.

The magnitude of the influence of new communities on surrounding local governments has resulted in advancements in the assessment of intergovernmental fiscal impacts of real estate development. Fiscal impact studies in Maryland and Virginia reveal that the partially completed new communities of Reston (Virginia) and Columbia and St. Charles (Maryland) are a positive net benefit to the counties, returning more in taxes than is required to provide county services to their populations.[4]

Programs. New communities have been catalysts in developing and applying innovative techniques and technologies to community design and to the provision of community services. Many of the advances reflect the developers' commitments to environmental and social objectives as well as the opportunity offered by new communities to "do it right the first time."

Many developers of new communities have produced sophisticated and ecologically balanced plans designed to reconcile environmental protection with the need for urban settlements. As a result of planning, new communities can devote significant land areas to public recreation and open space, yet still provide an environment rich in amenities. In several new communities, technology is harnessed to the provision of public services. St. Charles, Maryland, uses an internationally acclaimed aerated lagoon and spray irrigation system; and Roosevelt Island, New York, has a pneumatic refuse collection system, electric minibuses, and an aerial tramway which connects it to Manhattan. Several new communities plan two-way cable systems or fully integrated communications systems (CATV, FM, educational, medical, security, and civic involvement programs). Such systems can benefit the residents and advance the present knowledge in developing and implementing such communitywide communications systems.

Planning and Governance. New community development has challenged both developers and local officials to devise new processes and institutions suitable for a long-term, complex process of community building. Such a complicated process requires a wide range of planning considerations, such as sophisticated concepts of land use, zoning, design, physical planning, social planning, local and state government approvals, financing techniques, and impact studies. Neither traditional governmental planning and review processes nor real estate practices have been effective in integrating these varied factors. Coordinating these diverse aspects of community development is made more difficult since numerous political subdivisions are involved. Rarely, if ever, are new community sites contained within a single local jurisdiction. State government agencies, several local municipal and county governments, and special districts, such as water, sewer, and school districts, must be involved in the arduous planning process.

Thus, the challenges of new community planning encourage intergovernmental cooperation and development of new governmental mechanisms. Adoption of planned unit development zoning, a significant advance over traditional zoning practices in its encouragement of flexible land use and clustered housing, is a frequent response of local officials to prospective new community projects. New communities may also be the catalyst for other planning actions which contribute to the welfare of the region. Examples include the construction of a regional water system near Soul City, North Carolina; a county open space program in Jonathan, Minnesota; a multijurisdictional watershed protection plan in the region surrounding Harbison, South Carolina; and the strong cooperation of state agencies, regional groups, and local governments in the development of Radisson, New York.

One of the most significant institutional mechanisms for large-scale community development is the dual-developer concept of a public-private partnership, as it has been implemented in Newfields, Ohio. Acting on state enabling legislation, the local government created a New Community Authority, a public interest body with bonding power to provide certain community services for the new community and to serve as a third party in developer-local government negotiations. In Newfields, the concept of the Project Agreement and Trust Indenture has also been adapted to define a contractual relationship between the private developer and the New Community Authority.

Obstacles Impeding New Community Development

Both private and Title VII new communities face serious impediments to successful completion as the context and the "rules of the game" of community development shift dramatically. Several factors combined in the 1970s to undermine the financial and developmental plans of new communities. These include the economic condition of simultaneous recession and inflation, with the resulting high interest rates, escalating labor costs, and diminished demand for housing; the increasing costs of large-scale land developments attributed to stringent environmental protection measures; the changes in federal housing programs and the administration of Title VII; and the growth management capacity of local governments and the slow-growth attitudes of citizens and local officials.

Economic Conditions

The national economic conditions and the financial and housing markets in the mid-1970s partially explain the economic woes of new community projects. Title VII and privately financed new communities, and even less ambitious large-scale community development projects, face common economic problems which threaten the successful completion of their development plans. Fiscal plans and projections for projects with a 20-year development period must anticipate the normal ebb and flow of the economy and the financial market. Yet the economic downswing since 1973 has been particularly severe for the housing industry and

the more ambitious development projects. Sharply rising mortgage interest rates and general inflation contributed to the high cost of housing and, coupled with the general economic decline, severely depressed the demand for new housing.

These two factors, rising costs and declining demand, worsen the precarious cash flow problems associated with long-term projects and remove any margin of error in developers' financial planning. This lack of room for error is a serious problem when the "newness" of new community efforts means that no developer has experience in long-term comprehensive and complex undertakings.

As the most ambitious and complex of the new communities, the Title VII developments are most vulnerable to inexperience in financial planning and management and to the danger of costly errors of judgment. Some developers, acting on overly optimistic market projections and financial feasibility studies—an optimism which they felt was necessary to receive federal support under Title VII—made substantial and costly front-end investments in roads, sewers, and other infrastructure.

Environmental Programs

Environmental and land use programs can be costly for developers committed to environmentally sound projects. Producing the required environmental impact statement for any new community is an expensive undertaking, and the governmental review process invites delays and possible court suit. Continued development has been halted in Cedar-Riverside, a Title VII new town-in-town in Minneapolis, pending resolution of environmental litigation. The developers of San Antonio Ranch in Texas eventually won a series of court challenges, but exhausted their financial resources in the process.

Ironically, developers of large-scale, environmentally sound projects are more subject to federal, state, and local environmental regulations than are developers of small-scale subdivisions and commercial projects. The size, scale, and planning of a new community subject it to particularly close scrutiny. As more States require state environmental impact statements and adopt land use regulations for developments with regional impacts, developers of new communities will face additional requirements for planning studies, governmental approvals, and incorporation of environmentally sound features.

The costs to developers of achieving the higher standards for water and sewer treatment and for land preparation are passed on to the residents through higher costs for housing. As a result, it becomes more difficult to build new communities with housing available to a range of income groups. However, these additional costs have not been as significant to the total costs of new community development as have such factors as interest rates and development delays which increase the carrying costs of the projects.

Federal Program Administration

A serious obstacle facing privately financed and federally assisted new communities is the loss of federal program supports as the Administration redefines the role of the federal government in all domestic programs. The New

Federalism counters a history of governmental centralism and removes the federal government from the role of catalyst in community development to that of inducer and supporter of private sector and local government initiatives. Though this new philosophy has programmatic consequences for community development in general, it creates a particularly severe burden for Title VII developers who assumed special social and economic objectives for their projects.

The federal moratorium on housing programs in 1973 was a severe setback to new community developers, and was especially serious for developers of Title VII communities with their legal commitment to provide low- and moderate-income housing. The programs of mortgage interest subsidies on single- and multiple-family units were the major means by which developers were able to offer housing for low- and moderate-income families.

The suspension of categorical grants for block grants and general revenue sharing creates a bias in the allocation of federal funds to existing communities. Since most new community projects are located in rural or metropolitan fringe areas, the Title I community development block grant program authorization continues to shortchange such projects and the communities impacted by them. The Administration made no provisions for assisting the Title VII new community program in the 1974 community development legislation. However, Congress included a series of amendments to strengthen the program's operation—the offering of grant support from the HUD Secretary's discretionary grant fund and priority treatment in the receipt of subsidized housing allocations. Since the discretionary grant provision, although helpful, is subject to shifting departmental priorities, it is difficult for developers and state and local governments to accurately predict from year to year the availability, amount, and conditions of grant assistance.

Title VII new communities were doubly affected by the change in federal policy. Though few in number, Title VII communities are the benchmark of the new community concept, and their performance assumes special significance. The limited commitment of the Administration to a congressional program resulted in an initially low profile for the new community program within HUD. This hindered efforts to coordinate new community projects with programs and funding within other HUD divisions, such as the Federal Housing Administration and other federal agencies closely involved in community development—the Department of Transportation, the Economic Development Administration, the Farmers Home Administration, and the Department of Health, Education, and Welfare. This lack of effective program linkages impedes developers' efforts to secure grant funding, subsidized housing allocations, and consideration in federal government investment decisions vital to projects committed to provide a range of community facilities and employment opportunities.

More serious for new community development is the lack of funding of the various support and incentive programs. Though support for private development indebtedness was made available, the various programs to

encourage state and local government planning capacity for and involvement in new communities were terminated or never funded. Supplementary grants were terminated, a decision which limited the developers' ability to induce local governments' support and to serve as catalysts in providing essential community services. Public service grants to public bodies, land acquisition grants to state and local entities, special planning assistance, and interest payment loans have never been funded.

The failure of the Administration to request funding for these programs has hampered the developers' ability to build new communities to Title VII standards. Furthermore, it has jeopardized the developers' relationship with state and local governments, since the promised resources to offset the initial costs to local governments of providing services such as garbage disposal, police, fire protection, and schools to new communities' residents cannot be counted on with certainty.

Administrative instability in the New Communities Administration (NCA) of HUD has contributed to the problems of developers and state and local officials involved with the Title VII program. Difficulties in receiving timely action on urgent matters, stringent financial and performance requirements, a limited staff, and high personnel turnover of senior officials have been common since the origin of the program. As part of a government agency, NCA staff was even more affected than established developers by the general lack of financial and managerial experience in long-term, complex community development. As a result, HUD was unable to provide close scrutiny of Title VII applications and constant monitoring of development and financial activities once a project was begun.

The moratorium on designation of additional Title VII new communities in January 1975 marked a reassessment within NCA of the Title VII program: the viability and future of existing new community projects, the role of the program within Administration policy, and program management within HUD. The staff of NCA was enlarged in 1975 and began correcting internal administrative and management problems uncovered by the program. Increased attention is being devoted to the financial aspects of the projects and to the joint funding provisions of Title VII.

Local Government

The current debate over traditional pro-growth attitudes within the Nation, coupled with the failure to implement the Title VII program incentive for local and state governments, create serious obstacles for privately financed and Title VII new communities. Developers of large-scale projects are frequently hindered by slow-growth or no-growth attitudes and actions by the public and local officials. Most new communities are sited to capture anticipated growth in a metropolitan or rural area, but they are frequently viewed by local citizens as the causes of growth rather than as sound means to accommodate eventual growth. A fear of significant growth, and the social changes and economic burdens

associated with it, cause many local officials to resist a cooperative working relationship with developers.

These attitudes are frequently exacerbated by the limited capability of local governments to accommodate significant and sudden growth. Local governments in the fringe or nonmetropolitan areas typically chosen by new community developers frequently lack the staff expertise to conduct their own studies or to analyze the developers' economic, land use, utilities, and social needs projections and planning. Unable to generate internal studies, and often hesitant to accept developers' statistics, local officials may delay their consideration of the proposals or refuse to grant the necessary permits.

Local officials and citizens may view new communities as the "goose that lays the golden egg"—a means to foist the initial costs associated with growth onto the private sector. In their negotiations to get the necessary zoning changes and building permits, developers frequently assume the major burden of providing public facilities which are traditionally a community development responsibility of the municipality. This added cost, which is not borne by most small-scale developers, further undermines the developers' financial ability to build the community as planned. The plans and viability of long-term projects are also vulnerable to changes in local government policy since local officials are not bound by decisions of previous administrations. Reston, Virginia, is but one of several new communities whose continued development and financial viability have been further threatened by county officials' decision to limit sewer treatment capacity.

Equally important to the developer-local government relationship is the structural problem which hampers local governments' ability to accommodate the demands which large-scale developments place upon them. Since large-scale developments typically impinge directly upon several local and sublocal jurisdictions, numerous public entities at all levels of government are typically involved in servicing the future residents. The approval and support of state agencies, municipalities, counties, school districts, and sanitary districts must be granted before and during the development process. When the local governments indirectly impacted by the development of new communities must be included in the review process, the number of jurisdictions which can affect the projects' viability increases.

New communities can contribute to improved interlocal cooperation and local decisions which reflect regional interest. Substate regional planning districts can enhance local decision-making capability by generating regional impact information on proposed new community projects. However, councils of governments (COGs), composed of local officials from several contiguous jurisdictions, seldom serve as effective mechanisms to supplant local viewpoints with regional perspectives. As a consequence, the developer may have to seek special mechanisms, such as a new community authority, or assume the time-consuming and costly role of mediator.

3 | State Policies in Community Development: An Inadvertent New Community Policy

State involvement in the development process of large-scale, planned communities ranges far beyond that imagined by a cursory examination of the process. A question to state officials—"Does your State have a new community policy?"—usually evokes a negative response. While some States have legislatively enacted new community policies which recognize and often encourage the development of large-scale, planned communities, all States are involved in new community development in myriad other ways. The absence of specific legislation or policy statements to create a special relationship between the State and large-scale, planned developments does not lessen the significance of a de facto or inadvertent state policy on new communities.

As a special form and process of community building, new communities are subject to most state actions in community development, as well as state activities in a range of related program areas. State programs for community development are typically synonymous with the categorical grant programs created piecemeal by the federal government: wastewater and solid waste disposal facilities, water supply, public transportation, and low- and moderate-income housing. Yet new communities, particularly those with a balance between residential and industrial/commercial development, involve more in their planning and development processes than these "bricks and mortar" programs. The process of developing a planned community reveals that actions in the areas of land use, natural resource management and environmental protection, economic development, education, and planning are as critical to community development as is the provision of more traditional community facilities.

With this broader perspective on community development, the state involvement in new community development assumes added dimensions. Ongoing state policies and programs in housing, community facilities construction, land use and natural resources management, and economic development bring the State, however inadvertently, into new community development. State-level planning efforts to coordinate policies and functional programs can potentially ease the complex and difficult task of developing new communities.

In fact, however, most state policies and programs in housing, community facilities, land use, and economic development are implemented in the same manner for planned communities as they are for any instance of significant population and community growth. A legislated new community policy does little to change the common practice in program development and

implementation of responding to growth where it occurs. A consequence of this policy of following growth is an "inadvertent" new community policy—new communities and the local governments impacted by their development receive little or no special consideration in the implementation of functional programs by state agencies.

As a result, the large-scale, comprehensively planned communities are hampered in their development by the traditionally piecemeal, functionally discrete implementation of state programs. The State loses an opportunity to enhance its capacity for comprehensive planning and to integrate new community development into various activities of the State.

Regardless of the presence or absence of new community legislation, the heart of a State's involvement in large-scale, planned communities lies elsewhere—in the areas of land and resource management, housing and community facilities, economic development, and state planning. An overview of how States implement policies and programs which are integral to community development reveals the scope and significance of the State's inadvertent involvement in the development of new communities.

State Activities in Land Use Management

Land—its assembly, cost, and zoning—is a key component of large-scale development. Recent state initiatives in the regulation of land use and environmental affairs affect the community development process significantly enough to constitute a de facto state policy for new community development. The consequences of the varied state activities in this field are both a bane and a boon to developers of large-scale, planned communities. Only in a few instances are state policymakers cognizant of the special relationship between large-scale, planned development and the public oversight and regulation of the use of land and natural resources. New communities, due to the scale and comprehensiveness of their development, are susceptible to the growing range of state and local activities that influence the use of land and natural resources. More than a powerplant or an industrial facility, balanced new communities touch on the full range of local and state police powers to protect the general welfare: land, air, water, solid waste, public safety, and public utilities. As a highly visible example of growth pressures, a new community exacerbates the growth/nongrowth debate, and highlights the politically controversial issue of how authority over land and natural resource use and management shall be allocated between the State and local units of government.

Since state interest in land use and environmental concerns has the admirable purpose of improving the quality of land and resource use, public officials should logically welcome the development of planned, phased communities. Compared to scattered site and strip development, planned communities can accommodate population settlements and economic development with a minimum of land and environmental degradation. However, the manner in which States enter into land and resource management activities

frequently fails to harness new communities to land and resource objectives. In many instances, the indirect result of admirable state efforts to enhance the use of land is a policy which favors subdivisions over large-scale, comprehensively planned developments.

Goals and Objectives

The policies and goals which guide the use of land management tools differ significantly at the state and local levels of government. While local units of government and the State generally have broad policy goals to protect and enhance the general welfare and public health, to protect the environment, and to encourage economic opportunity, a more limited perspective understandably exists at the local level. This difference in perspective of how lands are best managed for the general welfare creates difficulties for large-scale, planned community development projects.

At the local unit of government, the impacts of growth, especially large-scale, planned developments, are most pronounced and the concern for the general welfare is generally limited to the citizens of the immediate jurisdiction. In areas faced with growth pressures, and even in some nongrowth areas, slow-growth adherents are frequently vocal and influential with local officials who make the zoning and permit decisions critical to large-scale developers. Though the fear of higher taxes may be only one of the motivations of slow-growth proponents, the universal reliance of local governments on property tax revenues provides a compelling rationale for zoning and development plans which maximize this revenue source.

In States where the interest in land use and growth patterns is pronounced, the frequently stated policy is one of conservation and development. The goal is balanced development which does not degrade the environment or overwhelm the capability of the public sector to provide essential services. In such States, land use program activities and regulatory standards frequently reflect a trade-off among economic/industrial development, environmental quality, and provision of public services. In other States, the concern for economic development overshadows environmental protection, and land resource management efforts often take on a pro-development bias.

Implementation of Land and Environmental Management Powers

Local Land Use Controls

State enabling legislation to grant towns and, less frequently, counties full powers to plan and zone for the use of land has been nearly universal since the *Euclid* case in 1926[5]. However, the authority to plan and zone exceeds local implementation of this authority. Municipalities are far more active than counties in establishing planning commissions, master plans, and zoning ordinances and subdivision regulations. Local plans are often unrelated to zoning practices. When local governments do exercise the authority to plan and

zone, the major concern is more likely to be enhancement of the tax base rather than land and natural resources conservation.

The manner in which land is brought into urban use has important implications for the efficiency with which local governments can provide basic services. Local planning and zoning ordinances can be effective tools to discourage costly sprawl and to encourage more efficient use of areas serviced by public facilities; yet, under a tax system in which local governments rely heavily on property tax revenues, local land use activities too often involve zoning practices that aim only to enhance property values. Even when local officials are concerned with environmental issues in the use of land, financial imperatives frequently take precedence. As a result, middle-income, single-family homes and commercial and industrial facilities which contribute substantially to net local government revenues are preferred to subsidized and multifamily housing units.

State Land Use Controls

Local planning and zoning decisions may be sound bases for land use and growth in each individual community. In the aggregate, these decisions—or the failure to make them—contribute to disjointed growth patterns which may destroy ecologically fragile areas, threaten open space and farmlands, pollute the water and air, or otherwise run counter to state environmental goals and policies. As a result of greater public awareness that local governments lack the authority or the willingness to deal with regional impacts of local development decisions, there is an impetus for an expanded state role in numerous activities related to land use (see Table 1 in the Appendix).

States have long encouraged the conservation of farmlands, open space, and historical or sensitive ecological areas through easement programs, land use covenants, and differential tax assessments. The States do not in all cases directly administer these programs, but merely authorize local governments to undertake these land-conserving programs. These tools can be important to sound growth patterns at the local level, but they contribute only marginally to the need for regional land and resource use programs.

A major concern of many States is to coordinate state and local land and resource use activities into a land resource management system. This includes the formulation of policies relating to the general use of land, the preparation of land use plans reflecting these policies, the coordination of efforts relating to land resources among state agencies and between various levels of government, and the administration of programs and implementation mechanisms in support of the policies. This concern has led to a gradual evolution of decision-making in land use related activities back to the state level (see Figure 2).

Many States now have legislation which authorize direct state regulation of areas or activities defined as being of statewide interest. The areas typically included are land areas of critical environmental concern—wetlands, shorelands, floodplains, and hazard areas. The activities designated as having statewide

Figure 2
Organizational Models of State Environmental Programs*

1. Health Departments (16 States)

Alabama	Indiana	North Dakota
Arizona	Kansas	Oklahoma
Colorado	Maryland	Rhode Island
Hawaii	Montana	South Carolina
Idaho	Nevada	Tennessee
		Utah

2. Partially Consolidated or Unconsolidated Agencies (7 States)

California (a)	New Hampshire	Virginia
Louisiana	Texas	West Virginia
Mississippi		

3. Little EPAs (12 States)[1]

Arkansas	Maine	Ohio
Florida	Minnesota	Oregon
Illinois	Nebraska	South Dakota
Iowa	New Mexico	Wyoming

4. Superagencies (15 States)[2]

Alaska (b)	Massachusetts (e)	North Carolina (f)
Connecticut (c)	Michigan (c)	Pennsylvania (g)
Delaware (c)	Missouri (d)	Vermont (d)
Georgia (c)	New Jersey (c)	Washington (b)
Kentucky (d)	New York (c)	Wisconsin (c)

**Source:* The Council of State Governments, *Integration and Coordination of State Environmental Programs* (Lexington, Kentucky, September 1975).

1. Pollution control agency with specific mission to promulgate and enforce environmental quality standards.

2. Broad-based agencies combining pollution control with natural resource management functions.

(a) Air, water, and solid waste management are loosely confederated.

(b) Includes coastal zone and/or critical areas management.

(c) Includes conservation programs and coastal zone and/or critical areas management.

(d) Includes conservation programs.

(e) The Executive Office of Environmental Affairs provides a policy and budget umbrella over the environmental programs, conservation programs, coastal zone management, agriculture, law enforcement planning, and other miscellaneous programs.

(f) Includes conservation programs, coastal and/or critical areas management, industrial development, community assistance, law enforcement planning, and other miscellaneous programs, but does not include solid waste management.

(g) Includes forestry, parks, and recreation programs.

significance include facilities siting and development activities with more than local impact. Facilities siting regulation is, with a few exceptions, presently limited to powerplants and related transmission lines. Critical areas and energy facilities siting is often exercised through a permit system, with requirements of detailed planning and impact analysis (see Table 2 in the Appendix).

State involvement in development activities with regional impact is less frequent and less direct. At best, it is administered through a mandated prior planning and review process rather than a permitting process. The activities subject to review are those public facilities and private developments which are likely to induce development or generate high user demand in the surrounding area. Airports, highway interchanges and transit terminals, large institutional complexes (office, educational, medical), regional shopping centers, and community development of a defined size are included in Florida's review process.

Direct state involvement in regulating defined land areas or development activities is counter to home rule/local control sentiments. The current trend in state land use legislation is away from direct state regulation to greater encouragement of local planning. Technical and financial assistance to local governments for land use and public facilities planning is an important tool to increase local capability in land and growth management.

Many States are moving beyond assistance programs to encourage or require local governments to exercise their existing authority to plan and zone. Recent land use legislation in several States provides strong incentives or requirements that localities move beyond traditional zoning practices to preparation of comprehensive land use plans. Florida, Idaho, Montana, Oregon, South Dakota, and Virginia now require local land use or comprehensive planning. With the exception of Montana, local plans must conform to state-established goals, guidelines, or criteria. Other States have adopted legislation providing the authority, guidelines, and funds for improved local planning and zoning.

State environmental programs reflect a similar concern for land use and growth patterns. Federal programs in air and water quality reinforce the trend to a new state role in land and resource management. EPA's air quality program calls for state implementation of plans that include review of indirect and stationary sources of pollution. This may include the use of transportation control plans. The federal wastewater treatment programs also enhance state, as opposed to local authority in resource management programs designed to improve water quality. Control over solid waste programs still lies mainly with local health departments, but more States are providing technical and financial assistance and regulation of solid waste disposal systems. Though the federal government sets minimum standards in certain areas of air and water quality, an increasing number of States set standards which exceed federal ones or regulate additional pollutants (see Table 5 in the Appendix).

Water supply is another aspect of resource management which gives the State leverage over community development and broad growth patterns. In

Florida, protection of the delicate aquifer recharge area is a major concern underlying state land use programs. In many western States, water availability is a key impediment to growth; yet complex legal suits over water rights limit the States' ability to use water supply as a major tool to regulate and direct growth. In States such as Arizona, California, and Colorado, state agencies must develop plans and oversee the allocation of water rights among competing demands of industry, energy production, agriculture, and community use.

Land Use Management and New Communities: Regulation and Fragmentation

Large-scale, planned communities can contribute to the dual goals of resource conservation and development; yet local decisions on land use and state programs in land use and natural resources frequently fail to encourage the projects which minimize the adverse impacts of urban development on resource use. At the local level, the emphasis upon fiscal zoning, rather than upon zoning based upon environmental or comprehensive planning principles, conflicts with several objectives of new communities. Zoning for the high-revenue-yielding industrial or commercial activity is often welcomed by local governments. The development of industrial parks without additional residential development is frequently undertaken at the initiative of local citizens.

New communities, on the other hand, include mixed housing and diversified land use, as well as plans for industrial and commercial activity. However, the scale of growth associated with a new community and the burden of additional population on the provision of public and social services often arouse strong local opposition to the zoning changes required of such large-scale projects.

Reliance upon exclusionary zoning has been common among communities trying to encourage housing with maximum revenue yields and minimum public service costs. This practice has been cast in doubt by the 1975 decisions of the New Jersey Supreme Court and the New York Court of Appeals, which ruled unconstitutional certain forms of exclusionary zoning.[6] Where developers are able to obtain the necessary zoning, the percentage of low- and moderate-income housing is often a point for negotiation. Developers of St. Charles, a Title VII community in Maryland, had to lower the percentage of subsidized housing to obtain the required Planned Unit Development (PUD) zoning from local officials who hoped the new community would contribute to the economic upgrading of the rural, relatively low per capita income county. In contrast, New Orleans officials involved in plans for the publicly sponsored Pontchartrain new community hoped to increase the percentage of subsized housing units in the belief that a public corporation has a commitment to provide such housing.

At the state level, an expanded role in land management activities provides state officials with the means to influence the quality and pattern of community development. Even the minimal state role of planning assistance to local governments, now provided by all States in varying degrees and with varying effectiveness, can contribute to the quality of local community development and land use, and smooth the negotiations between developers and local officials over

zoning densities and permits. State criteria for and review of certain local planning decisions offer the State a voice in the design, scale, and controlled impacts of large-scale, planned community development projects.

Though the linkage is not always clearly defined, programs designed to ensure air and water quality and water supply are integrally related to the use of land and impact significantly on community development. Water quality standards in many areas have been reached or exceeded even as population and/or industrial patterns become more concentrated in metropolitan areas and as fewer public funds are available to expand and build sewage treatment facilities. Sewer moratoriums frequently place a temporary ceiling on regional growth, a fact which local governments faced with growth pressures may welcome.

Water supply management programs can allocate this resource to encourage growth patterns which will optimize the current water supply without jeopardizing future supplies. State decisions to allocate water rights are a significant factor in Arizona's numerous new community projects, where the Water Commission evaluates water plans and programs and determines the adequacy of new subdivision water supplies. In Texas, local governments may authorize large-scale, planned developments, but final approval rests with a functionally specialized state agency. The Texas Water Rights Commission has authority to approve municipal utility districts, water improvement, and other special districts—all of which are key mechanisms for the numerous large-scale, planned developments in that State. It has the added authority to approve engineering projects financed by the bonds of water districts.

Land use legislation may authorize state control of large-scale, planned developments, but effective oversight depends upon the mechanisms by which state authority is exercised. The practical effect of state environmental and land use programs is an increase in the number of regulations, standards, and review procedures to which a developer is subject. All new community projects are subject to state standards for effluent discharges, and many, depending on location, are affected indirectly by air quality standards. Most new communities would qualify as a development of regional impact, and certain new community projects, unlike subdivisions or planned unit developments, are subject to federal and state requirements for environmental impact statements. The time-consuming and costly review process is complicated by the lack of uniform standards among various governmental levels, and by the difficulty of devising economically feasible land development designs that will accommodate programs to maintain environmental quality through the control of land use.

The additional layers of public activity have not always created unified resource use policies, nor have they contributed to the efforts for comprehensive development of land and community facilities. The actual result of increased state involvement is often a confusing welter of split jurisdictions and authority, and conflicting standards and regulations. Land use and environmental policies and programs in some States do provide a coherence to the complex permit-

seeking process which developers of large-scale projects must undergo. Yet the more common situation is one in which the developer is partially freed from the stricture of local decisions on land and natural resources use only to face a fragmented involvement of diverse and compelling state agencies.

The criticism that public programs in land management are fragmented and frequently contradictory in their consequences is being answered by state officials. State officials recognize that individual resource management programs are an insufficient framework for responsible community development. In many States, environmental programs have been reorganized to encourage greater coordination of policies and programs which affect land use. The device of a task force with public and private representatives permits state officials to cut across agency domains and to encourage greater compatibility in the perspectives of agency officials as they develop state goals and guidelines in land use related activities.

Institutional devices do exist that lend themselves to the kind of multijurisdictional, multiprogram coordination that new communities imply. More effective use of the A-95 review process, the environmental impact statement (EIS) requirement, and greater use of substate planning districts and councils of governments would provide state and local officials with a means to review and require modifications in large-scale, comprehensive planning at all levels of government, and increase the prospects that public oversight of large-scale, planned developments will reflect the regional and comprehensive nature of these projects.

Both the developer, with his need for clear and consistent governmental regulations, and the public interest can benefit from carefully considered state land use and environmental policies and programs. The question is whether public officials will recognize new community programs as an opportunity to initiate growth management efforts in land use.

State Activities in Housing and Community Facilities

Federal, state, and local officials generally fail to recognize the interrelationship between public capital improvements and housing programs, and the rate and location of community development activity. The physical profile and livability of communities of all sizes, from small towns to large urban areas, are closely tied to policies and programs which affect the private housing market and the provision of facilities, such as roads, streets, schools, parks, and public utilities. Government housing and public facilities are critical to the successful development of large-scale, planned communities. Coordination of capital improvements decisions by the public and private sectors can contribute to the efficient and effective delivery of public services to the community and to the economic feasibility of large-scale, planned developments.

State Housing Programs

Housing is an area where expanding state activities have indirect but important implications for large-scale, planned communities; yet the special

needs of new communities and the opportunity they provide for sound community development and social goals are seldom reflected in the design and implementation of housing programs. The responsibility of the State to ensure safe housing conditions and to assist low- and moderate-income families to secure decent housing has won widespread acceptance. The retrenchment of the federal government from housing and community development programs places new demands upon state government resources. Many States have adopted programs to encourage an adequate supply of new and rehabilitated housing in urban and rural areas. State housing programs range from code regulation to housing finance. The extent of state involvement ranges from enabling legislation for local adoption of housing and building codes and housing programs, to direct state programs in the planning, financing, and development of housing projects. State housing programs of building and construction codes and housing finance have the greatest impact on large-scale, planned communities (see Table 4).

Building and Construction Codes

Today, builders can incorporate modern technology into building materials and construction methods to provide sound housing and supporting facilities (e.g., sewer lines, roads, etc.) at less cost than more traditional methods and programs would allow. Achieving these cost savings requires fairly uniform building and construction codes among political jurisdictions. Frequently the opportunity offered by large-scale, planned community projects to use innovative designs and material is hampered by locally determined or enforced codes. Since local officials issue building permits, they can use building and construction codes to influence the physical design and the phasing of development in new communities. In many States, code regulation serves as a disincentive to the innovative and cost-saving building practices possible in large-scale projects.

State governments became involved in regulating housing and construction standards in the late nineteenth century, but code standards and enforcement quickly became the prerogative of local governments. Strictness of enforcement varied considerably among counties and municipalities, and the confusion and uncertainty created by local authority over codes increased as industry grew larger and as large-scale housing developments spanned political jurisdictional boundaries.

Many States have attempted to encourage some order in code regulation by adopting statewide standards. This action, designed to facilitate development, is frequently of limited value in providing the uniform governmental procedures and regulations which developers of large-scale projects seek. Many of the States with statewide standards restrict their usefulness by permitting local governments to adopt more stringent standards or by limiting preemptive state standards to certain types of construction (e.g., apartment buildings). Minimum state codes which permit stricter local standards can involve the developer in a frustrating, time-consuming, and costly chase for approvals. Most States, even

those with preemptive uniform standards, must continue to rely upon local enforcement. Unless state standards are clearly defined, local interpretation can undermine their uniform application.

Housing Finance Programs

The mechanisms used most frequently to develop and administer state housing finance programs are state housing finance agencies (HFAs). These agencies are quasi-independent public entities in most of the 39 States where they now exist; but they are divisions of community affairs agencies in several States. The 1973 federal moratorium on housing programs and the special provision of housing funds for State HFAs in the 1974 Housing and Community Development Act (Section 8) increased the attractiveness of this housing finance tool to state officials and developers. Over one half the HFAs were authorized after 1970—a fact which may reflect the growing popularity of and need for this financing innovation in state housing policy. The agencies' abilities to provide studies of housing needs and technical assistance and to generate funds to complement federal or to initiate state housing subsidy programs have made them attractive to private developers (see Table 3 in the Appendix).

If new communities are to provide housing for a broad range of income groups, a public subsidy of some form is required. Developers of large-scale housing projects are looking to State HFAs as a replacement or a supplement to federal programs. However, there is some question of how significant a contribution a state agency can make. The issue is not only the total financial resources which a state-level program can raise, but the manner in which State HFAs must operate.

Programs. Most state housing finance programs seek to reduce market impediments to the construction and rehabilitation of housing for low- and moderate-income housing. State HFAs generate funds through the sale of tax-exempt revenue bonds; and the savings from the relatively lower interest rate are passed on to the consumer through several direct and indirect financing programs.

Two programs increase the amount of mortgage capital available to private mortgage lenders. In the "loans-to-lenders" program, agencies advance loans to the lending institution which reloans the funds as housing mortgages. In the mortgage purchase program, the HFA buys and administers existing mortgages held by the lending institution, thus freeing additional funds of the institution for other loans. In both programs, the HFA stipulates income, mortgage, or interest limits, and the type of housing that can be financed by funds made available by the agency.

In direct financing programs, the agency makes temporary and construction loans or permanent mortgage financing directly available to the sponsors or developers of housing for low- and moderate-income families. In the "seed money" program, funds from a revolving account are advanced to nonprofit and limited-dividend sponsors to assist them in the start-up costs of planning and

design. In several States, state-funded insurance programs free agency-sponsored housing projects from the restrictions which private or FHA mortgage insurance programs place on household income or the physical design of the project.

The effective mortgage subsidy which an HFA can offer in its programs has been reduced by rising housing costs and the increased interest rates which it must offer to sell its bonds. Thus many agencies seek to provide a greater subsidy by "piggy-backing," i.e., combining the savings offered by the HFA with federal subsidy programs. These currently include the Section 8 leased housing subsidy, the recently reactivated 235 interest subsidy program for homeownership, and the 515 (rental) and 502 (homeownership) rural housing programs of the Farmers Home Administration.

Several States have expanded their housing finance programs beyond these more common finance mechanisms. Housing agencies in 18 States have authority to acquire and develop land; and agencies in 22 States may finance limited commercial, industrial, and community facilities projects if they are integral to the development of the housing project. New York's Urban Development Corporation (UDC) and Hawaii's Housing Authority are unique in their broad development authority. UDC has a range of powers to acquire land, including eminent domain powers, and to develop and redevelop housing, industrial and commercial facilities, and educational, cultural, community, and other civic facilities. The Hawaii Housing Authority is authorized to undertake commercial and industrial development and to override local zoning.

Performance. The programs of state housing finance agencies can contribute substantially to the provision of soundly developed subsidized housing. One study indicates that HFAs may be more effective than direct federal programs in the mandate to provide a decent housing environment for low- and moderate-income families.[7] The knowledge of agency personnel concerning both federal and state housing programs and local housing conditions within the State make HFAs an effective link for optimal use of federal, state, and local resources. Several state agencies have cut the processing time for FHA applications by periods of up to a year, thus saving time and dollars. Most agencies provide technical, financial, and planning assistance to local government officials and to developers and sponsors of subsidized housing. They may inform them of the availability of state and federal housing subsidy programs and assist them in developing housing packages and in submitting applications.

The Tennessee Housing Development Agency has an active technical assistance program, with a housing staff person located in each substate district. The Idaho State Housing Agency has actively assisted communities in the preparation of applications for community development block grants, and monitored local housing and community development needs and plans. Housing finance agencies are frequently the state agency responsible for developing housing data banks and housing needs studies which are then made available to other state agencies. As state entities, HFAs are better situated than HUD

regional or area offices to coordinate housing programs with other state agencies administering community development programs.

Most State HFAs devote particular attention to the development of projects with high-quality design and sound construction—factors which contribute to the marketability of housing in HFA-sponsored projects and to the sound financial record of most State HFAs. These factors have also contributed to the successes which the Massachusetts Housing Finance Agency and the Urban Development Corporation in New York have experienced in integrating subsidized and market-rate units within certain housing projects.

State Capital Improvements Programs

State and local officials responsible for public capital improvements programs frequently view their mandate solely as one of providing the public with adequate public facilities. As a consequence, the policy guiding capital improvements planning and programs is one of "following growth"—of providing public infrastructure where population is located. Such a policy becomes self-fulfilling, and state and local officials lose an opportunity to give deliberate direction to the patterns of population settlement. While the provision of public infrastructure—especially sewers, roads, and highways—may serve existing population, it also attracts additional population to an area. The manner in which basic public utilities are constructed is a major determinant of whether population settlement patterns are compact or sprawling.

The provision of public infrastructure can become a part of growth management at a time when citizens and local and state officials express concern over the rising capital and operating costs of community facilities. When the major criterion of capital improvements programs is to service existing population, decisions on planning are made without careful consideration of the diverse, long-term consequences: the impact of growth patterns on land and resource use, the long-term costs of servicing the population, and lost opportunities for other areas of the community or the region. Since major forces underlying growth patterns are private decisions, public officials find it difficult to make growth occur where opportunity is lacking, or to halt it where opportunity exists. They do have the opportunity, through careful planning of public infrastructure, to influence the population settlement patterns within a community, a metropolitan area, or a larger region. New communities—as planned, phased, preserviced communities—can be one tool in growth management through public facilities planning.

Capital Improvements Planning

Careful planning is required if capital improvements are to be effective tools for growth management at the state and local levels. Ideally, the planning for capital improvements programs should be part of a comprehensive program planning process. The need for and provision of public facilities is linked to

overall goals and various operational programs of the State. Decisions on capital improvements programs should be made only after alternative methods to achieve state objectives are identified, and the preferred programs are selected. Only then should decisions be made on the type of public capital improvements required, the timing of their construction, and the manner in which they are financed. At the local level, a similar process should occur. Public facilities planning can be linked to community needs, land use and zoning plans, and the fiscal capacity of the community to construct and operate community facilities.

In actuality, the process is much different. Though more public officials are aware of the contribution of capital improvements programming to the reduction of waste, duplication, and conflict in governmental programs, agency-specific capital improvements remain the norm. Capital improvements planning is performed by individual state agencies on annual and long-range bases; but functionally specific program needs are the major criterion. Efforts at interagency coordination in the planning and budgeting process are difficult when the limited availability of capital funds encourages the tendency to protect one's own capital budget and programs.

The shortage of funds affects capital improvements planning in other ways. Often capital improvements planning occurs only after legislative appropriations are made, with the result that planning is incremental and project specific. An effective determination of capital improvements priorities is an initial step in program planning; but without the policy guidance of overall state capital program direction and an awareness of economic and budget constraints on capital expenditures, it is difficult. Even with this awareness of economic and budget constraints, capital programming is difficult. The allocation of many federal capital funds on a formula basis can play havoc with state growth programs, in spite of requirements that federal agencies consider state capital improvements priorities.

The problem in capital improvements planning is not simply one of short-sightedness by state officials. The linkages of federal, state, and local governments' activities in the provision of community facilities make capital improvements financing and planning a dynamic and complex process. Efforts to coordinate facilities planning are complicated by overlapping responsibilities among the various levels and agencies involved. Even if capital improvements decisions are related to program objectives, the number of actions and actors involved in planning and finance decisions create conflicts in program objectives.

Instances of conflict or unforeseen consequences as various programs are implemented are common. Innovative resource recovery programs which burn municipal wastes for energy may be endorsed by officials in solid waste and water quality programs, yet be opposed by air quality officials. Programs of departments of transportation have facilitated urban sprawl, while at the same time HUD finances housing and urban renewal programs to vitalize the inner city and national energy conservation policy goals are best met by compact community development patterns.

In spite of the coordination problem, fiscal considerations are a major component of capital improvements planning. Since all needed capital improvements cannot be funded locally or statewide, total costs and the method of financing for various public facilities programs are major factors in the eventual decisions.

Financing of Capital Improvements

The manner in which capital improvements programs are financed contributes to the complexity of the planning process. It affects the establishment of priorities among capital projects and enlarges the number of governmental entities with a voice in the planning decisions. The questions of "how" and "by whom" capital improvements are financed are troublesome to both state and local officials, and are major factors in the actual planning decisions made at the state and local levels. The costs to local governments of providing public facilities, particularly public utilities, have increased phenomenally in response to inflation and high standards in state and federal environmental quality programs. An added difficulty for local governments is the need for up-front financing and an extended repayment period for community facilities.

At the state and local levels, where budgets must balance, decisions on capital improvements financing must incorporate several factors. An initial constraint on capital improvements programs is the current and projected revenue sources and operating costs to the state or local government. The revenue projections are related to general economic conditions in the State and region, to property values in the community, and to the availability of intergovernmental transfer of funds. Other considerations which officials must take into account are: other present and pending capital improvements; bond indebtedness; the projected costs of the facility, including operating and maintenance costs; the proposed debt capacity; and the bonding schedule. Once these basic factors are known, officials can begin to devise a fiscal policy and make decisions on the relative reliance on bonds, annual appropriations, and intergovernmental transfers in financing the capital improvements.

Local officials responsible for the provision of community facilities to a growing population face special constraints in generating funds for local capital improvements programs. Much new growth is occurring in counties, yet these jurisdictions were designed to deliver the state services of welfare, roads, and public safety, not the community services of sewage treatment, water supply, schools, and libraries.

Faced with the pressure of servicing a growing population with urban-type services, and faced with a statutory ceiling on local indebtedness, many local officials turn to the device of special districts and county service areas. As public entities, single- or general-purpose special districts can issue revenue bonds to generate the necessary capital for front-end financing of public facilities such as water, drainage, and sewer systems, roads, streets, and bridges. The residents within a county service area are assessed for the cost of receiving services not

available to residents in the remainder of the county. Since the bonds issued by special districts lack the backing of the municipality, these debts are not entered against the municipal debt ceiling. These mechanisms provide communities with the means to finance public infrastructure, but at a cost of political fragmentation and loss of accountability. By creating numerous political subdivisions, often without uniform boundaries, local officials hinder efforts to coordinate planning for community facilities and have limited authority to control these semiautonomous jurisdictions, thus opening the door to abuse of public authority and funds by the district's board members.

One consequence of the increasing cost to local governments of providing public facilities is their increased dependence upon federal and state funds. The availability of federal funds for capital construction has significantly increased the number and quality of public services which a community can provide. However, the availability of certain types of federal grants, such as open space, recreation, and parks programs, and the press of application deadlines, has sometimes meant that the local provision of public facilities is distorted from actual need for more basic facilities. The federal revenue sharing program, and in particular the 1974 Community Development Block Grant Program, should encourage a realignment between public facility needs and the availability of funds. An analysis of the first-year applications for community development block grants shows that the majority of the funds are spent for public works, facilities, and site improvements projects.[8]

In many States, the burden of capital improvements financing is lightened for local governments by state actions. Numerous States are assuming the partial or total capital outlays for local public facilities such as county roads and local schools. Twenty-one States have some version of revenue sharing with local governments for capital and operating budgets. Thirty States have a "buy-in" program on federal construction grants to localities in which the State assumes all or a portion of the required local matching funds. Both the revenue sharing and the "buy-in" program assist communities in accommodating growth.

Capital Improvements Planning for Growth Management

The reliance upon intergovernmental transfers in public facilities financing increases the number of voices in local decision-making, as well as the prospect for conflicting program objectives and regulations. Yet state and federal involvement in financing programs has encouraged capital facilities planning at the local and regional levels. The construction grants of EPA, DOT, EDA, and HEW, and HUD's block grant programs are a major impetus and funding source for facilities planning by local governments. Several States make their assumption of local matching funds for federal grants contingent upon a policy voice in the local use of federal grants. Federal regulations also encourage greater coordination of capital improvements programs at the state and local levels. The A-95 process required of most community projects receiving federal funding support provides state and local officials the opportunity to comment on plans

and proposals submitted in grant applications; yet, the A-95 review and comment mechanism is seldom used by state officials as a growth management tool.

State Responses. Though interest is increasing, only a few States currently attempt comprehensive, long-range capital improvements planning. Hawaii, Maryland, and Vermont are providing a central focus to public facilities planning in order that state capital improvements investment programming can serve as a major tool in a broader effort at growth management.

Hawaii's comprehensive planning program serves as a policy framework for the capital investment element. By linking public facilities planning with comprehensive plans, state officials seek to relate the provision of state public facilities to the private sector and to state operational programs. A six-year capital improvements program with annual reviews is prepared by the Department of Planning and Economic Development which reviews and coordinates agency requests for capital expenditures. The capital improvements program is the basis of the capital budget submitted to the Legislature.

In Maryland, the Department of State Planning compiles a proposed five-year capital improvements plan which then serves as the basis for the Governor's annual capital budget. Projects included within the capital budget are to reflect program priorities and urgent needs. The State's five-year development plan sets the framework for determining program priorities. Preparation of the overall capital improvements plan is strengthened by the 1974 legislative requirement that each state agency annually prepare long-range and short-range plans. The Departments of Budget and Fiscal Planning and State Planning are to coordinate and provide guidance in the agencies' plans.

Vermont's efforts at comprehensive land use planning have been strengthened with Executive Order #2, "Public Capital Investment" (January 1975). The order was directed to two needs: (1) the efficient and effective expenditure of public funds; and (2) more timely and broad-ranging review of development in the State. The order seeks greater coordination among state agencies whose programs affect the need for or provision of public facilities, as well as greater assurance that development involving public facilities will be reviewed for impacts on the environment and on future growth. At the directive of Executive Order #2, specified state agencies have prepared a comprehensive statement of agency policy as it affects public capital investment, and a separate statement detailing guidelines and procedures which permit the agency to review investment impacts.[9]

Though some States seek a more efficient growth process in the State through integration of public facilities programs with other agency programs, only a few States attempt to use the siting and scheduling of public facilities to actually channel growth. Oregon has the mechanism to attempt this, through the provisions of S.B. 100 (1973). S.B. 100 defines public transportation, sewer and water supply facilities, waste disposal sites, and public schools as activities of statewide significance requiring a permit. The Land Conservation and Development Commission, in developing statewide planning goals under the

authority of S.B. 100, adopts as a goal the planning and development of "a timely, orderly, and efficient arrangement of public facilities and services to serve as a framework for urban and rural development."[10]

In a similar vein, Colorado and Florida adopted land use policies which define siting of key public facilities as an activity of statewide concern.[11] However, state oversight of public facilities siting is usually used as a negative growth tool to prevent excessive development in selected geographic areas. Rarely do state officials consciously use public facilities siting and scheduling as a tool for the admittedly difficult task of channeling development at a rate or into areas in which it would not otherwise occur.

Local Responses. More States are beginning to use capital improvements programs for more efficient growth management, but it is local governments, with the responsibility to provide for community infrastructure needs, which are most aggressive in using public facilities as growth management tools. Local decisions on location and scheduling of public utilities are proving to be effective means to stop growth or to phase it at a pace more suited to the community's attitudes and/or financial capability. Though such decisions may be incorporated into a long-range, comprehensive plan, too often they reflect an ad hoc response to social, political, and fiscal changes associated with rapid growth.

Ramapo, New York, whose development controls were ruled constitutional in 1972,[12] is one of the few communities using the phased construction of local public facilities as the key to a carefully designed, 20-year growth management plan. In Minneapolis-St. Paul, local officials in the region seek to concentrate public capital investment within the central city to encourage "in-fill" of areas previously bypassed in the growth process and to discourage a pattern of urban sprawl in the metropolitan fringe.

Local decisions on the provision of basic public facilities which are ad hoc and limited to consideration of the immediate political jurisdiction can have severe, areawide implications for sound community development. Growth pressures are shifted to other locations, without those pressures necessarily being better managed. The refusal of a local government to provide public facilities to accommodate growth increases the pressures on other communities in the area and may encourage urban sprawl and poorly serviced housing developments.

In spite of the regional implications of local public capital investment decisions, substate regional planning agencies and councils of governments have had limited success in bringing about regional public capital improvements planning and programs. Such entities are advisory and voluntary, and lack the constituent base and revenue base to support regional decisions. A greater impetus for regional decision-making on public facilities comes from the judicial activism of the courts. Recent decisions dealing with the issues of local growth management programs and local zoning in Hartford (Connecticut), Mount Laurel (New Jersey), and New Castle (New York) set forth the principle of "fair share."[13] If a community's zoning and housing plans must be such that it will accommodate its fair share of the housing demand in the region, then, it might be

postulated, decisions on local provision of basic public facilities must reflect a similar consideration.

Housing, Community Facilities, and New Communities

The implementation of state and local housing programs and the planning, scheduling, and cost allocation of capital investments in public utilities, roads and streets, and school facilities directly affect the rate and location of community development activity.

Sewer interceptors and sewage treatment facilities are replacing highways as major determinants of growth patterns. Excess capacity in sewage treatment facilities raises the growth potential of a region, while the location and capacity of sewer interceptor lines can determine the growth patterns of an area. Unless coordinated with zoning and other public facilities, the extension of lines into undeveloped areas and the provision of capacity beyond reasonable or desired limits encourage sprawl and leapfrogging in development.

Though the major highways are already in place, additional interchanges, roads, and streets provide access to new areas and thus increase their development potential. The availability of federal funds is a factor in the decision to build interchanges and roads, but decisions on location and timing are made primarily by state and local officials.

Unlike basic infrastructure, schools and housing supply do not open up certain areas for growth, but they can affect the population settlement patterns within a market region. School facilities are a major factor in individual decisions to locate in one community relative to others. The financing of school construction and programs is also the major local government expense in many States. Unlike the capital investment in utilities and streets, the responsibility for schools cannot be shifted to the developer, and the issue has been a stumbling block for large-scale community development in several States. In contrast, housing supply is primarily a private sector activity, but state housing finance programs to expand the available supply of housing for low- and moderate-income families may have both negative and beneficial impacts on community development patterns.

New communities offer public officials the means to accommodate population growth in a manner superior to unchecked urban sprawl. They are preeminent examples of the planned, phased, preserviced community development pattern which was found by the Real Estate Research Corporation in its study, *The Costs of Sprawl,*[14] to minimize environmental and fiscal costs to local governments. New communities are primarily planned and developed by the private sector. The dependence of developers upon the public sector gives state and local officials the opportunity to be positively involved in new community development and to use it as a vehicle for local and regional growth management.

Developers—be they private companies or public authorities—can build residential units, interior streets, and civic, recreation, and commer-

cial/industrial facilities. They may dedicate sites for school buildings, either at their own initiative or as a negotiated proviso for local zoning changes; but seldom are they legally permitted to construct the actual facility. They may raise the necessary front-end capital with access to public bond markets—either through public agency revenue bonds or with the aid of the special-purpose or new communities district mechanism.

Developers—private or public—cannot build housing for a wide range of income groups without government subsidy programs. They cannot assure the provision of public services, such as education and solid waste and sewage treatment and disposal, without the cooperation of local general-purpose governments. The community will be easily accessible and attractive to residents and for commercial and industrial development only if county and state connector roads and highways serve the project.

State programs in housing and community facilities, and local decisions on the provision of public facilities, seldom take advantage of the growth management opportunity offered by new communities. Program and political constraints make it difficult for state officials to direct public funds to new communities. The allocation of federal funds for public facilities planning and construction is initially based upon formula criteria—a population or poverty index and an index of air or water pollution—which are biased against new communities. However, reliance upon a set formula for allocation of funds reflects the political nature of many public investment decisions. Public officials find it difficult to direct scarce public funds to new developments when the needs of existing communities remain unmet. In a ballot-box political system, public funds tend to flow where the people are, rather than where they are going to be.

Even when state officials recognize the relationship between housing and public capital investment decisions and growth patterns, it is difficult to link such decisions into a coordinated framework for regional growth management or local community development. Most housing programs of the federal government and the States are administered separately from public works related programs. Housing agencies frequently have a legal, quasi-independent status which complicates efforts to coordinate their programs with housing programs of other agencies. Public facilities programs are even more difficult to coordinate with related programs since planning and programming for capital improvements are usually done by functional agencies.

Housing Programs and New Community Development

State HFAs have contributed substantially to the stock of housing available to families of low or moderate income[15]; yet only a fraction of these units are located in new communities. In spite of the need for a public subsidy, if developers are to provide a housing mix in a community, certain constraints on the operation of state housing finance programs reduce their effectiveness in supporting the development of large-scale, planned communities.

The objective of State HFAs—the use of public monies to increase the housing stock available to low- and moderate-income families—reflects an

increasingly accepted social policy, but support for strong state involvement in the private housing market is qualified. Apart from New York's Urban Development Corporation, housing finance agencies and programs are not designed as vehicles for innovative, bold social and economic programs. The legislation creating HFAs frequently reflects attitudes combining fiscal responsibility, opposition to big government, and a high priority for private enterprise.

The common statutory requirement that an agency be financially sound and self-supporting contributes to the political acceptability of HFAs; it also creates program restrictions. Agencies may be limited to the indirect finance programs which rely upon conventional lending institutions. In many agencies with direct loan authority, secondary mortgages and loans to lenders receive higher priority in funding than do direct loans from the agency to the builder. Direct loans may be statutorily permitted only as a last resort, as when no mortgage institution in the area where the agency wishes to support a project will process the mortgage. The reliance upon bond and fee revenues, rather than appropriations, and the statutory ceiling on debt frequently force the agency to restrict its lending to FHA-insured loans.

These program restrictions effectively limit the agency in the type of housing project it can support to moderate-income subdivision developments. The limited subsidy available and the reliance upon existing mortgage institutions result in a program which cannot reach many low-income families. The agency loses some of the flexibility in housing design, site selection, lot size, and budget (which it nominally offers) when it must limit its loans to FHA-insured mortgages with rigid FHA requirements. Many agencies, in order to be financially self-supporting, must limit loans to projects with rapid turnaround. Housing units are eligible for financing, but off-site improvements, open space, recreational facilities, and physical infrastructure usually are not. Small-scale housing projects are manageable and fairly certain to be completed within a reasonable time period. Subsidized units, either scattered or clustered, which are built in large-scale, long-term, planned developments entail greater risk and are less attractive investments for the agencies. As a result, the average project which many State HFAs approve is small, possible under 50 units, with a one-time commitment of funds. The Massachusetts Housing Finance Agency and New York's Urban Development Corporation have pioneered in combining subsidized and market-rate units and have successfully marketed this housing mix; but their success in mixed housing is achieved within the clustered format of selected projects.

These restrictions have not prevented State HFAs from involvement in new communities. They do limit the contributions which the agency can make to communities designed to contribute to broader social and economic goals. The inability of state agencies to finance housing for low-income families cannot be overcome with direct state appropriations. Only the federal government has the financial resources to provide a deep subsidy for low-income housing. Several

program restrictions reinforce the market's bias toward small-scale housing projects or to luxury new communities. The agency may be authorized to finance land, commercial, and industrial development; yet the self-supporting provision and general attitudes in the State may discourage agency officials from implementing this authority.

State HFAs can contribute to a "piece" of a large-scale, planned community, but their programs are not a catalyst for better planned community development. Subdivisions and housing projects, not new communities, are encouraged by most housing finance agency policies. When the agency must restrict its loans to FHA mortgages, the added dollar cost of delay and stringent requirements, combined with the aggravation of increased red tape, offset the small savings in interest rates which state agencies can offer. Many developers with adequate capital backing decide against the mortgage subsidy of state or federal programs rather than accept the delays and added restrictions on development plans. The result is frequently a lost opportunity for moderate-income housing in a new community.

As a result of the dependence on mortgage institutions, some agencies find they cannot achieve the geographic dispersal of funds desired for social and economic policy reasons. The common program bias toward owner-occupied, single-family dwellings is counter to the large-scale developers' need to offer lower-cost housing in multifamily dwellings. It also encourages the proliferation of well-planned but traditional suburbs. Again the result is a lost opportunity for public savings in land and service delivery possible in communities incorporating innovative land use patterns and housing design.

Community Facilities and New Communities Development

A major contribution of new communities to sound development patterns is the concept of a community preserviced with sewers, storm drains, interior roads and streets, schools, and civic and recreational facilities. Preservicing a community through planned phases reduces the capital and eventual operating cost of public facilities as well as directs community growth into predetermined patterns; yet state and local capital improvements programs generally fail to capitalize on this benefit of new communities.

Those local governments eventually responsible for servicing the new community with sewage treatment and water supply are placed at a disadvantage in federal categorical and block grant programs by the reliance upon formula allocation. The relative unavailability of federal funds for public works throws the burden of facilities financing upon local government and reinforces any "no-growth" attitude in the community. The "newness" of new communities frequently makes it difficult for state capital improvements projects needed to serve the project to rank high on public facilities priority lists.

The economic and market feasibility of new communities is frequently dependent upon the timely provision of state capital improvements projects. The

feasibility of Flound Mound, Texas, is based upon assumed state construction of a freeway and the operation of a regional airport; yet the freeway is not part of the approved regional highway system and its construction is not assured. Riverton, a Title VII community in New York, would be more accessible if a direct interchange to the major highway is constructed, but State DOT officials are reluctant to consider the interchange for technical reasons. Audubon, New York, a UDC-sponsored project, was to accommodate the growth associated with the new campus of the State University of New York at Buffalo; but the effects of economic recession on the State caused officials to modify and slow the construction plans for the campus.

The difficulty which developers of new communities experience in relating state projects to the development is more than a simple matter of agency priorities. Individual developers may effectively make a case to agency officials for a higher priority for the needed capital project. More serious is the relative lack of long-range, coordinated facilities planning among state agencies. Without a framework to review and coordinate agency facilities with those of other agencies and the private sector, state officials may fail to recognize an opportunity for efficient regional growth management. The timely provision of a capital project to encourage the successful development of a new community project can result in eventual cost savings to the public sector and to the creation of needed housing and employment opportunities in the region.

At the local government level, slow-growth attitudes frequently encourage the use of capital improvements programs as a short-term tool to discourage growth. As previously discussed, this attitude toward public facilities planning creates severe difficulties for the developer of a new community. The refusal to provide adequate facilities, especially in sewage treatment and water supply can effectively halt the continued development of a project and jeopardize its eventual completion. A similar obstacle to successful development occurs when the full capital and operating costs are transferred to the developer and eventual residents through impact taxes or requirements that the developer assume the major burden of constructing certain basic community facilities. Requiring developers to assume the major burden of certain facilities increases the already great front-end cost of planned, preserviced development. Both techniques tend to absolve local residents from the capital costs of growth which, in an incremental development process, are usually assumed by the community.

Faced with local actions which contribute to the financial risks of new communities, developers are opting for smaller-scale developments with a minimum of community facilities and preservicing. By seeking to avoid the capital costs of servicing a new community, local officials may find that growth continues to occur—and to occur in incremental patterns which increase the long-run operating costs to the community.

State Activities in Economic Development

The well-being of a State's citizens is closely linked to its economic health; yet a State's economy is not a closed system. The development of an economic

base and economic conditions in a State are subject to federal economic policy and national and international conditions over which state government has limited influence. Textiles and clothing from Japan and other Asian and European countries cut deeply into the economies of many southern States. The economic revival of the South has attracted industry from the older industrial Northeast and North Central States.

State programs to promote and facilitate economic and industrial development are integral parts of community development. The economic base of a community is its lifeblood, for it generates the jobs and the wealth which fuel local government activities. The need for—and the ability—of local government to provide schools, roads, sewers, and civic and recreational centers for its population depends upon the economic health of the community. State economic development programs reach beyond a local community to affect the surrounding region. Industry acts as a magnet for employment in the surrounding area through jobs in the industry itself, in related businesses needed to serve it, and in service and commercial businesses made feasible by the personal income generated by expanded employment opportunity.

When economic development is viewed as community development rather than job creation, new communities can be a part of state economic development programs. New communities, designed to incorporate an economic base and a population large enough to provide a market for labor and for services, serve as a magnet for new or expanded economic activities in a region. Since developing the economic base is more problematic than provision of houses and public facilities, new communities can benefit from state and local governments' incentive programs for economic and industrial development. However, the actual impact of these programs on new communities depends upon the range and administration of incentive programs.

In spite of the handicaps created by an open national economy, States instituted programs for economic development. In most instances, the notion of economic development focused on job creation. In most States, policies encourage industrial development, and programs are designed to attract new industry and encourage industrial expansion.

A new concept of economic development is emerging as state, national, and international economies become highly interdependent. Economic development is more than job creation; it is an aggregate of economic, environmental, and human resource development activities which contribute to an improved quality of life. Job creation is still important, but per capita income, educational and cultural opportunities, health facilities, and the wise use of natural resources are also goals as well as components of economic development policies. The economic recession of the mid-1970s has again put economic development into the forefront of issues facing state officials. The new "politics of less"—the adjustment to a slower growth rate of the gross national product—challenges state officials to reconcile the old programs of job creation with the new reality of increased competition for industries and diminished economic activity.

Industrial Development Programs

The popularity of state and local industrial development incentive programs has grown since the 1950s until most States have some form of incentive program. State incentives may be provided directly through special services, technical assistance, tax concessions, grants, or loans, and indirectly through state legislation enabling local public and private financial assistance.

The most widespread incentive programs for industrial development are provision of data for plant location and special services to industry. Most States provide industry with such basic data as climate, labor force, markets, legislation and taxes, financing, transportation, raw materials, water, and waste. Most States provide comparable data on communities, as well as data on plant location for individual communities.

Special Services

The provision of basic social, economic, community, and environmental data requires a large-scale data collection program, but it involves minimal state commitment to statewide or subregional economic development. The State is more actively involved through programs to encourage expansion of existing industries or to attract new industry through special services for the industry. The number of States providing these services varies considerably, depending on the type of service offered. Some services, such as state-supported training of industrial employees, the creation of state science/technology advisory commissions, state recruiting and screening of industrial employees, and the availability of university research and development facilities, are offered by almost all of the 50 States.

Special services which entail a direct expenditure of public funds give the State greater leverage in industrial location, but they are less prevalent. Forty-two States authorize the development of state-, city-, or county-owned industrial parks; and 31 States permit state funds for city or county public works projects related to industrial development. Several States which seek to create an industrial base have aggressive programs to attract industry. These programs, designed for the particular industry, may entail the State repaying the firm for a portion of labor costs for a specified period and state assumption of the full cost of training employees and the cost of the firm's relocation. Twenty States permit state, city, or county financing or speculative building for industry, and in 12 States, the State, city, or county can provide free land to industry (see Table 6 in the Appendix).

Financial Assistance

Programs of financial assistance to industry are wide-ranging, but their occurrence is less frequent. Financial assistance programs range from varied tax concessions for industry to public or private loans, grants, or financing arrangements. Since several States, such as New York, have constitutional

prohibitions on direct state loans or grants to private firms, various mechanisms have been developed to provide statewide and local vehicles for public financial assistance. The most common are private development credit corporations and public industrial development authorities.

State development credit corporations—state-chartered but privately financed organizations—are active in 28 States. Raising capital from stock and member loans, these corporations make loans, primarily to small manufacturing firms usually located in the State, for plant, equipment, or working capital. Local counterparts to state development corporations probably exist in all States, and are frequently offshoots of chambers of commerce. A local development corporation may raise its own capital from stock issues, borrowings, or taxable bonds, or it may funnel industrial financing from public or other private sources. These local corporations usually construct or acquire and modernize a plant for lease (or lease-purchase) to specific firms. They may also jointly finance projects with state development corporations or state or federal authorities. In New York, the State Job Development Authority funnels its loans to industry and firms through local private development corporations.

In contrast to these privately financed corporations are state and local organizations which provide public funds for industrial incentives. State industrial finance authorities are active in 22 States. Raising capital through tax-exempt general obligation and/or revenue bonds or from state appropriations, the authority makes loans, often through local development corporations, for land acquisition, plant construction or expansion, and equipment. Several States, such as Maryland, Massachusetts, New Jersey, and Pennsylvania, restrict some financing programs to firms locating in areas of high unemployment. In 12 States, industrial development authorities may guarantee all or a portion of conventional loans for equipment and buildings. A less frequent program of state financial assistance is the provision of state matching funds for local public financing programs for industrial development. The matching funds may take the form of sharing the cost of site development or the partial cost of local promotion.

Local public financing programs are offered in 46 States by city or county industrial development agencies. The local agency is chartered by the State and is usually restricted to projects within its respective jurisdiction. With the public status, these local agencies can offer attractive incentives. The savings gained from the issues of tax-exempt bonds can be passed on to the firm. A common practice is for local development agencies to construct or modernize facilities which are then leased to the firm for an amount sufficient to amortize the debt. Since the agency holds title to the property, it is exempt from local property taxes, though in practice the firm usually pays an amount in lieu of taxes. A lease-purchase arrangement by the public agency frees working capital for the private firm. Distinct from the industrial development agencies are individually chartered local authorities, such as transportation authorities, whose powers may include industrial financing activities.

Local public funds or credit may be used for industrial incentives without the formality of a state-chartered agency. Unless state law or local charters prohibit, local governments may extend favors to attract industry. Common practices are the extension of water, streets, and sewers to the site without assessment; provision of publicly owned land at no or low cost for industrial development purposes; and the expansion of public facilities, especially water and sewer, to meet industrial needs.

Tax concessions to new or expanding industries exist in many forms and for many purposes. Concessions may be designed to encourage industry in general, to encourage specific types of industry, or to encourage location in high unemployment areas. Statewide tax concessions include programs of personal and/or corporate income tax exemptions and various tax credits or tax exemptions on equipment, capital improvements, and machinery. Less common than equipment and machinery tax exemptions are reductions of property taxes on land and buildings. Seventeen States have some form of local option property tax reduction. In some States, such as New York, reduction of local option taxes is restricted to plant expansions in low-income areas.

Industrial Incentives and Community Development

Though industrial incentives are wide-ranging in content and widespread among the States, their contribution to state or local community development programs is often questioned. Many of the programs, particularly tax concessions, provision of data, and special services, are broad-brush. Though they may promote the economic well-being of the State as a whole, they are seldom used as sophisticated tools to encourage location in a specific region or community. The effectiveness of incentive programs in attracting industry to the State is diminished as other States adopt similar programs. A State's program of incentives is similar to devaluation of a nation's currency—once everyone follows suit, the initial competitive edge is lost. In many of the older industrial States, incentive programs enacted to attract new industry are effective only in retaining firms already located in the State or in slowing the rate of out-migration.

At the local level, a competitive program to attract new industry or to retain existing industry can be devised. However, direct state financial incentives are a minor component; more important is the manner in which a community develops a package of financial and nonfinancial programs. Financial incentives, speculative building construction, or a multitude of services are only some of many factors influencing the decision to relocate and the choice of new sites. A recent survey of New York firms lists financial incentives as the least influential factor in industrial migration, while lack of space and obsolescence of buildings is the major factor in the decision to relocate. Once the decision is made to relocate, local financial aids are again the least influential factor in choosing a new site. In most instances, each community under consideration can offer similar attractive incentives—free water, sewer, and road extensions, or local development corporations. The major factor in site selection is usually economic—a good

labor force or a good transportation network. A second factor was community enthusiasm or other evidence of a good business climate.[16]

Community enthusiasm is generated by local officials and leaders who can woo a firm's leadership with a package of financial incentives. The economic factors—the presence of a skilled labor force and an accessible transportation network—lie within the domain of the State. Favorable economic conditions are frequently a result of state policies and programs not specifically directed at economic development. A quality educational system contributes to a trained or trainable labor force and also creates a living environment attractive to a firm's executive leadership. Adequate water supply and waste treatment facilities for industry, and accessible highway, air, and rail systems, are highly dependent upon state priorities and programs in public capital improvements.

Economic Development Planning

As state officials recognize the multiple factors which contribute to economic development, concern for economic development planning is emerging. National energy and economic conditions have caused States to keep strong emphasis on traditional job creation programs; yet they have also made state leaders aware of the need to manage economic adjustments in a manner which improves the quality of life and citizen satisfaction, and also minimizes the cost of adjustments on the public. Economic development planning requires state officials to undertake the following actions:

1. Identification of future economic needs and issues which the State will face;
2. Determination of goals and objectives for the State's development;
3. Determination of the economic issues most susceptible to state actions; and
4. Developing new legislation, new programs, and public investments which permit the State to achieve its development objectives.

Most States have begun to initiate a planning process for economic development activities. The Public Works and Economic Development Act of 1974 should strengthen this approach to economic development. Section 302 of that act provides States with the funds to establish an economic planning process which focuses on the role of state government and public infrastructure in the management of growth.

When economic development planning is viewed as more than industrial development, numerous activities of state government assume an economic development content. Development controls, in the form of regulation of land use, planning and zoning, transportation rates, public utilities rates, and air and water quality control standards have an economic development impact. In those States with more advanced economic planning systems, the emphasis upon each element varies. Utah and Hawaii have sophisticated economic planning programs which stress the alternate futures facing the States. Maryland and Kentucky are developing economic planning programs built around the

"strategic issues" which state government can reasonably expect to resolve. Pennsylvania's economic planning systems are based on the public investment needs and policies of the State.

Economic Development Programs and New Communities

Traditional state programs of economic development frequently fail to capitalize on the economic development potential of large-scale, planned communities. Most industrial development programs are administered with a state department of commerce, and its primary mission is an industry search. When the goal of such programs is so restrictive, the State loses an opportunity to use industrial location within the State as a tool for growth management. Though these state programs can create a favorable business climate, imaginative administration of those programs by state officials and community leaders appears necessary if industrial incentive programs are to dovetail with community development efforts.

New communities represent significant private and public investments in community and commercial infrastructure which can complement state economic development efforts. The financial health and eventual successful development of Title VII and other new communities require a sound economic and employment base. For this to occur, new communities frequently need special consideration in state and local industrial development programs.

Several new community developers have pledged to local officials that residential and industrial/commercial development will occur in tandem. In other cases, the requirement is legally binding. Under the Planned Unit Development ordinance granted to the developer of St. Charles, Maryland, the county commissioners are not to issue additional residential building permits until they are satisfied that reasonable progress is being made with industrial and commercial development. Developers are proficient at providing housing and social and physical amenities, but most have been far less successful in attracting large-scale employment opportunities. The downturn in the national economy makes the task of attracting new industry more difficult for developers. The developer of a new community can provide the prerequisite site and physical amenities, but he cannot guarantee the level of community spirit and the quality of leadership.

The importance of the local business climate or community hospitality offers a special challenge to new community developers. The sense of community enthusiasm is frequently generated by various services or incentives offered by local officials, private local development corporations, or public industrial development agencies. In sum, it is created by the actions of public officials and civic leaders in an established community.

If new communities are to contribute to state development goals and to benefit from state industrial incentives programs, more imaginative administration of these programs is needed. This can occur with a cooperative relationship between the developer and the local population, and among the

developer, community leaders, and the state agencies administering the incentives programs.

The importance of this cooperative relationship is seen in the development process of at least three new community projects. For new towns-in-towns, the proximity of the new and established community makes a cooperative relationship critically important. Cedar-Riverside, a privately developed new town-in-town in Minneapolis relies upon the city as its intermediary with the State. The court challenge to the project's environmental impact statement, combined with generally hostile relationships between the developer and local citizens and officials, are contributing factors in the near bankrupt status of that project.

In two other instances, the impetus behind a new community project was the economic development potential it offered for the area. Leaders in New Orleans who sought to diversify the city's tourist and seaport economic base recognized the value of a new town-in-town in efforts to provide the urban amenities attractive to a professional and skilled labor force. City officials provided the driving force behind the plans for the Pontchartrain new town-in-town and the passage of the State's new community legislation. In New York, the new town of Radisson, near Syracuse, is based on cooperative state-local relations and upon economic development objectives. New York's Urban Development Corporation, the sponsor of the new community, pledged that the economic base of the community would precede substantial residential development. As a result of the new community and the close cooperative relations of UDC officials, officials in the State Department of Commerce, and local groups in the Syracuse region, Schlitz Brewing Company selected Radisson over sites in other States for a major new facility. General economic conditions and the moratorium on the Title VII program have put continuing development of all three communities into abeyance; but the interest of local officials and the economic development potential of the Pontchartrain and Radisson projects enhance the prospects for their eventual development as planned communities.

A diversified new community can nurture the symbiotic relationship between the community—which needs a sound economic base—and the large-scale employer who needs a good community environment. New communities need the support of the local officials and citizens in the communities impacted by the project. The importance of this local support is twofold. Local leaders can act as an industrial search committee for the new community, and they can intercede with state agencies offering public works funds and data and locational assistance programs to attract industry. Whether this leadership will become a "chamber of commerce" or local development corporation to "beat the drum" for the new community will depend upon the developer-community relationship in each situation, and upon the foresight of local officials and citizens.

State Activities in State Planning*

States highlight their involvement in planning for community development with the formation of state departments or agencies of community affairs. All but 16 States in 1974 had distinct community affairs activities conducted by a state agency; yet state planning for community development involves far more than the important functions of community affairs agencies. Planning and technical assistance and services, and improved communication between state and local government officials, are important steps in upgrading the governance and management capacity of local governments.

The activities of these state agencies can marginally improve local growth patterns, but they do not give the State a strong tool to bring coherence to the numerous forces shaping the growth or decline of its communities. Reliance upon strictly local planning and growth management efforts will have limited impact, since most local governments in the States do not endorse strong growth management policies. State activities in land use, environmental, and capital improvements programs give the State far greater influence over community development.

A State Planning Process

Planning by various state agencies is an important tool for the efficient and effective provision of community infrastructure and services. Yet such focused planning limits the State's ability to relate various policies and programs for maximum effectiveness. Many functional plans in housing, transportation, and wastewater treatment, written under federal sponsorship to guide program development and investment, tend to embrace narrowly conceived objectives. State officials must develop an overall policy framework as the basis for evaluating myriad plans and programs of the separate agencies and units of state and local governments. Just as the concept of state economic planning has shifted from a focus on industrial location and expansion to resource allocation and optimization, state planning is assuming a new content—it is more than the preparation and aggregation of functional program plans.

State planning is a process designed to enhance the State's capability to plan for and manage growth within its boundaries, and not solely a device to produce concrete plans of a substantive nature. In the United States' political and economic system, state officials cannot hope to completely control the growth forces within the State, but they must know how state activities can be most effective. A state plan, as a comprehensive policy framework, enables them to define the role, limitations, and priorities of state government in growth management. Each agency within state government contributes to its management capability with internal policies and programs to achieve defined objectives. Comprehensive state planning is needed to link state, local, and federal activities so that they interact in a complementary manner. If conflict

*Information for this section is based on a study of state planning conducted by the Council of State Governments in 1975.

between policies and programs is to be minimized, there must be coordination among all units and levels of government.

A state planning process must provide a central decision-making entity with the ability to synthesize state programs and the various activities affecting them and to provide direction to state government activities. It must assist state officials in efforts to coordinate functional policies and programs at all levels of government and to identify the needs and objectives of state government which do not fall within any single agency's domain. State planning is, in short, a comprehensive, integrated process of goal definition, problem analyses, policy development, program design, resource allocation, and performance evaluation—from the viewpoint of the State as a whole.

Planning in the State

Few States currently use planning as a broad management tool in spite of the increase in central state planning. There is frequent uncertainty among participants in state planning activities of the function of planning. In the development of state policy, the major activity of state planning ranges among States from document preparation, to development of legislation, to coordinative responsibility, or to stimulation of citizen involvement. In some States, state planning activities are closely tied to the budget. In others, long-term public investment is the main link between state planning and budgeting.

In most States, state planning efforts are still confined to physical development, economic development planning, or intergovernmental relations and local assistance; but new concerns and perspectives on state planning are emerging in response to the intergovernmental, environmental, and economic conditions of the 1970s. State planning is emerging from a specific "task" perspective to a concept of growth policy planning and management. Land use and economic development concerns remain in the forefront of state planning. The focus is changing from land use control or economic expansion to use of land and economic development activities as tools for growth management (see Figure 3).

In response to federal initiatives for state assistance in rectifying the confusion of conflicting and overlapping program guidelines, States are demonstrating a steadily expanding capability in statewide planning and coordination—the prerequisite to effective administration of the diverse federal programs. The most serious planning deficiency in most States is the lack of overall state policy guidelines against which to evaluate their own and federal activities. Since the effectiveness of coordination rests on the development and continuous evaluation and revision of a state policy framework, this mission becomes the central function of a state planning process.

State planning, when viewed as a comprehensive process rather than specific documents, has both diversity and flexibility. It has the diversity to encompass the varied structures and mechanisms best suited to governmental/political conditions within each State, and it offers the flexibility which state officials need

Figure 3
State Planning Activities*

1. General State Policy formulation and recommendation
2. Comprehensive State Planning
3. Functional State Planning
4. Coordination of planning and development
5. Perform OMB A-95 review and comment function
6. Participate in the development of departmental goals and plans
7. Review and analyze departmental programs for conformity with:
   a. state plans and goals
   b. departmental plans and goals
   c. gubernatorial policies
   d. legislative mandates
8. Research and Information
9. Provide:
   a. demographic projections
   b. economic projections
   c. land use classification
10. Information systems development and maintenance
11. Prepare a capital work plan or budget for the state
12. Review capital work plan or budget of state agencies
13. Integrate planning and budgeting or similar techniques
14. Interlocal cooperation
15. Prepare intergovernmental cooperation guidelines and handbooks
16. Provide technical assistance to local entities to prepare:
   a. substate regional plans
   b. county plans
   c. city plans
17. Participate in the formulation of substate and local goals and objectives
18. Review and comment on substate and local goals and objectives
19. Review and analyze substate and local plans and programs for conformity with:
   a. state plans and goals
   b. departmental plans and goals
   c. gubernatorial policies
   d. legislative mandates

*The representative list of activities of state planning agencies does not imply that every agency performs each function. The activities may be performed by combined state planning and community affairs agencies or combined state planning and budget agencies (see Table 7).

to respond to changing needs and problems of the State. The goals, policies, programs, and mechanisms for coordination can and do vary within the States, but the elements of comprehensiveness and coordination are essential if state planning is to provide a policy framework for growth management.

Goals and Policies

A state planning process does not determine the content of a State's goals and objectives. The specific policy framework emerges from a process which permits state officials to examine the various objectives of state agencies, and the needs and problems of the State as a whole. Many States have official growth plans or policy guidelines, or have established a state-level growth commission or process as part of the process of identifying state goals. Relatively few of these statements or studies have moved beyond recognition of needs and the identification of some key growth-related activities over which the State may exercise some initiative (see Figure 4).

The goals which evolve from a planning process vary among the States in both content and formality. The goal may be economic diversification to prevent erosion of an economic base, as in the case of Michigan's automobile-based economy, or to build up an initial industrial economic base, as in many of the southern States. Most of the northeastern States have diverse economies, and the major objective of state policies is to maintain the competitive position of these States as national economic conditions change. In other States, purely economic considerations are less paramount. The goals which set the policy framework are balanced between economic development and environmental protection. Hawaii's sophisticated Growth Policies Plan sets forth a current policy of a development program which achieves economic progress while preserving the unique environmental character of the Islands. Many States where market forces are contributing to significant growth adopt similar goals of balanced growth. In a few cases, growth commissions and state planning processes have resulted in formally adopted plans which provide the policy framework for coordination.

Coordination can and does occur in many States without an articulated policy base. The Governor and members of his cabinet or state planning office mediate between agencies to resolve conflicts in the interests of a coherent policy. However, the policy which emerges from mediation is likely to be only the common denominator of agency objectives and to lack the integrative ability of a policy which is developed to guide state agencies' activities. Florida, Hawaii, Rhode Island, and Vermont have officially adopted plans to guide state growth policies; and Utah has developed a technique, the Utah Process, which brings state agencies and local officials into planning and program decisions.

There are other, less formal means by which state officials can develop a policy framework for programs in the State. A study and compilation of existing state policies is a first step to bringing coherency into state policies and programs. The Governor, through annual messages, budgets, and separate policy

Figure 4
State Growth Planning Status*

1. *Completed Growth Plans or Policy Guidelines(a)*

Connecticut (1975)	North Carolina (1975)
Florida (1975)	Oregon (1975)
Hawaii (1975)	Pennsylvania (1975)
Iowa (1974)	Rhode Island (1975)
Kansas (1975)	South Dakota (1975)
Kentucky (1974)	Vermont (1973)
Louisiana (1974)	Washington (1975)
Maryland (1975)	Wisconsin (1974)
Missouri (1974)	

2. *Ongoing Public Commissions and Processes*

Alabama	Maine
Alaska	Massachusetts
Arizona	Minnesota
Connecticut	Mississippi
Delaware	Montana
Hawaii	New Jersey
Idaho	North Carolina
Illinois	South Dakota
Indiana	Utah
Iowa	Wisconsin

3. *Ongoing Private Commissions and Processes*

California Tomorrow
New Hampshire Tomorrow
Institute of Public Alternatives (New York)
Oregon Tomorrow Foundation
Vermont Tomorrow

**Source:* The Council of State Governments survey. Data compiled October 1975.
(a) Complete plans or guidelines have not been officially adopted in all States.

statements or executive orders, can set a policy framework for legislative and agency programs.

Policy, and Program Coordination

The major management tools available to state officials to implement goals and policies are plans, programs, budgets, and public investment decisions. These provide the means to translate broad aspirations into patterns of state expenditures which reflect prevailing social, economic, and environmental objectives, opportunities, and constraints. If programs are to reflect the policy framework, and if various agency programs are to be complementary, then these management tools must be coordinated.

The challenge of coordination is to evolve a uniform approach to managing state problems in a manner that reflects administrative priorities. Coordination requires a process through which the Governor, in cooperation with agency heads and other public officials, may analyze issues, resources, and organizational alternatives for action. Effective interaction among agencies and between levels of government is a requisite. This interaction must be accompanied by a clear delegation of responsibilities and an institutionalized process.

There are numerous techniques and mechanisms available to state officials to induce interagency and intergovernmental coordination. These include the policy-budget relationship; the review process of federal A-95, environmental impact statements, and state land use related programs; substate districts; and interagency councils. These mechanisms exist in most States, but they are not always used as coordination tools to integrate common interests and objectives, and to negotiate differences.

Policy and Budget

The interrelationship of planning and allocation decisions is increasingly important in state planning and management. Concern for responsive, effective, and efficient government is impelling many States to adopt program planning and program budgeting. The budget, when prepared in a program format, is a short-term, comprehensive plan. When the capital improvements budget is added in, this short-term plan has long-term implications for future state policies, programs, expenditures, and growth opportunities.

State officials should link budget decisions to the policy framework established by the planning process. If the two are not linked, program planning can be subverted by failure to provide the resources needed to implement desired programs. Coordination of the state planning with the state budget is vital to the integration and reinforcement of budget decisions and program plans.

Review Mechanisms

The review processes established by the Intergovernmental Cooperation Act of 1968 give the States potentially significant tools for integrating federal funding of local development activities with state activities. Most States have yet to capitalize fully on the management potential of the act. Failure of state governments to use review and sign-off provisions of the act allows federal agencies, local governments, and regional agencies to avoid compliance and ignore prescribed procedures. However, in States where the act is taken seriously, it has become the basis of the development of an integrated management system for the planning and delivery of both federal and state programs.

The heart of this management system is OMB Circular A-95, which provides the opportunity for Governors and local officials to assess the relationship of state and local plans, programs, and projects being submitted for federal funding with their own policies and plans. Federal agencies, in deciding whether or not to

approve a proposal, must give consideration to these comments in the light of the language of the act which states:

> To the maximum extent possible, consistent with national objectives, all Federal aid for development purposes shall be consistent with and further the objectives of State, regional, and local comprehensive planning (Title IV, Sec. 401c).[17]

The environmental impact statement required of many federally funded and some state-funded projects, as well as state requirements for review of development projects with regional impacts, complement the intergovernmental review process of A-95. Several States require an EIS of state projects and stipulate economic as well as environmental impact studies. These assessments permit officials to make a reasonable determination of the type and severity of impacts which a project will have on the environment, economy, and population of a region. Impact studies, combined with a review process, can reveal possible conflicts and external impacts of locally administered programs which could cancel out the beneficial effects among programs and between jurisdictions.

Substate Districts

The A-95 system is contributing in many States to a strengthening of multijurisdictional substate regional councils, and the elimination of the single-purpose special districts which proliferated principally as a result of federal requirements for interlocal cooperation on categorical programs. Areawide planning is frequently performed, but there has been limited coordination of the planning performed by functionally specific districts. Planning is areawide, but not truly comprehensive. By 1975, 45 States had designated substate district systems, but approximately one fourth of these districts have not been organized with a government body and staff (see Table 8 in the Appendix).

More comprehensive planning at the regional level is possible with the creation of a single, multipurpose, multijurisdictional regional council or umbrella multijurisdictional organization. By the mid-1970s, 28 States had taken steps to recognize a single substate body to be responsible for comprehensive planning in its region. In almost all States, substate districts perform the A-95 clearinghouse review function and, therefore, they are critical components in planning management and program coordination.

Interagency Councils

Formal organization for comprehensive planning is more prevalent at the state level than at the state-local intergovernmental level. Most States have found some form of interagency mechanism necessary for the management of specific intergovernmental programs. At least 18 States have an interagency coordinating council of some form. These include: Governor's cabinets, composed of department heads; state planning boards, with agency heads; and interagency clearinghouses, with lower-level departmental representatives and program officials. These councils serve to coordinate activities which cannot be

consolidated into a single department or agency and to provide a forum for exchange of information on new programs and projects which is relevant to more than one agency.

State Planning and New Communities

A state planning process must be actively used and refined for maximum effectiveness. Federal requirements of A-95 and EIS procedures are one set of tools. New communities—large-scale, planned communities—can be even more effective catalysts and refiners of a state planning process. In the process of their development, new communities are incorporated into the A-95 and EIS review process, thus giving local and state officials the opportunity to become involved in their development plans. The new community development process offers more to state officials interested in a state planning process and in growth patterns. A new community is the result of the comprehensive physical, social, and economic planning processes, and that planning is complemented by comprehensive planning of government activities. The quality of the final product—the new community—reflects not only the private sector's planning capability but also, and as important, the quality of its linkages to government's planning and performance.

The degree of comprehensiveness and coordination in a State's planning process affects the ability of the State and the new community developer to achieve their respective objectives. New communities represent substantial outlays of public and private capital investment and public operating costs, and they have significant impacts on land use and growth patterns in the area. Without the comprehensiveness and coordination of a state planning process, state officials often fail to realize the extent and the cost, to the public and the developers, of piecemeal involvement in new community planning and development.

Local governments and numerous state agencies conduct the varied land and natural resource reviews, and grant permits or zoning changes. Few States have followed the lead of Florida, Maryland, Oregon, and Washington in establishing a coordinated state permit process for land development related activities.[18] A range of state agencies is involved in the plans and funding of public facilities which service new communities—education, transportation, health, housing finance, parks, social services, and environment. With provisions for review and coordination early in the planning stages of public facilities for new communities, the State can act to ensure that its involvement in federal, state, and local capital improvements projects encourages efficient use of funds. It can act to ensure that the new community project complements rather than distorts other state objectives, plans, and programs for the region.

From the developer's perspective, comprehensive state planning can be a major factor in minimizing certain pitfalls in the development process. A planning process which increases interagency and intergovernmental coordination provides the framework for an efficient development process. New

communities, whether publicly or privately developed, face serious financial constraints in their successful completion. Front-end investments and the carrying costs of land and infrastructure are a substantial burden when interest rates approach 18 percent. Public developers may have slightly lower interest rates, but the financing burden remains a major one. Government regulatory programs in land, environmental affairs, housing programs, and capital improvements increase the number of and lead time required for necessary reviews, permits, and approvals. Conflict in regulatory requirement, overlap, or uncertainty of major responsibility for reviews and approvals adds further to the lead time—and the eventual cost of development.

Just as new community planning benefits from cooperative and coordinated state decisions, the State can use new community developments as a lever to achieve various growth and development goals. A new community project, whether privately or publicly financed, is a mechanism through which to channel state incentives to locate and expand economic and population growth into areas consistent with social and environmental concerns. State officials are better able to assess the potential contribution of large-scale development projects to state policy objectives with the aid of an effective planning process. When state goals and the needs of new communities are congruent, then state officials may decide that greater active state involvement is desirable.

4 | New Community Policies in the States: Explicit and Implicit Approaches

Although state activities in land use regulation, housing and community facilities, and economic development constitute an inadvertent policy for new community development, the States' role in new communities is not always so random. In an increasing number of States, officials recognize the special needs and opportunities associated with large-scale, planned development projects, and have undertaken special studies of new community development. The number of such studies has frequently led to both direct and implied state policies on the development of new communities. Direct and explicit policies are the result of legislation recognizing and encouraging, in various ways, the development of new communities in the States. Implicit new community policies have emerged from the concern for comprehensive planning and efficient resource use. Where large-scale, planned communities are deemed congruent with or important to the achievement of state goals and policies, state officials may design and administer state policies and programs to encourage, assist, or monitor the development of these projects. Recognition of the relationship between the growth-related activities of housing, land use, capital improvements, and economic development and planned communities may not lead to new community legislation. It does, however, create a basis for greater coherence in the administration of state programs.

State Interest in New Communities

Studies of and proposals for a defined state role in new community development have occurred in numerous States, but have not always resulted in official action. Regardless of the outcome, they do contribute to greater public recognition of and debate on the States' involvement in large-scale, planned community development. The content and official endorsement of these studies and proposals reflect the varying circumstances which generate state officials' interest in new communities.

Most new community studies have been conducted or commissioned by state agencies since the late 1960s, a period when increased development coincided with emerging state concerns for growth management and environmental and land use activity. As a consequence, most of these studies are broad-ranging examinations of the impact of large-scale, planned communities for state growth, and the policy issues and program needs created by such projects.

In the initial burst of interest in the States' involvement in new communities, several early proposals singled out these special communities as significant

occurrences warranting an explicit new community policy. Since 1968, eight States have enacted legislation specifically directed to balanced new communities and other large-scale, planned communities. New York was the first State to become directly involved in the development of new communities with the creation of the powerful Urban Development Corporation. Other States adopted legislation specifically addressed to new communities: Arizona and Kentucky in 1970; Ohio and Louisiana in 1972; Georgia and Tennessee in 1974; and, most recently, Florida in 1975.[19]

Most recent proposals for a state role in new community development reflect the concern for growth-related issues, and link the state role in large-scale, planned development to land use policies and a growth management framework. As a consequence, these proposals for state policies regarding new communities place greater emphasis on the scale of development and its impact on land and on delivery of government services than on the development of a Title VII "balanced" new community with its inherent social objectives.

Recent proposals in Montana, Colorado, and Connecticut reflect this focus. The fate of these proposals reflects the still strong debate over the desirability of a defined state role in growth management activities. The Montana Environmental Quality Council, in its Final Report of the Land Use Policy Study (1974),[20] included new town sites as one of several growth areas for designation as developments of state concern; but this provision was dropped from the final bill. In Colorado, a proposed 1975 amendment to the State's land use law, to establish a review and approval procedure for free-standing new communities, was defeated when it became submerged in a broader debate over the state land use law. In Connecticut, the 1974 Plan of Conservation and Development,[21] adopted by executive order, calls for the establishment of a mechanism to review proposals for new communities and other types of large-scale development.

State Legislation: Explicit New Community Policies

State interest in growth issues, the effects of the recession on state budgets, and the financial problems experienced by New York's Urban Development Corporation in completing its community development and new community projects have combined to make many state officials cautious in endorsing a specific new community policy. The implications of this reluctance for new community development cannot be evaluated without knowing whether a legislative policy contributes substantially to a coherent state role in large-scale, planned community development.

An examination of eight state new community laws suggests that legislated new community policies are not necessary components of sound state involvement in large-scale, planned communities. With some exceptions, the adoption of direct state policies has occurred with limited reference to state concerns of growth management, community facilities investment and planning, land use and environmental management, and state planning. Most of these state policies have in common with the federal new community program a tendency to

isolate the support of new community development from a broad range of ongoing state activities.

In the eight States with new community policies, the contents of the policies vary, as do the events which led to adoption of the policies and the manner in which they have been implemented; yet there are similarities in three broad areas: (1) the general role envisioned for the State; (2) the degree of public interest leading to passage of legislation; and (3) the extent to which the legislation has been implemented (see Figure 5). In looking for patterns among these laws, distinct categories to describe the state policy emerge. The state role can be predominantly regulatory or predominantly supportive, the degree of public interest may be broad or restricted, and the implementation may be active or inactive. In most of the eight States, the patterns of public interest, state role, and implementation of new community policies are mixed. Only in New York was widespread public concern associated with an aggressive state role and active implementation.

Figure 5
State New Community Legislation

Degree of Public Interest:	*Broad*	*Narrow*
	Arizona	Louisiana
	Florida	Ohio
	New York	Georgia
		Kentucky
		Tennessee
Role Defined:	*Supportive* (a)	*Regulatory* (b)
	Georgia	Arizona
	Louisiana	Tennessee
	New York	Kentucky
	Ohio	Florida
Extent of Implementation:	*Active*	*Inactive*
	Louisiana	Arizona
	New York	Florida (c)
	Ohio	Georgia
		Kentucky
		Tennessee

(a) Supportive roles provide for the expenditures of public funds to encourage new community development. The degree of support ranges from assigning new communities special priority in agency expenditures, to creation of a public development corporation to participate in new community development.

(b) Regulatory procedures refer to the creation and public oversight of special districts for new community development. The degree of oversight ranges from requirement of a general plan to state criteria or final approval of new community districts.

(c) 1975 Legislation. State officials expect implementation.

Roles for the State

The first of the three similarities relates to the general role specified for the State, and the extent to which it both addresses the special needs of new community developers, especially in the areas of site acquisition and front-end financing, and harnesses new community building to state goals and public interest. In each instance, the States' role is facilitative, for the laws attempt, in varying degrees, to spell out the relationship of the public sector to the private new community developers. Beyond this basic role, the various policies can be grouped into two broad categories: regulatory and supportive.

Regulatory

Under the regulatory role adopted in Arizona, Florida, Kentucky, and Tennessee, the major emphasis of the policies is to give the States administrative oversight of privately developed new communities which affect the general public interest. Such policies attempt to safeguard the interest of future residents and existing communities. They simultaneously provide some assistance to developers by establishing defined procedures for the negotiations of the developers and local officials for permits required prior to land development and facilities construction. Developers are given some recourse against the opposition or obstacles created by local officials who may oppose any large-scale development.

Within the regulatory role, the degree of state oversight can vary significantly. Legislation typically defines a process by which local general improvements districts, with the powers to provide several public services, are created specifically for the development of large-scale, planned communities. A minimal requirement is that the project be developed in accordance with a general plan which is subject to review by local officials. Greater state oversight occurs when the procedure for creation of the district permits or requires other local and state officials to review and comment on the proposed new community plan prior to local creation or rejection of the proposed district. A direct state regulatory role occurs when the State is permitted to set standards which local officials must observe in creation of new community districts or when state officials exercise final approval of plans for the proposed project.

Supportive

Rather than merely facilitating the local creation of new community districts, policies in Georgia, Louisiana, New York, and Ohio authorize the expenditure of public funds and/or the implementation of public authority in support of new communities which meet specified criteria. Again, the degree of state support can vary significantly. At a minimum, the State can single out new communities as being eligible for special consideration or higher priority in the distribution of state agency funds. A significantly greater degree of support occurs with legislation which authorizes the "dual developer" or directly creates a public corporation.

In both the dual-developer and the direct state developer approaches, public policy responds to the frequently stated need for public sector assistance in coordination of public facilities planning and in the large, front-end investments required in new communities. With such policies, state or local public corporations are authorized to issue tax-exempt bonds and to use the funds for planning and development of specified community facilities. Rarely, however, do state policies include provisions to simplify the costly task of site acquisition. The value of a public corporation approach is that the public entity may have greater leverage than private developers in soliciting support for the new community project from local officials and state agencies whose decisions affect the development.

Public Interest in State Policies

Similarities also exist in the circumstances leading to passage and implementation of legislation authorizing a new community policy. In most instances, there was some recognition that in their efforts to build communities in new patterns, developers are frequently hamstrung by laws, regulations, and governmental institutions designed for traditional community development methods.

In several States, the passage of legislation reflected the concern of public officials and other interested groups with the pattern of growth and the pressures which rapid growth placed on natural resources, public services, and local tax bases. Where influential state officials or public interest groups took an interest, the public visibility, study, and debate on the question of state involvement in large-scale, planned development tended to be substantial. In Arizona, Florida, and New York, the question of state new community policies was tied to broader growth concerns, and extensive study preceded the adoption of the new community bills.

In several States, the support for new community policies was limited to a few but effective private individuals or public officials. In Georgia, Kentucky, Louisiana, Ohio, and Tennessee, the question of state involvement in new communities centered on one or more specific new community projects. With the growth management implications of a state role downplayed, public visibility and executive or legislative interest were limited. As a consequence, the policies were adopted with limited study or debate.

Implementation of New Community Policies

If a legislatively adopted new community policy is to have real significance for the patterns of growth and community development, its provisions must be actively implemented by the State or by private interests using a state-sanctioned mechanism. Of the eight States with formal new community policies, provisions of the legislation have been implemented in only three—Louisiana, New York, and Ohio; but Florida officials expect that the State's 1975 legislation will be used by developers. The degree of public interest and debate does not completely

explain why the policies have been implemented in certain States and not in others. States where the legislation has been implemented include both those where interest was broadly based and those where it was more restricted. The same is true for States where the legislation is dormant.

The actual implementation of the policy cannot be explained by broad patterns. It reflects a particular combination of circumstances in each State: the groups or individuals supporting a defined state role in new communities, specific details of the state role outlined in the legislation, and the general growth pressures and economic conditions prevailing in the State once the legislation is enacted. In some States, general economic conditions explain the current lack of interest in new community legislation. In others, the criteria for using the legislative provisions are so strict as to discourage their use by private developers. The factor leading to the current status of the eight new community policies can best be seen by examining each State.

Eight Cases

Kentucky

Kentucky's new community policy [H.B. 320 (1970)] defines a regulatory role for the State in new community development, but it provides for minimal state oversight. The law authorizes the creation of a new community district upon petition to the county court (the administrative body of the county) and suspends housing and building codes in such a district to encourage innovative techniques. The major public oversight provision is a requirement that land must be developed in accordance with a development plan filed with and approved by the court. Interest in a state policy emerged from fairly specific growth issues and from privately conducted studies. The bill introduced in the Kentucky Legislature reflected new community research conducted at the University of Louisville. It was prompted by the opportunity for planned growth at Midland, Kentucky, created by the proposed construction of a dam. The bill did not receive significant attention and was signed into law with minimal legislative or administrative input. Serious interest in implementing the state policy never developed after local problems and economic changes threatened the viability of the project.

Florida

Florida's recently enacted new community policy [H.B. 1780 (1975)] provides for a moderate state role in local governments' creation of new community districts. The law requires that the Department of Community Affairs, and other relevant state agencies, be permitted to review and comment on the petition for a new community district filed with the county. Direct state oversight of large-scale, planned communities is much greater in Florida than implied by the new community legislation. Such projects are considered a development of regional impact under provisions of the 1972 Environmental and

Land Use Management Act. Under the review and appeal procedures of that act, final authority to approve or reject a proposed project rests with a cabinet-level state body.

Public concern with a state new community policy originated from a widespread sense of crisis attributable to rapid population growth. The serious drought in southern Florida in 1971 led to strong state concern and legislation for land and water management. In its study of land use practices, the state-sponsored Environmental Land Management Study Committee (1972) focused special attention on new communities and other large-scale, planned communities. Its recommendations reflected state officials' concern over the governmental fragmentation resulting from local officials' creation of special districts to accommodate growth pressures.

Thus, a major provision of the legislation is the stipulation that, with few exceptions, the new community district procedure is the sole authorization for the establishment of independent special districts (163.603). Developers, initially hesitant to have any state involvement, later endorsed it as a safeguard against local obstructionism. The growth pressures in Florida, and the stipulation that the New Communities Act is, with few exceptions, to be the sole authority for all independent districts, make it fairly certain that Florida's legislation will be implemented when economic conditions are conducive to large-scale, community development projects.

Tennessee

In Tennessee, a fairly direct state regulatory role is defined by the new community policy [Ch. No. 749, S.B. 1785 (1974)]. A state-level Community Development Board is created to establish minimum standards, rules, and regulations for the development of new communities. Through the board, new community certificates are granted which authorize developers to exercise the rights and authorities provided in the legislation, subject to responsibilities inherent in the certificate. Like Kentucky's law, the Tennessee New Community Development Act is also the result of specific growth pressures and new community projects in the State.

The activities of the Tennessee Valley Authority create unique development projects in east Tennessee; and officials of the TVA initiated the studies, the public task force, and local negotiations which culminated in S.B. 1785. Active participation by state officials in drafting and winning support for the bill was limited. Provisions of the bill for state monitoring do reflect the active input of local officials and their concern that the interest of present and future citizens of the community and surrounding areas be safeguarded. There has been little activity to implement provisions of the bill, apart from naming the members of the Community Development Board. Major interest in the policy came from TVA, and the downturn in the economy and building industry caused officials of TVA and Boeing Corporation to postpone plans for a jointly sponsored new community project.

Arizona

Arizona's new community legislation [Ch. 43, S.B. 8 (1970)] has a direct and stringent state regulatory role in the creation of new community districts. The law provides for the establishment of the State Community Development Council, and gives it final approval on the creation of general improvements districts, and extensive oversight and regulatory authority over the bonding powers of the districts and the planning and development of the projects. The application for creation of a general improvements district requires phased development and a plan of development with the following components: a site and land use plan, a facilities plan, a housing plan, a community services and government plan, proof of compatibility of the plan with the general area, an economic feasibility element, a financial plan, and provisions for controls to enforce the plan of development.

In Arizona, as in Florida, substantial growth and community building is occurring without the encouragement of state policy. Therefore, a concern of state officials is to encourage sound growth patterns which do not overwhelm the capacity of existing governments to plan for and service that growth. The distinct difference between the Arizona and Florida laws on the special district mechanism reflects the different histories of their evolution. In Florida the initiative came from the public sector—the Environmental Land Management Study Committee. The original version of the Arizona legislation was drafted by various developer interests, and strongly reflected their concern to ease the process of obtaining necessary authorizations for large-scale projects. The proposed legislation aroused strong public and legislative debate and controversy. The Arizona League of Cities and Towns became actively involved in endorsing a strong public sector role, and studies conducted by the Institute of Public Administration at Arizona State University on the policy problems of public regulation of new town developments contributed to the debate.

The result of this extensive public debate was the stipulation that new towns using the general improvements districts, rather than special-purpose districts, satisfy rigorous, detailed criteria. The procedure and requirements proved so stringent that, in its five years of existence, no developer has used this mechanism; yet large-scale, planned developments continue to be built in Arizona without the benefits of the general improvements districts vehicle. The 1975 Legislature failed to reaffirm a state role in monitoring of new community development when it defeated land use legislation which specifically included new communities as an activity of statewide concern.

Georgia

Of the States whose new community policies provide for state support of new community development, Georgia adopted a limited role of support. Its Planned Growth and Development Act authorizes, but does not mandate, the expenditure of funds by the Departments of Education, Natural Resources, and Transportation on facilities serving planned new communities. The State

certifies new communities as having met certain criteria and, therefore, eligible for state development assistance.

The study and recommendations of the Governor's Commission on Planned Growth in 1973 provided the catalyst for passage of new community legislation the following year. In spite of its official status, the initiative behind the Commission on Planned Growth and the new community legislation was a small group of citizens vitally concerned with future growth patterns in Georgia. The proposed legislation did not evoke significant legislative or administrative interests.

Portions of the legislation have been implemented, but not the sections dealing with state expenditures for new communities. Under the authority of H.B. 1658, a separate unit on planned growth was created in the Office of Planning and Budget. Though its staff provides substantial technical assistance to localities and substate regions, the greatest attention to date is focused on planned growth and management in the coastal zone.

Louisiana

In Louisiana a policy endorsing a dual-developer approach prevails. The state legislation [Rev. Stat. Ann., Section 33.7602 (1972)] authorizes municipalities and parishes of more than 300,000 population—i.e., New Orleans—to create new community development corporations. These new community development corporations have revenue bond authority and are empowered to undertake a broad range of development and redevelopment activities.

In spite of its comprehensive approach, the Louisiana law does not reflect a strong state-level policy supportive of new community development. Initial interest and major support came from New Orleans officials seeking a state policy which would facilitate a Title VII new town-in-town for the city. The Legislature supported such a policy only when the provisions of the law were limited to New Orleans, and the power of eminent domain was prohibited to the New Community Development Corporation.

The legislation has been implemented with the creation of the New Community Development Corporation. City officials developed a master plan for Pontchartrain, a new town-in-town, and were negotiating with HUD for Title VII loan guarantees and interest differential grants. With the Title VII moratorium, the city's active planning role ceased, and options on the site were dropped. Officials expect to cooperate with the private developer of a revised project.

Ohio

The Ohio New Community Authority Act [Am. Sub. H.B. 1063 (1972)] endorses the dual-developer approach through general enabling legislation which outlines procedures for the creation of new community authorities. After approval by all nearby populous cities or those with extraterritorial subdivision

authority, a local authority, with public and private sector representatives, can be formed to oversee and participate in the development of balanced new communities within a designated district. The authority is empowered to issue revenue bonds and impose user and service fees; but it is restricted from municipal government activities, such as zoning, fire and police protection, and water supply and sewage treatment and disposal. It may engage in recreational, educational, health, and other social programs.

Interest in a state new community policy has been fairly restricted, with initial support for the legislation coming from a developer interested in building a Title VII new community. The dual-developer approach has been implemented for the development of the Newfields new community near Dayton. The Newfields New Community Authority was created by Montgomery County officials after prolonged negotiations with the private developer of the Newfields new community. In spite of legal challenges to the constitutionality of the law under which it was created, the authority, under private, interim financing, is actively participating in the planning and construction of the new community.

New York

New York's new community policy is embedded in a broad policy endorsing a direct state role in the development and redevelopment of housing, industrial, commercial, recreational, educational, civic and cultural facilities (Ch. 174, Sec. 1, Laws of 1968). A state development corporation, the Urban Development Corporation, has full authorization, including a restricted right of eminent domain, to acquire sites, to develop designs and plans, and to finance and develop any of the above projects, including balanced new communities.

The legislation reflected strong gubernatorial interest in the urban development patterns of the State. While the crisis contributing to Florida's new community law was environmental, in New York the crisis was urban-based. The severity of social, economic, and urban problems in the late 1960s overcame initial legislative reluctance to create a strong state development agency.

New York's new community policy is unique both for its direct state developer role and for the far-reaching implication of its power. The Urban Development Corporation is developing three new communities—Roosevelt Island (in New York City), Radisson (near Syracuse), and Audubon (near Buffalo). After the financial difficulties and the temporary default of the agency in 1975, UDC officials postponed further development of the three new communities, each with a small residential population, until the agency's financial position improves and economic and market conditions warrant further construction.

State Support for Planned Community Development: Implicit New Community Policies

New community legislation has had limited success in bringing coherence to the multifaceted relationships of state and local governments and new

community development. Yet significant activities in many States are leading to a quiet, implicit new community policy which holds promise for the objectives of both the State and the new community.

Without seeking specific legislation or public policy commitment to the new community model of community development, many States are proposing new growth-related policies, or are attempting to combine existing programs and fiscal resources in order to use planned development projects as a positive growth management tool. Many state officials are more cognizant of the impact of new communities on and potential for state growth management efforts as they move away from a predominately regulatory and reactive response to growth. Coordination is a key component in state planning and growth management, and effective coordination requires that people who need to be talking together are put in a position of having to talk together and of having to recognize their areas of mutual interest and conflict. New communities can be a catalyst for the interagency and intergovernmental coordination necessary for growth management.

Recognizing the challenge and opportunities offered by large-scale community development, several States have singled out new community development activities as a defined area for special attention or consideration in state programs of community development and growth management. Several States enacted legislation which expands the State's role in land use planning or direct development of large-scale, planned developments. Other States, experiencing the problems associated with large-scale, planned developments, have created tools to strengthen local governments' capabilities to deal with urban growth of such scale and complexity.

The implicit policy for new community development is less formal than seeking new authority over new community development activities. In several instances, officials seek to administer ongoing state programs in a manner which benefits those large-scale, planned communities whose development is congruent with broader state growth objectives. This emphasis in program administration often involves the creative implementation of existing state powers and programs and is more prevalent in States where the administration and state agencies express a strong interest in comprehensive planning and growth policy.

New State Authority over Planned Development

In several States, an expanded state role in planned community development is a result of the State's concern for and increasing activity in land use regulation, planning, and development powers, or financing of public facilities. In many instances, the legislation or regulations authorizing and guiding the State's new role in land use and development activities make explicit reference to new community development.

Land Use Regulation

Land use and environmental management programs have evoked greater state involvement in new community projects in several States. Florida

intervened actively in large-scale, planned community projects prior to adoption of an explicit new community policy. Acting on authority granted by the 1972 Land and Water Management Act to regulate developments of regional impact, the Florida State Cabinet refused permission for the construction of Three Rivers, a planned community near Orlando. The cabinet decided in favor of the appeal by the regional planning council, and ruled that the developer would have to provide more information on water, sewage disposal, and traffic management before permission could be granted.

Colorado responded to the imminent threat of oil shale development by including limited provisions for public oversight of new community developments in its 1974 Land Use Law (H.B. 1041). A county has the option to designate a large-scale, planned development as an activity of statewide concern, and thus require the developer to meet guidelines for new town development before the necessary permits are issued. Oil shale development and mining will create significant growth in the State, regardless of planned development proposals or a county's decision to exercise its option for oversight authority. In 1974, the State Land Use Commission implemented the oversight authority by issuing temporary emergency guidelines to assist Garfield County officials in analyzing the reasonableness and workability of a new town proposal made by a large oil shale development corporation.

The 1974 Colorado Legislature failed to extend state involvement in new communities as proposed in an amendment to the 1974 land use law. The amendment, H.B. 1006, would have defined new, free-standing towns, but not Planned Unit Development or urban projects, as major developments of state interest; would have set forth detailed development criteria for evaluation of proposed projects; and would have given the Colorado Land Use Commission strong review powers over the local governments' initial approval or rejection of new town proposals.[22]

The State of Maryland is well along in its preparation of a generalized comprehensive land use plan and therefore many state actions impact on the development of new communities. The State, with an active role in land use and environmental planning and management, defines existing or potential sites of new communities as areas of critical concern. The State, through the Department of State Planning, has the right to intervene in and become a party to any administrative, judicial, or other proceeding in the State concerning land use, development, or construction.

Maryland has had a direct support role in the development of St. Charles, a Title VII new community in the metropolitan area of the District of Columbia. The Department of State Planning took the lead in establishing coordination and responsibilities among the county, region, state, and federal governments, and the developer for the purposes of conducting an impact study and determining implementation actions relating to St. Charles. Another example of state oversight of the development of St. Charles involved a delay in construction caused by the refusal of the Department of Health and Mental Hygiene to give

the required signoff on water and sewer plans until certain modifications were made.

Public Development Authorities

Some States have provided direct development powers to state agencies in order to increase the State's influence over community development patterns within regions of the State.

Georgia's initial involvement in large-scale, planned development occurred long before the current interest and legislation in planned growth. The State was the developer of a planned community on Jekyll Island. Responding to the special opportunity offered by state ownership of the undeveloped island, the Legislature created the Jekyll Island Authority in 1950 to control development on the island. The result is a planned recreation community built under state aegis.

The Hackensack Meadowlands Development Commission, created in 1968 by the New Jersey Legislature, represents a similar pattern of a strong state response to a specific and geographically isolated development opportunity. New Jersey has no official new community policy, but it created a special authority with strong planning powers to encourage balanced development in the environmentally sensitive suburban New York area of Hackensack Meadowlands. Though the Meadowlands Commission lacks the strong development powers of New York's Urban Development Corporation, it assumes the functions of local planning boards in the 21 political jurisdictions within the Meadowlands districts and has selected override powers over local zoning decisions. A tax base sharing program among the 21 jurisdictions is a major factor in the commission ability to plan development of the area without being severely constrained by consideration of jurisdictional lines.

Maryland created a Community Development Administration within the Department of Economic and Community Development, with authority to assume a developer role in new communities, but there is little support among state officials or legislators to implement such a direct role. Nevertheless, the Community Development Administration is authorized to "encourage and facilitate the development of new and existing communities by reducing the costs of development through grants and loans, making available land for such developments and by assisting the efforts of private enterprise, municipalities, counties, local public agencies and local development corporations." It is further empowered to acquire and improve real property, but may exercise the power of eminent domain only for specific projects within a municipality or county which has, by ordinance, given its prior approval.

Responses to High-Impact Growth

Few States face the intense pressure or feel the sense of urgency as do the several States where significant energy resource development is occurring or will occur. Unless action is taken by state, regional, and local officials, the new towns

which emerge will not be planned, well-balanced communities, but a twentieth century version of the legendary "boom" town. Such towns have already appeared. In Rock Springs, Wyoming, rapid expansion of a powerplant and of trona mining activities led to a doubling of the county population between 1970-74, and overburdened the capacity of local governments and school districts to provide needed public and social services. Similar problems face Alaska, Colorado, Montana, Utah, and Wyoming, and state officials in these States are beginning to adopt new policies and powers, and to amend existing legislation to better equip the public sector to respond to or influence the pattern of growth.

Legislatures in none of these States are considering adoption of specific new community policies. The growth which these States face is too varied and too immediate to channel into a long-range, planned, large-scale, development pattern. Yet many of the community development policies and activities adopted or under consideration by the States are relevant for the development of planned, well-balanced new communities. A major concern of public officials is local governments' ability to respond to the demands for public services created by a rapidly growing and fluctuating population. The thrust of state action is to make provisions for the front-end funding of public facilities and to minimize the risk of sprawling, poor quality, community development. Utah and Wyoming have adopted legislation which, though not addressed to new communities by name, is relevant for planned community development.

Utah. Utah faces a potential "Rock Springs" with the development of a large coal gasification generating plant near Kaiparowits in southern Utah. State officials are concerned that the growth which occurs in this isolated area develops into a viable community development rather than a company town. Lacking the growth management tool of statewide land use programs, the State has adopted a strategy of assisting developers with front-end costs in order to encourage soundly planned community developments. An executive order created the Kaiparowits Planning and Development Advisory Council to oversee development in the area.

The 1975 session of the Utah Legislature adopted a package of bills to facilitate energy development projects, with an emphasis on the planned new communities which the State regards as essential elements of such projects.[23] The Utah Housing Development Division was created to make available funds for low- and moderate-income housing. The Resource Development Act enables the prepayment of the State's 4 percent sales and use tax by a developer into an account from which the State can draw to finance public improvements, such as highways, needed to initiate project development. The Special Service District Act allows exceptions from municipal bonding limitations through the use of special districts within which the assessed value of all property, regardless of whether it is in the town, city, or county, determines the bonding limit. This provision makes it possible to include the value of industrial operations beyond municipal boundaries in calculating the ceiling to which municipal debt may go in providing the expanded facilities and services demanded by the new

population brought in by the industrial development. Moreover, a special district is permitted a supplementary bonding capability if the bonds are guaranteed by at least one taxpayer—including a private entity—within the district. The State is not given review powers over the approval or rejection of a petition to establish a special service district. Once established, the activities of the district (a quasi-municipal public corporation) are supervised and controlled by the governing authority of the county or municipality in which it was established. The Building Schoolhouses Act allows school districts to enter into contracts with industrial developers to provide school facilities if the districts cannot otherwise meet growth demands related to new development. Finally, a new Lending Program for Municipal Water Districts established a $2 million fund of supplementary construction loans for culinary (domestic) water system.

Wyoming. Wyoming has adopted legislation giving the State and its localities significantly greater powers in the area of community development and public facilities.[24] The authorized debt limitation of counties, cities, and school districts was increased in order to assist towns in managing the front-end costs of public infrastructure. The indebtedness of any county, city, or town for any water or sewerage system was exempted from any debt limitation. The Wyoming Legislature made further provisions for financing capital facilities in coal impact areas with adoption of a coal severance tax (in addition to the excise tax accompanying the Wyoming Mineral Trust Fund). The Legislature also expanded the joint powers of cities, counties, school districts, and other local public bodies.

The most significant legislative action was creation of the Wyoming Community Development Authority with broad development authority. The authority may issue state-backed local or state revenue bonds to finance facilities in the State by any of its agencies, municipalities, counties, or political subdivisions; it may acquire, own, operate, lease, sell, or dispose of public facilities on its own or jointly with other governmental entities; it may make loans to municipalities and other state agencies, as well as make loans to or purchase them from mortgage lenders; and it has rule-making authority.

The authority has financing, planning, and development powers in a broad range of activities: civic projects, which include basic public infrastructure as well as educational, recreational, cultural, and health-related facilities, and real property; water projects, including local and regional facilities, water rights, and raw water sources; and residential real property, meaning single-family dwellings, duplexes, apartments, condominiums, and other residential housing accommodations "or any combination thereof." The authority, as a housing finance agency, is a "lender of last resort," for it may finance projects only in areas where existing private mortgage lending is insufficient to finance the housing needs. The authority, which has no powers of eminent domain, is to focus its activities in areas affected by rapid economic growth attributable to energy resource development.

Alaska. Alaska is experiencing severe economic growth problems associated with construction of the pipeline and its terminus, and state and local

governments are beginning to respond with housing and other impact studies and programs. The State does not have a specified new community policy, but the Department of Community and Regional Affairs, created in 1972, is specifically empowered to "assist in the development of new communities and serve as the agent of the State for purposes of participation in federal programs relating to new communities."[25]

The State is assuming the direct developer role in the planning and construction of a new state capitol; but this special case is not reflective of a general policy regarding planned, large-scale developments. Little interest has been expressed by state officials in using the State's authority to assist new community development. After a two-year study, plans for a joint state-private venture on the "Lost River" project, a city to support the population needed for fluoride and tungsten mining operations, were dropped by the State after it was determined that state participation was inappropriate.

Creative Program Implementation for Planned Developments

What appears to be needed is innovative or creative implementation of existing state powers and programs to arm the State with more effective growth management and community development mechanisms. Creative application of existing powers and programs offers the State a flexible response to large-scale, new communities and to other, smaller projects which generate significant growth pressures or opportunities. It adds a positive aspect to what is too often a regulatory, negative state response. Through innovative program administration, state officials can discourage large-scale projects in areas where growth is not desired, as well as encourage projects in areas where growth can be accommodated. In addition, such a strategy minimizes the "outsider" status of most legislated new community policies by incorporating state involvement in new community development into the ongoing administration of community development related policies and programs. An implicit policy serves to coordinate new community needs and opportunities with the needs of existing communities.

In many States, the particular needs and challenges presented by new community projects were the catalyst for state officials to seek innovative responses. New community projects and the communities affected by their development have often been the major beneficiaries of state administrative decisions, and the community development strategy devised by the State is frequently applicable to the needs of communities across the State.

State Decisions to Assist New Community Projects

In States such as Illinois, Maryland, and North Carolina, state officials recognized the contribution which new community projects could render to the broader public interests. As a result of negotiations between the developers and public officials, decisions on the timing or location of budgeted state projects were made to optimize the benefits to both the development projects and to the State.

North Carolina officials worked with the developers of Soul City to use the project as the impetus for a federally funded regional water and sewer system for the rural area. With the Title VII project under way, a decision was made to move the upgrading of state roads in the Soul City project area up on the State's capital improvements priority list.

In Maryland, a similar cooperative relationship has occurred on occasion. After negotiations with and contributions by the developer, the State moved up on its highways priority list the improvement of roads and the construction of a highway interchange to serve the area of Columbia, Maryland. In the area of housing, officials in the Department of Economic and Community Development and Title VII and new community developers in the State have also worked cooperatively. With the end of many federal housing subsidy programs, Title VII developers are more dependent upon the State for housing subsidy programs. Maryland officials sought to minimize risk on the first FHA housing loan program of the Community Development Administration by financing projects within the new community of St. Charles.

In Illinois, efforts by state officials and developers of large-scale projects to work cooperatively have had mixed results. The State located a university campus at Forest Park South; yet efforts of the Illinois Housing Development Authority to work with new community developers have been less successful, in spite of interest by both developers and agency officials. The Housing Finance Agency is statutorily limited to residential housing and to federally guaranteed landbanking programs. A 1975 legislative resolution expressed concern over rapid growth in areas of the State and recognized the occurrence of new communities; yet several bills to create a strong state development agency have made little headway in the Legislature.

Creative State Community Development Programs

In several States, large-scale, planned community projects provided the catalyst for far-reaching state efforts to develop effective community development programs responsive to a variety of growth objectives and development scenarios.

In New York, officials of several state and local agencies and the Urban Development Corporation have worked cooperatively on new community and related development projects. UDC provided funds to the local government to conduct the planning and zoning studies preliminary to development of the Radisson new community. Development of the project was based on an agreement of UDC and local officials that creation of the economic base would precede residential development—a distinct departure from the development patterns of other new community projects. UDC officials worked with other state, local, and regional officials to attract Schlitz Brewing Company to a New York site. The balanced, planned development of Radisson was one factor which made it possible for New York's industrial development officials to attract Schlitz without offering significant industrial incentives.

The development of Audubon provides further evidence of creative implementation and packaging of community development projects. Audubon is sited to capture anticipated growth associated with development of a new university campus; yet it is also part of a regional development scheme to link redevelopment of the core city with development of traditional suburbs and the new community. One device to bring officials of the various jurisdictions together is development of the major mass transit corridor of the Buffalo system.

New Jersey has been in the forefront in examining the innovative growth opportunities offered by large-scale, planned developments. As a result of university and other private research organization studies, the concept of transfer of development rights as a tool for growth management is well known to state officials and Transfer of Development Rights legislation came close to passage in the 1975 Legislature.

Equally important to both developers of large-scale developments and to local officials is the New Jersey Housing Finance Agency's interest in moving from traditional programs of urban renewal and housing for the elderly to the concept of planned growth. The agency has explored the legal questions of its involvement in condominiums and in projects with staged development. Staged development would represent a breakthrough for state housing financing agencies with their need to be financially self-sufficient and their dependence on short-term projects. The agency is also concerned with off-site financing in planned unit developments, and is exploring the feasibility of a tax plowback or other mechanisms to recapture the value partially created by the agency on off-site construction activities. The financial market conditions of 1975 have prevented any major steps to implement these potential new programs.

In Louisiana, the proposed Pontchartrain new community and the new communities legislation received the greatest public attention. One spin-off of the concern with Pontchartrain was a proposal for Algiers, a smaller new town-in-town project, whose planning is in preliminary stages. The city can design a viable urban development project by using existing police powers, careful preplanning of road locations and open space, and coordination with other state and federal agencies.

Some of the most extensive and ambitious efforts to use existing programs, supplemented by additional authority where necessary, have been undertaken by state officials in Ohio. State activities to oversee the development of surplus state land, to reexamine state policy toward large-scale, planned developments, and to provide sufficient capital for urban redevelopment have occurred simultaneously with the New Community Authority Act and the Newfields Title VII project. Officials in the Department of Economic and Community Development have focused on sound community development rather than concentrating on a state policy and program for new communities per se. As a result, the State is better able to adjust to changing federal community development programs and to be responsive to the needs of new communities and to moderate-size cities and urban areas. Ohio's community development policies and programs are guided

by a view of the State's role as a catalyst to encourage public-private partnership in development at the local level.

As a result of this view of the State's role in community development, officials in the Department of Economic and Community Development (DECD) are closely involved in efforts to facilitate the cooperation and coordination of the various public and private actors involved in new and "renewed" community development.

One of the major efforts at intergovernmental, interagency, and public-private cooperation centered on the Dayton State Hospital Farm project. As a result of a special legislative act, the City of Kettering and DECD prepared a development plan, using deed restrictions to govern the sale and development of the land. Successful implementation of the plan and disposal of individual parcels to interested industrial concerns require careful negotiations among state agencies, among state, local, and federal officials, and between government officials and the prospective buyer to ensure that necessary capital improvements are made on schedule and according to environmental quality standards. DECD officials have acted as the catalyst to bring all parties together.

Ohio has several existing legislative powers which are important community development tools. One of these is the dual-developer power of the New Community Authority Act of 1972; but its use has been limited by the provision that the authority be dissolved if federal financial assistance under Title VII is not obtained by the authority within two years. A second measure is the Impacted Cities Act of 1973 which provides tax incentives for redevelopment projects to remove or prevent blight when undertaken by urban redevelopment corporations. A third measure, whose constitutionality remains to be tested, is the Ohio Housing Finance Bill (H.B. 870, 1974 session). The measure broadened the authority of the Ohio Housing Development Board by giving it full financing authority (mortgage guarantee, construction loans, seed money, loans to lenders, and direct loans). A fourth measure is Urban Renewal Increment Bonds (ORC 725).

State officials are exploring means to increase the effectiveness of these discrete tools which are designed to leverage public investments and to encourage private investment in preservation and rehabilitation projects in existing urban and rural centers. Additional tax incentive or bond guarantee programs may enhance the attractiveness of these financing tools to private developers. The objective is to develop a package of development programs with a creative combination of state and local resources to attract the maximum private resources and activity into community development efforts.

5 | Issues and Options: The State's Role in Community Development

Issues

One of the unresolved questions of the new community movement in the United States is the role of state government in the development of large-scale, planned communities. Private developers, straddled with numerous requirements for state and local permits, zoning and subdivision ordinances, and federally related environmental impact studies and reviews, at times argue against the addition of another governmental voice to the development process. Most local and federal officials involved in the development of large-scale, planned communities are accustomed to the long-standing, federal-local partnership in community development activities and are not particularly concerned with the State's involvement. Most state officials, aware of the political risks of supporting such costly and unorthodox approaches to community building, adopt a hands-off attitude toward the development of new communities. These attitudes, reinforced by a traditional "bricks and mortar" concept of community development, obscure the extent and critical nature of state government's involvement in community development.

However, there can be little debate on whether state government should be involved in the development of large-scale, planned communities. States are involved, for much of the governmental authority over community development activities ultimately resides in the State. Community development—the creation of a quality living environment—is not the exclusive domain of one or a few state agencies, but is behind all that the State does or fails to do.

The State's involvement in community development—long dormant or unseen as many powers were delegated to local governments—becomes more essential due to several reinforcing trends. First is expansion of the community development concept to include land use, planning, and economic development activities, as well as the traditional project emphasis on roads, sewers, public buildings, and parks. Second is the growing awareness of the regional context of community development activities, as population mobility and economic interdependence blur jurisdictional boundaries, and as the courts show a willingness to ignore jurisdictional lines in housing-related decisions. Third is the growing presence of government regulatory and incentive programs in development activities. The need for reviews, approvals, and permits from all levels of government for activities affecting the land, environment, or general public health and safety makes state government an associate with the private sector in community development.

The result of these trends—all of which are visible in large-scale, planned development—is a greater awareness of the State's fundamental role in community development. Local officials frequently turn to the State for assistance in land use and community planning, and for greater authority and assistance in local economic development programs. In many instances, the State has taken initiatives to reestablish its legal authority over land regulation and to exert greater influence over the direction of future growth. Much of the impetus for more active state involvement in land use and community development is the growing awareness of the regional impacts of many community development activities. The greater government presence in development-related activities also enhances the State's role relative to federal and local governments. The federal government can take initiatives to protect the environment and to encourage comprehensive and regional planning, but it must rely upon the States to develop the programs and mechanisms to implement those initiatives.

Benefits and Risks of Large-Scale, Planned Community Development

The growing interest and activity within many States to encourage sound land use patterns, environmental protection, and economic development are positive signs for state policies to encourage large-scale, planned approaches to community development. Yet the benefits which such approaches offer for land use and urban development objectives are accompanied by certain risks.

The benefits of large-scale, planned community development, especially balanced new communities, have been discussed at length by the proponents of new communities. The basic argument is that "planning" and "scale" in the growth and development of communities, new or otherwise, encourage efficient urban development by the provision of preserviced development to guide population settlement within a region. Planning and scale offer the following benefits:

- The efficient delivery of public services at a long-term saving to the residents and the local government;
- The accommodation of necessary population settlement with minimum adverse impacts on the environment;
- The opportunity to provide a variety of housing choices and living environments to a range of income groups;
- The opportunity to deal comprehensively with the problems of poverty, housing, employment, education, recreation, and social services; and
- The opportunity to refine the respective roles of the State, local governments, the federal government, and the private sector in community development.

The benefits to a State of a policy supporting large-scale, planned community development are not without certain costs and risks which are more immediate and visible than the long-term benefits. Some of these costs and risks are:

- Heavy front-end investment, both in planning studies and in provision of

public facilities to serve the eventual population, is required in planned programs of community growth.

- Public planning may entail political risks to public officials. Long-term, large-scale, comprehensive planning by government goes against the traditionally accepted principles of private initiatives in land development activities. State-level planning for community development is often viewed by local officials as an invasion of home rule.
- Planning entails administrative difficulties and risks. Planned, particularly comprehensively planned, community development requires close coordination among the various participants—federal, state, local, and private sectors. Such coordination is difficult to achieve in a complex economic and governmental system, where government involvement in the market economy is far reaching.

In spite of these early risks and the uncertainty of achieving the eventual benefits, many officials—federal, state, and local—are calling for greater planning and coordination in government programs. The cost of the status quo—the confusion, uncertainty, and waste resulting from overlapping responsibilities and conflicting regulations of federal, state, and local government programs—is beginning to outweigh the risks.

The Problems of Large-Scale Development

New community building in the last decade has been a learning experience—often frustrating and costly—for developers and for the communities affected by it; yet it has uncovered some of the basic problems associated with large-scale, planned community development projects. These include the following problems:

- The total costs of front-end financing and the allocation of the costs between the public and private sectors;
- The necessity for public subsidy to provide housing for a range of income groups, especially low- and moderate-income families;
- The need for public mechanisms to assist in the assembly of large tracts of land suitable for large-scale, community development;
- The limited capacity of local governments to plan for, finance, and deliver efficient and effective public services to significantly increased populations;
- The absence or weakness of public regional organizations for planning and implementation of community development programs; and
- The difficulty of coordinating government decisions on the provision of public capital improvements, and of coordinating public decisions with private sector development plans and investment decisions.

The Shortcomings of Title VII

Much of the Title VII new community legislation was designed to address these problems. The loan guarantee provisions, public service and supplemental grants, and special planning grants address the problems of front-end financing

and local government capacity. Grants to state and local public bodies to cover up to 70 percent of the cost of acquiring undeveloped land were to encourage public assistance in land assembly. The requirement that all new communities be subject to all governmental reviews and approvals required by state or local laws and HUD directives was to encourage greater governmental coordination.

However, federal administration of the Title VII program ignored or glossed over those program supports which addressed the stumbling blocks of front-end support and governmental coordination. As one observer of the Title VII program commented, "There's never been a comprehensive program. The only thing able to be evaluated is whether a debt guarantee program works." Title VII, as administered, is an assistance program for the developer. The grants needed to build a new community to Title VII standards and to establish harmonious working relations with state and local governments were not funded, in spite of the fact that new communities do create extra capital and operating costs in the early years. The requirement that new communities receive all required governmental reviews was not closely monitored by HUD officials who did not recognize the importance of state and local governments' cooperation in the building of a new community.

Even if all the program supports and review requirements of Title VII were fully implemented, they can only serve as inducements for state and local government participation. Due to the legal and jurisdictional characteristics of the federal system, only the State can directly address many of the problems experienced in the development of large-scale, planned community development. Not all of the serious cash flow problems experienced by developers can be addressed by governmental actions, but the excessively long and therefore costly period between initial planning and completion of the first phases of the project is partially attributable to the need for numerous governmental reviews and approvals. Thus, state actions to streamline the interactions of the public and private sectors can make a significant contribution to the development process.

The Need for State Action in Planned Development

The image of new communities as white, middle-class enclaves, and their current financial problems, distort the real value of the new community effort for state government. The realities of the Title VII program should not bring about a complete abandonment of its goals, but a new approach to its implementation that includes a greater appreciation of the enormous complexity of growth management and community development processes, and the critical role of the State in those processes.

Many of the problems and dilemmas surrounding efforts to build large-scale, planned communities are not unique to new towns. The problems of front-end financing, local government capacity, regional impacts, and intergovernmental coordination differ only in degree from other large-scale, development projects—regional shopping centers, airports, energy resource development

facilities, planned unit developments, and public facilities. All such projects attract significant population settlement or movement and have major impacts on land and the demand for services. Thus, the State's role in large-scale, planned community development cannot be dismissed as a passing concern because market and economic conditions have caused many private developers to turn away from the new community concept.

The formulation of a state policy to encourage sound community development and regional growth patterns can benefit from the lessons of the new community experience, without giving a full endorsement of the new community concept. The experiences of new community building highlight a number of needs which are applicable to the full range of community development and regional growth activities. The State can seek to improve the entire community development process by transferring the perspective and lessons learned from the new community experience to other community development problems. Part of the initial justification of new communities was their value as pilots for new approaches to urban problems. This justification can be realized when government accepts, modifies, or incorporates these new ideas into ongoing public policies and programs.

The problems experienced by new community developers point to the need for government action that would promote:

1. More cooperative relationships between the public and private sector in development-related activities;
2. Greater cooperation among local governments and a regional or statewide perspective on developments with regional impacts; and
3. Better program coordination among federal, state, and local governments and among agencies at the state level.

Efforts to address these three basic areas have a greater potential for improving the effectiveness of state government than do programs directed specifically to assist new communities.

Options

The State has several policy options in achieving the objectives of greater public-private sector and intergovernmental coordination and cooperation in new communities development. A state new community policy is one policy option. As a policy strategy, the focus on new communities has the educational value of opening up new perspectives to officials accustomed to functional program blinders; but as an action tool, new community programs need to be integrated into more comprehensive community and urban development policies and programs. Without such an integration at both the policy and program level, new communities will continue to be shunted aside in the allocation of public sector resources, and traditional community and urban development policies and programs will fail to benefit from the insights and innovations evolving from the new community development process. The State has a range of policy and program options for its involvement in new community development, and the

decisions it makes reflect the role it assigns to new communities in community development and growth management policies.

Policies directed to the objective of improved community development program coordination can be integrated with ongoing state activities in land use management, public capital improvements programs, state economic development programs, and state planning programs. The impact of program tools in these areas on efforts to encourage planned development patterns has been discussed previously. By linking the State's role in new community development to programs in land use, economic development, public capital investments, or state planning, the State can benefit from their reciprocal characteristics and increase the effectiveness of its efforts in each area. Realizing these benefits to the greatest possible extent can require changes in government's role in the development process, for government programs and entities frequently work at cross-purposes or merely fail to coordinate their actions.

Program Tools for State Involvement in Planned Development

Clusters of policy approaches and program tools are available to States to strengthen public-private sector relationships, regional responses to growth problems, and intergovernmental coordination. The challenge is to devise policies and programs which create a context and the mechanisms conducive to action in these areas. Individual but related policies and programs can be designed which, when implemented singly or as a package, give the State a flexible role and program response to community development opportunities. A carefully devised balance between planning and implementation programs, and a balance of the various program tools for intergovernmental cooperation, regional activities, and public-private cooperation can make the State an effective participant in community development processes.

The State can act directly or it may choose to adopt enabling legislation for local and regional responses. The balance between state and local or regional initiatives will vary both among States and between issues, but the past performance of local governments in voluntary cooperation for community development suggests that enabling legislation is usually insufficient. Strong state initiatives to encourage or even require local and regional interaction are probably more acceptable than direct state intervention in local community development programs.

State Program Tools for Public-Private Partnership

A major shortcoming to state and local governments' ability to affect community development patterns is their inability or unwillingness to initiate development projects. Most public entities are essentially passive, responding to the proposals presented by the private sector. As a result, their posture is frequently defensive, and their actions often are reactive and negative. Negotiations with private developers frequently center solely on housing densities or street widths and the allocation of costs, rather than the equally

important question of whether the project, its general design, and its location, contribute to sound patterns of economic and community development for the locality and the region.

Much of the antipathy of local officials toward large-scale, planned development projects is related to the lack of local capacity to effectively influence the community development process, and to a hesitancy to assume the costs of major growth activity. Increasing the ability of local governments to plan and initiate activities for local community development can contribute to the creative tension of a partnership, rather than an adversary relationship between the public and private sectors.

Community development policies and programs can contribute to a public-private partnership at the state and local levels by addressing three basic needs:

1. Increased capability for planning at the local government level;
2. Full authority of local government to initiate and participate in development activities; and
3. Equitable allocation of the costs of planned community development, and an ability to induce maximum private investment in public-purpose development projects.

Addressing needs in these three areas will require legislative and administrative actions, as well as manpower and financial resources.

Planning Capability. An increased capability, especially at the local level, to initiate and conduct planning for community development goals and large-scale projects can strengthen local governments' role in the development process. Much of the inability of local governments to plan effectively for large-scale projects is not simply limited manpower and financial resources, but also planning and regulatory authorities which are not fully appropriate to the special needs of large-scale community projects.

An increased planning capability can be encouraged by the following measures:

1. Increased manpower and financial resources for planning activities:
   - state planning grants to local governments;
   - availability of state personnel to undertake or assist in needs analyses, community development studies, and program design;
   - continuing training programs in planning and program implementation for local government officials and staff.
2. Authority to use planning techniques appropriate for large-scale development:
   - staged development, especially phasing of public capital improvements programs, combined with differential tax assessments;
   - transfer or purchase of development rights;
   - planned unit development zoning;
   - bonus densities zoning;
   - land banking and land writedowns for future capital improvements and residential industrial/commercial development.

Development Powers. Full authority to initiate development activities can strengthen local governments' position in their negotiations with private developers. Local governments should be able to act as or create a development entity, or to invite private developers to submit proposals for a project and program developed and then subcontracted by local government.

The authority and capability to initiate development activities can be encouraged by the following measures:

1. Local or regional development authorities, empowered to plan, finance, and execute a range of development activities (land development, land banking, public works) independently or in partnership or joint ventures with private development organizations.

2. Use of a contractual project agreement clearly delineating the responsibilities and obligations of both the private sector and public agencies and governmental entities in a phased community development project.

3. Strong financing powers of public development entities, e.g., taxable or tax-exempt revenue bonds, backed by a state set-aside for reserve funds or by a state-funded guarantee program.

Local governments' ability to interact with private developments is enhanced by the following measures:

1. Statewide standards for building and construction codes, with an emphasis on performance codes to encourage incorporation of new technology.

2. Regularized procedures for development-related permits and a coordinated permit process for state permits.

3. Use of general improvements special district mechanisms to establish a uniform review and approval process for locally created special districts for large-scale developments:

- state or regional criteria and oversight for the creation and use of special districts;
- provision for review and approval by neighboring jurisdictions of projects using a special district mechanism;
- provisions for appeal, by private developer or neighboring jurisdictions, of a local government's decision on creation and oversight of special districts.

4. State standards or guidelines for planned unit development ordinances which address the division of responsibility for public facilities between the developer and local government bodies.

5. A range of financing devices which give the public sector greater flexibility in devising financial programs to attract private capital to a range of public-purpose development projects:

- tax increment financing;
- tax abatement;
- prepayment of taxes.

Costs Allocation. An equitable allocation of the costs of planned community growth between the public and private sectors and between current

and future residents may minimize many of the objections of both local citizens and private developers to planned, large-scale growth patterns.

Numerous measures and mechanisms exist to address the issue of the allocation of front-end and long-term costs of large-scale, planned growth and to attract private investment in public-purpose development projects.

1. State grants, revenue sharing, or loans to local governments for planning and development activities, with priority to large-scale, planned projects or growth impact areas; and with consideration given to front-end financing for physical development and for social service programs.

2. State assumption of a greater portion of the front-end costs of planned community development, e.g., school construction and county roads.

3. Adoption of value-capture taxation policies[26] for state and local public facilities projects which increase land values and attract significant population growth.

4. State capital improvements programming, tied to coordinated growth management policies.

5. Strong state housing finance programs:
   - capital reserve funds to back revenue bonds and lessen dependence on federally insured projects;
   - development powers—land acquisition and finance authority for housing and related facilities;
   - authority to finance off-site improvements with provision of public capture of private sector plow back of the increased value created.

6. Enabling legislation for county service areas, special districts, and joint powers—to allocate the costs of planned capital improvements in relation to distribution of services among the beneficiaries.

7. Creation of expanded economic development programs which are coordinated with state capital improvements programming and land use regulation programs:
   - industrial recruitment programs related to local and regional development efforts;
   - high priority in recommendations for siting of economic development projects.

8. State assistance to local governments in improving their competitiveness on the municipal bond market:
   - state bank;
   - state municipal bond bank to aggregate small bond issues of local governments into a single bond offering;
   - technical assistance and services to local governments on the municipal bond market; e.g., bond counseling, capital improvement plans and debt servicing assistance, assistance in entry to municipal bond underwriters market, state scheduling of local bond offerings to avoid competitiveness.

State Program Tools for Regional Cooperation

Efforts to encourage regional approaches to shared problems are a major thrust of federal policies, but successes are limited. The A-95 review and comment process and substate districts remain potentially powerful tools for interlocal cooperation in development planning and programs; yet, with voluntary membership, substate districts often fail to exhibit a regional perspective and the A-95 process is too often viewed as only more red tape.

The challenge in creating regional cooperation and approaches to development-related issues is to create a system in which interlocal cooperation is feasible, and to create procedures for interlocal coordination on development activities at the local level.

Regional Context. Local governments' self-interest in development programs can be congruent with regional approaches to development. Several measures exist which can encourage this congruence of local and regional interests:

1. Reduced competition for rateables in the local tax base:
   - changes in state tax and fiscal policy which reduce reliance upon the local property tax base for provision of public facilities and services; e.g.,
     —state income tax;
     —state assumption of certain capital and operating costs of local services, e.g., schools and roads;
     —state equalization of educational funding;
   - enabling legislation and programs to encourage tax-base sharing in major growth impact areas;
   - enabling legislation and programs to encourage cost sharing of the impact of major development activities—joint power legislation;
   - priority in allocating state grants and revenue sharing programs to areas which attempt regional planning and funding or cost sharing programs for large-scale projects.

2. An affirmative state policy for regional sharing—"fair share" approach—in meeting basic regional needs, especially for housing:
   - state-level designation of and assistance for activities which are more than local in need and in impact; e.g.,
     —low- and moderate-income housing and related zoning and provision of facilities;
     —provision of open space and preservation of agricultural lands;
     —adoption of state land use policies providing regional and state oversight of "developments of regional impact," and critical areas.

Coordinative Procedures. Once local and regional interests are perceived as congruent, effective mechanisms and procedures must be available to facilitate interlocal cooperation and regional endeavors for development. Several measures can encourage coordinated procedures at the local government level:

1. State designation of and strong support for uniform, multijurisdictional organizations:

- state funds and manpower resources to build a strong planning capability in substate staffs;
- mandatory review authority to substate organizations over specified development activities;
- priority in allocation of community development funds to projects receiving thorough and favorable reviews by substate districts.

2. An extension of the A-95 type review and comment clearinghouse activity and environmental and economic impact statements to state programs.

3. Strong state support or mandatory requirements for local comprehensive planning which can provide a basis for subsequent substate district review of project proposals:

- state guidelines for local and regional comprehensive planning processes;
- state funds and manpower to assist local governments in the planning process.

4. Creation of local boundary commissions to encourage greater planning of growth on the fringes of existing communities:

- clear authority for extraterritorial jurisdiction of municipalities;
- uniform membership requirements and procedures for interlocal commissions;
- designated spheres of influence to the various local governmental units and districts.

5. Strong state endorsement and use of the A-95 process—educational programs and technical assistance to encourage effective use of A-95 at the regional level.

6. State land use programs for developments of regional impact.

7. Strong state support (financial and manpower) to Section 208 areawide waste treatment management and planning programs.

State Program Tools for Intergovernmental Coordination

Intergovernmental cooperation and coordination extend to all levels of government and all agencies within each governmental level. It is both a goal and a tool for a comprehensive state planning process. Effective coordination is extremely difficult to achieve or to measure; and efforts in this area require a context and procedures conducive to both intergovernmental and interagency cooperation. The tendency toward "turf protection," long encouraged by functionally specific programs and agency expertise, is as strong as the understandably self-protective interest of local, state, and federal governments.

Efforts to encourage intergovernmental and interagency coordination are addressed by the following measures:

1. State interagency councils, or informal working groups, to increase communication among state agencies on the mutual impacts of their respective programs:

- efforts to identify possible conflicts and coordination at the planning phase of programs and projects, rather than after implementation has begun;
- assigning substantive responsibilities, such as state-level environmental impact review, to interagency groups, and provision of adequate staff support.

2. A strong state planning office to oversee agency planning and programs, and to act as a convener and mediator of interagency negotiations.

3. Strong state support and use of substate districts:
   - availability of state personnel to substate districts through technical assistance or interpersonnel loan programs;
   - use of substate district officials in an advisory role to the Governor for state-local cooperation.

4. Use of continuing educational programs and technical assistance programs in local government management, planning, and development activities to increase local capability in planning and management.

5. Creation of a community affairs agency to mediate state and local interests, with strong access to other state agencies to encourage coordination of state programs impacting on local governments.

6. Establishment of a state-level body to coordinate and monitor state and federal programs which encourage or impact on large-scale, planned community development projects. The body, a community development corporation, would serve as a spokesman for the needs of large-scale, planned development projects and monitor private and local government activities affecting the project.

A Coordinated State Policy and Program for Community Development

The state-level action outlined above can contribute to changes which strengthen the public sector's role in community development and which harness the benefits of large-scale, planned development projects to public objectives in social, economic, community, and physical development. No single State could be expected to adopt all these emphases, authorities, and tools. Each State will have some or many of them already available and others will not meet the particular needs of the States.

A complementary role for state involvement in new community development is the effort to devise a coordinated policy and program for community development—a program which is not restricted to planned new community projects. New community development, broadly conceived and devised, has become increasingly important to States with the emergence of state growth policy and a concern for achieving desirable regional growth which supports economic and environmental objectives. Thus, the prospects for broad community development and locational policy in the 1970s and the 1980s are high.

State policies to encourage planned community development—whether as new towns or as the outgrowth of existing communities—must create maximum

flexibility through the provision of a variety of program supports and mechanisms. Each State will face a range of growth-related problems, and program responses must address the particular problems as they exist. The task of state policymakers is to devise a statewide policy framework which serves as a catalyst and support for appropriate community development actions at the local and regional levels.

The following suggestions illustrate ways by which States might derive and implement an explicit policy for large-scale, planned community development. The recommended strategy is that of a state-level community development framework, not a more focused policy and program for new communities per se. However, new community development can benefit from each of the steps of the community development program, and a new community project can be an effective catalyst around which the State can initiate and develop a state program for community development.

Evaluation and Assessment

State government can institute procedures which permit and encourage state agencies, working with local and regional bodies, to assess anticipated and desired growth trends and local and regional community development patterns. The State should assess and evaluate the demands for public services which result from alternative population growth and settlement patterns and economic development trends. Anticipated growth patterns and demands should be assessed in light of both current physical, human, and financial resources of the State, and the implied needs and demands for state and private sector resources.

Goals and Objectives

The State can develop a general policy framework for growth and community development which establishes goals and objectives for physical and economic growth patterns, the delivery of public services, and population settlement patterns. General goals and specific objectives should reflect statewide and regional growth opportunities and problems. They should emerge from a process which affords maximum opportunity for participation from various public and private interests whose activities affect and are affected by growth and community development patterns. These include: state, local, and regional government officials, private citizens, public interest groups, and private sector representatives.

Program Components

A more specific framework to address statewide and regional needs in community development can be developed from a general policy framework. State agencies should analyze their own programs and activities to assess their impact on community development and should develop the management capability to direct that impact in accordance with the state community development framework. Such a capability implies effective cooperation and

input from other state agencies as well as local and regional entities. This capability also implies sustained and perhaps centralized leadership from the State.

One of the most important elements of implementation is coordinated capital improvements programming performed by state agencies. Public capital investment decisions should reflect the probable implications of capital improvements projects on the environment and community development patterns of an area. In addition, the State should encourage similar capital improvements programming by local governments which would be consistent with the state framework.

A state program for sound community development planning and implementation can focus on one or more of several components, including: (1) community facilities, (2) economic development, or (3) land use. It should also incorporate policy decisions of broad concern such as the relative balance of urban and rural growth patterns and of new development and redevelopment. It should also provide the planning and financing tools for local, metropolitan, and regional development of housing and public infrastructure, and the provision of public services.

Economic Development Component. A state economic development program, when devised in conjunction with community development programs, should address the following: (1) policy decisions on the relative balance of industry, resource development, commerce, and agriculture in the state and regional economic base, and programs to change or maintain the economic base; (2) the need for manpower and training programs to complement economic development objectives; (3) the requirements of public infrastructure and support facilities; (4) the requirements for land development and resource use implied by economic development strategy; and (5) the labor force and population migration/settlement patterns likely to accompany economic development activities. This latter point provides the ability to ensure the compatibility of the economic development component with the community development framework or program.

Land Use Component. A state land use program can be a vital component of a community development program, especially when land use management is used to channel population settlement. The major focus of state land use programs, when employed to complement community development, is actually through local and areawide planning and regulation. State guidelines, criteria, or oversight of local land use planning and regulation can encourage uniform procedures in the development process and greater coordination among local governments' decisions on development activities significantly affecting land use. The State can also institute programs to encourage and support areawide and regional approaches to land use management.

Community Facilities and Housing Component. A community facilities program can be the core of a state community development program. The basic public infrastructure of a community sets the outline of population settlement

patterns for a locality and a region. When properly planned, public capital facilities can be provided in a manner which encourages efficient land use patterns, minimizes the costs of delivering public services, and permits the planned phasing of future growth. A state community facilities program should reflect the immediate needs and the growth/development goals and objectives of the State. The State can provide the guidelines and the planning and management processes by which decisions are made on the location and scheduling of public capital improvements projects. It should also address the issue of the extent to which the State shares in the costs of public capital improvements provided at the local level.

Models for State Community Development Roles

The State can choose from a range of techniques and degrees of involvement in community development, regardless of the particular objectives and program components. The roles range from the limited role of providing a growth policy framework and process which facilitates the private development process consistent with public priorities, to the direct role of a visible public sector participant in community development projects. The State should seek to balance components of the two basic types of role models—the process role and the development role—for both are necessary for maximum effectiveness.

Growth Policy and Management. The State's role in community development may be incorporated into a broad-based state growth policy, such as employed in Florida, Hawaii, and Oregon. A comprehensive policy and planning framework provides goals and guidelines for integration of community development with other development-oriented activities of regional, state, and local government entities. In the development and implementation of growth management programs, the emphasis can be on statewide approaches as in Hawaii, on regional approaches as in Florida, or on local approaches as in Oregon.

An alternative to a state management role in community development and growth is that of the Utah Process. The focus is less on developing programs to achieve specified growth objectives and more on the process by which goals are determined. Assessment and evaluation, goal setting, and implementation emerge from a process which encourages interagency and intergovernmental cooperation and coordination.

The State may move beyond a planning and goal-setting process to the use of strong capital improvements programming. This role has been adopted by Pennsylvania, Vermont, and by communities such as Ramapo (New York) and Petaluma (California) for more effective growth planning and growth policy management. With capital improvements programming, the State or locality avoids the direct developer role; yet it has an improved capability to manage growth patterns in light of public objectives.

Public Development Agency. A moderately powerful public developer model is that of Ohio's New Community Authority. The locally created public

agency does not initiate development; rather, it facilitates the development process by acting as a mediator between the public and private sectors and by assuming limited and defined development responsibilities. An important component of this model is a project agreement which spells out the contractual responsibilities of each party.

A model of a strong public development agency is New York's Urban Development Corporation, with the authority to plan and initiate development projects which contribute to public goals. The direct developer model can be implemented at the state, regional, or local level.

A Hypothetical Model. An effective balancing of components of these two basic models might focus on an intergovernmental process and a limited public development agency. A process to determine community development goals, with state, regional, and local participation, creates the mechanism for necessary negotiations among the various agencies involved in community development. A state-level development agency, with the authority to enter into contractual arrangements with private developers, is more likely than the private developer to have the access and leverage with state agencies in the negotiating process.

State-Federal Relations

State strategies and models for community development programs must address the issue of state-federal relations. State efforts to initiate community development programs which are responsive to state-determined goals and objectives can be undermined by federal aid programs which bypass state government and go directly to local governments. While many of these programs contain provisions that require coordination and approval at the state level prior to the local implementation, federal guidelines to be used by the State may effectively preclude more than a passive state role. Consequently, federal grants and loans that relate to community development clearly affect the growth patterns within the States, yet States have little latitude to guide development patterns caused by local spending of federal dollars.

Federal impacts on state development patterns and programs are troublesome, since separate federal activities within the States are frequently directed to different—and even opposing—goals. Federal program priorities are so changeable that the States are in the difficult position of trying to anticipate, coordinate, and react to federal policies while at the same time devising and implementing their own policies and programs that will help guide growth. Thus, although States may have the authority and inclination to adopt growth policies, their flexibility to implement these policies is greatly limited by the diverse objectives of various federal agencies. State officials must take the leadership in making existing mechanisms, such as A-95 and 208 planning agencies, effective tools for state input to federally financed community development programs. States must also work for changes in federal legislation and program regulations which limit state participation in community development programs.

The State can provide the leadership for coordination and institutionalization of intergovernmental participation in community development by serving as a convener of the various state and federal programs affecting community development. The State, after developing a general work program of goals and objectives, can convene a state-federal interagency committee early in the planning stages of a community development project which involves several state and federal agencies. The State is a convener, while the relevant federal agencies participate through the Federal Regional Councils. The interagency committee programs the respective inputs of federal and state agencies into the community development process and works to assure joint funding between agencies at the state and federal levels.

A state community development program which places the State in the role of a convener gives the State an implicit policy for new communities development. It also addresses the major problem of state involvement in new communities—the state-federal relationship. The federal government has an evolving policy of working through the State in administering federal programs; but the federal funds continue to come through so many conduits that no management framework exists to facilitate programming of these funds for a state community development program. The major vehicle to date for federal-state multiagency coordination is the Integrated Grant Administration Program. However, new communities can be just as effective for coordination of federal-state programs. New community development can effectively serve as a catalyst for the State to convene an interagency committee for community development planning and administration, for it is, by definition, a multifunctional process. The State has the flexibility to assist the development of those new community projects which it wishes to encourage, since the state-federal committee would be convened on a project-by-project basis.

Summary Discussion

A common thread to the varied options available to state government for a role in new community development is the absence of one right answer. In a process as complex in its activities and actions as is community development, there is no one right way of doing things, and the choices made by state officials in devising a community development program should reflect the particular context of the State. The context affecting those decisions is broad: the governmental structure in its horizontal and vertical dimensions; public attitudes toward the functions and role of government in development activities; the type of growth or urban development challenges existing in the State (boom growth, moderate growth, or economic and population decline); the financial resources of the State and local governments; the expertise available to the State in the area of community development; and the commitment of the State's leadership to an active state role in community development. State efforts in developing a community development program should also reflect the problems of diverse, fragmented, and changing policies and programs for integrated program

management which the American political system created for long-term policy and program commitments.

The strategy choices available to state and federal government officials are broad-ranging and the decisions made are significant. The manner in which the varied components of community development are combined, the state goals and objectives they are expected to serve, and the intergovernmental linkages they can forge are significant to the direction of community development patterns and the financial health of local governments in the 1980s.

The State Role: Implications for Federal New Community Programs

A great deal of experience over the past decade has been gained by all levels of government in the implementation of various new community programs. The private sector, also, has learned much from these new approaches to large-scale development. The Title VII new community program relied upon direct federal-local relations in the support of essentially private new community development activities. Although States were involved, the involvement was essentially marginal and after the fact.

Intergovernmental relations and the role of the States have changed significantly since the beginning of the new community efforts of the 1960s. New priorities and procedures have been implemented in the land use and natural resources areas. Economic development and economic development planning are emerging as a significant thrust in state policy. Community facilities siting and evaluation of regional impacts have developed in sophistication. The state planning process and its practice are evolving rapidly. Functional activities of state government, once viewed as distinct and separate, are being increasingly integrated in state policy, with regional and local governments playing significant new roles. Many of these components (new authorities and responsibilities, and implications for location, quality of life, and equity) have become the grist for state growth management and community development policies. Future activities in large-scale, planned community development, including Title VII, must take these factors into account.

The Title VII program has operated largely in a vacuum with regard to these policy and authority changes of state government. The narrow focus on private sector financial guarantees in the funding and administration of Title VII has ignored the important implementation responsibilities of state governments essential to the success of new community objectives. The Title VII new community program, as presently implemented, has limited attraction for state officials.

Discrete program tools and a coordinated state program for community development are most effective when state and federal community development activities are complementary. The following suggested changes in the Title VII program can encourage a more effective federal new community policy and

program—a program which recognizes the critical role of state governments in community development.

1. The new community program must be integrated with growth policies and planning processes at the federal and state levels if it is to receive necessary program support from related federal and state agencies.

A problem at the federal and state levels is lack of governmentwide focus on the Title VII program, with the result that funds to support the development of new communities have been allocated sparingly, and little sense of overall support for new communities has emerged.

The new community program must be supported by federal policies and programs in housing, transportation, economic development, environmental protection, and human resource development. Integration of the federal Title VII program with federal community development activities can be encouraged by omnibus federal legislation which addresses the four major areas of federal activities affecting community development: (1) national growth policy objectives, (2) economic development programs, (3) planning assistance programs, and (4) new communities development programs. The omnibus legislation should provide consistent and reinforcing policies and objectives for program development and should encourage consistent administrative rules and regulations among the federal agencies with related community development programs.

2. The new community program must be supported by adequate funding of public facilities and supplementary grant programs, and by access to discretionary funds in the community development block grant programs.

Adequate funding support of the new community program can be a major step in encouraging supportive state and local government participation in the Title VII program. Attaining adequate funding for the program depends upon the integration of new communities in ongoing development policies and programs (Recommendation I), and upon negotiating interagency commitments and agreements at the federal level.

The community development block grant program, the current federal concept and program for community development, should also be used to encourage greater state participation in and support for new community development. Two strategies address the objective of greater state involvement: a two-tiered allocation system for the discretionary funds, and a new appropriation earmarked for new community development.

Two-Tiered System. The discretionary portion of the community development block grant program goes directly to the State, which allocates the funds among various community development needs and geographic sites in the State. The federal government may set general guidelines for the State's allocation and suggest the priority to be assigned to Title VII and other large-scale, planned community development projects.

A New Community Appropriation. The 1974 Housing and Community Development Act can be amended to create a new, special appropriation of

discretionary funds for Title VII projects and other large-scale, preserviced development projects meeting defined criteria. These funds for new community development are channeled through the State, but are allocated only when the State has defined its policy and program input to new community development.

3. State co-application with a new community proposal should be made a precondition for Title VII designation.

State co-application is one method to integrate the new community project into state development policies and programs. Co-application would define the degree, type, and terms of state, local, and federal government support of and participation in the new community project. The process would ensure that a developer does not commit state, local, or federal funds and programs to a project without clear evidence of public sector agreement, evaluation, and coordinated capital programming. It serves to encourage the funding of federal supplementary grants to a new community, the funding of state capital investment projects in support of the project, and greater consistency among state, regional, and federal community development goals and objectives.

A state co-application process entails:

(a) State review of the developer's pre-application to the New Communities Administration to ensure that the public-sector implications of the proposed project have been evaluated and are found by state officials to be within the State's interests.

(b) Federal planning assistance granted to the State, to be allocated among the appropriate state, substate, and local governmental bodies to institute an intergovernmental and interagency planning process in which the public-private sector relationship is defined. An intergovernmental interagency task force functions as the project's central clearinghouse for federal, state, and developer negotiations and coordination. In addition, it coordinates all reviews incidental to the project in conjunction with the regular A-95 and EIS review channels. During the planning process, the respective roles of the developer, local government, substate districts, and state government agencies are defined and, when necessary, the proposed new community project is revised to reflect these agreed-upon roles.

(c) A memorandum of agreement entered into by the State, local governments, and the developer which sets forth the respective commitments of each party, contingent upon federal agency funds. The memorandum also indicates the areas of the development process in which state or local participation is currently problematic.

(d) The memorandum of agreement as a required component of the final application submitted to the New Communities Administration.

(e) Before final application approval, that the New Communities Administration shall issue a federal interagency agreement in support of the new community proposal, specifying the availability and timing of federal agency funding.

Footnotes

1. Real Estate Research Corporation, *The Costs of Sprawl: Environmental and Economic Costs of Alternative Development Patterns at the Urban Fringe* (Washington, D.C.: U.S. Government Printing Office, April 1974).

2. Housing and Urban Development Act of 1970, Title VII, Part A, Section 702.

3. The narrowly defined grants consolidated into a single block grant include the following: urban renewal, rehabilitation loans, public facility loans, open space land, neighborhood facilities, water and sewer grants, urban beautification, historic preservation, model cities, and neighborhood development programs. Elimination of the project-by-project federal review and fairly rigid regulations on the use of funds can encourage flexible, locally designed programs for community development.

4. Booz-Allan, "The Economic Impact of Reston on Fairfax County Government" (Washington, D.C.: April 2, 1973); Barton-Aschman Associates, Inc., *St. Charles Communities Impact Evaluation Study* (Washington, D.C.: Department of Housing and Urban Development, undated).

5. *Village of Euclid* v. *Amber Realty Co.*, 272 U.S. 365 (1926).

6. *South Burlington County NAACP* v. *Township of Mount Laurel* (1975); *Berenson* v. *Town of New Castle* (1975).

7. Nathan Betnun, *State Housing Finance Agencies and Public Purpose Housing Development* (New York, N.Y.: Praeger Publishers, Inc., forthcoming 1976).

8. National Association of Housing and Redevelopment Officials *Newsletter*, September 1, 1975, p. 3.

9. Office of the Governor, *Vermont's Policies and Procedures for Public Capital Investment* (Montpelier, Vermont: September 1975).

10. Oregon Land Conservation and Development Commission, *Statewide Goals and Guidelines* (Salem, Oregon: January 1975), Goal 11, p. 7. Oregon's public facilities goal is yet to be tested.

11. Florida, Land and Water Management Act of 1972; Colorado H.B. 1041, 1974.

12. *Golden* v. *Planning Board of Town of Ramapo*, N.Y.S. 2D (1971). The sequenced extension of sewers is combined with other development control techniques: cluster zoning, balanced housing plans, and mandatory site plans.

13. *City of Hartford* v. *Hills* (1975); *South Burlington County NAACP* v. *Township of Mount Laurel* (1975); *Berenson* v. *Town of New Castle* (1975).

14. Real Estate Research Corporation, *The Costs of Sprawl.*

15. Through the direct mortgage and construction loan programs alone, the 24 agencies active by late 1975 had financed over 250,000 units. The amount of new and rehabilitated housing made available with agency assistance rises substantially when the units financed by the loans-to-lenders and mortgage purchase programs are added in.

16. Select Committee on the Economy, *Industry in New York: A Time of Transition,* New York State Legislative Document (Albany, N.Y.: 1974), no. 12.

17. Intergovernmental Cooperation Act of 1968, Title V, 42.,USC 4231.

18. Florida, Oregon, and Washington have legislation requiring or encouraging a coordinated, one-stop permit procedure. Maryland has a Development Review Coordinator, located in the Governor's office, to expedite the processing of reviews.

19. Ohio: New Community Authority Act, AM. Sub. H.B. 1063 (1972). New York: Urban Development Corporation Act, Chap. 174, Sec. 1(1968), amended 1973. Kentucky: H.B. 320, Kentucky Legislature, 1970 Regular Session. Louisiana: Rev. Stat. Ann., Sec. 33:7602. Georgia: H.B. 1658, Planned Growth and Development Act of 1974. Arizona: Chap. 749, S.B. 1785 (1970). Florida: H.B. 1780 (1975 Legislative Session).

20. Environmental Quality Council, *Montana Land Use Policy Study: Final Report* (Helena, Montana: November 1974).

21. *Plan of Conservation and Development for Connecticut: Policies for Land and Water Resources* (Hartford, Conn.: September 1974), policy number 8.

22. Colorado Legislative Council, *Recommendations for 1975: Report to the Colorado General Assembly,* vol. II, research publication #207 (Denver, Colo.: December 1974), pp. 101-19.

23. Utah Housing Development Division, Executive Order, May 16, 1972; Resource Development Act, S.B. 256, 1975 General Session; Special Service District, S.B. 231, 1975 General Session; Building Schoolhouses, S.B. 257, 1975 General Session.

24. Wyoming 43rd Legislature, 1975 Session, Enrolled Joint Resolution 1, Senate; Enrolled Act 118, House; Enrolled Act 81, Senate; Enrolled Act 49, Senate.

25. Sec. 44.47.056(12), Alaska supp. Statutes.

26. Value-capture policy is a means whereby land adjacent to publicly developed facilities is purchased, managed, or otherwise controlled to permit the public to share in potential financial and community development benefits from the facilities.

Appendix

Table 1. State Land Use Programs
Table 2. State Environmental Review Authority
Table 3. State Housing Finance and Development Agencies
Table 4. State Housing Programs and Regulatory Bodies
Table 5. Water Quality Management
Table 6. Special Services to Encourage Industrial Development
Table 7. Functions of State Offices of Community Affairs
Table 8. Substate Districts

Table 1
State Land Use Programs*

State	Type of state program: Comprehensive permit system(a)	Coordinated incremental(b)	Mandatory local planning(c)	Coastal zone management(d)	Wetlands management(e)	Powerplant siting(f)	Surface mining(g)	Designation of critical areas(h)	Differential assessment laws(i)	Floodplain management(j)	Regional agency: Advisory only	Review authority
Alabama	...	...	...	X	...	X	A	...	...	X	X	...
Alaska	...	X	...	X	...	X	...	...	B	...	...	...
Arizona	...	X	...	...	...	X	...	...	A	X	X	...
Arkansas	...	...	...	...	...	X	A, B	...	A	X	X	...
California	...	X	...	X	...	X	X	...	C	X	X	X
Colorado	...	...	...	...	...	X	X	X	A	X	...	X
Connecticut	...	X	...	X	X	X	...	...	B	X	X	...
Delaware	...	X	...	X	X	...	...	...	A	...	X	...
Florida	X	X	X	X	X	X	A	X	A, C	...	...	X
Georgia	...	X	...	X	X	...	A, B	...	...	...	X	...
Hawaii	X	X	...	X	...	X	X	X	B	X	...	...
Idaho	...	...	X	...	...	...	X	...	A	...	X	...
Illinois	...	...	...	X	...	X	A, B	...	B	X	X	...
Indiana	...	X	...	X	...	...	A, B	...	A	X	X	...
Iowa	...	...	...	...	...	...	A, B	...	A	X	X	...
Kansas	...	...	...	...	...	...	A, B	...	...	...	X	...
Kentucky	...	...	...	...	...	X	A, B	...	B	...	X	...
Louisiana	...	...	...	X	X	...	...	...	...	...	X	...
Maine	X	X	X(limited)	X	X	X	A	X	B	X	X	...
Maryland	...	X	...	X	X	X	A, B	X	B	X	X	...
Massachusetts	...	...	...	X	X	X	...	X	B	X	X	...
Michigan	...	...	...	X	...	...	X	...	C	X	X	...
Minnesota	...	X	...	X	X	X	X	X	B	X	X	...
Mississippi	...	...	...	X	X	...	...	...	...	X	X	...
Missouri	...	...	...	...	X	X	X	...	A	X	X	...
Montana	...	X	X	...	...	X	A, B	X	B	X	X	...
Nebraska	...	...	X	...	...	X	...	...	B	X	X	...
Nevada	...	X	X	...	...	X	...	X	B	...	X	...
New Hampshire	...	...	...	X	X	X	...	...	B, C	...	X	...
New Jersey	...	...	...	X	X	X	...	...	B	X	X	...

New Mexico	...	X	...	...	...	X	A	...	A	...	X	...
New York	X	X	...	X	X	X	X	X	B	X	X	X
North Carolina	...	X	...	X	X	...	X	...	B	X	X	...
North Dakota	...	...	...	...	...	X	A	...	A	...	X	...
Ohio	...	...	...	X	...	X	A	...	B	...	X	...
Oklahoma	...	...	...	...	...	...	X	...	A	X	X	...
Oregon	...	X	X	X	...	X	A	X	B	...	X	...
Pennsylvania	...	...	...	X	X	X	A	X	B	...	X	...
Rhode Island	...	X	...	X	X	X	...	...	B	...	...	...
South Carolina	...	...	...	X	...	X	A	...	B	...	X	...
South Dakota	...	...	...	...	...	...	A	X	A	...	X	...
Tennessee	...	...	...	...	...	X	A, B	...	...	...	X	...
Texas	...	...	...	X	X	...	X	...	B	...	X	...
Utah	...	X	...	...	...	...	A	...	B	...	X	...
Vermont	X	X	...	...	X	X	X	...	C	X	X	...
Virginia	...	...	X	X	X	...	A, B	...	B	...	X	...
Washington	...	X	...	X	X	X	A	...	B	X	X	...
West Virginia	...	...	...	...	...	...	A, B	...	...	X	X	...
Wisconsin	...	X	...	X	X	X	X	X	...	X	X	...
Wyoming	...	X	X	...	...	X	A	...	A	...	...	X

**Source:* Prepared by the Council of State Governments. Based on information collected by the Council of State Governments, *Land Use Planning Reports* 1974 and 1975; the U.S. Department of the Interior, Office of Land Use and Water Planning; and the Resource Land Investigations Program. Data compiled October 1975.

(a) State has authority to require permits for certain types of development.

(b) State-established mechanism to coordinate state land use related problems.

(c) State requires local governments to establish a mechanism for land use planning (e.g., zoning, comprehensive plan, planning commission).

(d) State is participating in the federally funded coastal zone management program authorized by the Coastal Zone Management Act of 1972.

(e) State has authority to plan or review local plans or the ability to control land use in the wetlands.

(f) State has authority to determine the siting of powerplants and related facilities.

(g) State has statutory authority to regulate surface mines. (A) State has adopted rules and regulations; (B) State has issued technical guidelines.

(h) State has established rules, or is in the process of establishing rules, regulations, and guidelines for the identification and designation of areas of critical state concern (e.g., environmentally fragile areas, areas of historical significance).

(i) State has adopted tax measure which is designed to give property tax relief to owners of agricultural or open space lands. (A) Preferential Assessment Program—Assessment of eligible land is based upon a selected formula, which is usually use-value. (B) Deferred Taxation—Assessment of eligible land is based upon a selected formula, which is usually use-value and provides for a sanction, usually the payment of back taxes, if the land is converted to a noneligible use. (C) Restrictive Agreements—Eligible land is assessed at its use-value, with a requirement that the owner sign a contract, and a sanction, usually the payment of back taxes if the owner violates the terms of the agreement.

(j) State has legislation authorizing the regulation of floodplains.

Table 2
State Environmental Review Authority*

State	Environmental Impact Statement: Review of specific types of proposals	Environmental Impact Statement: State activities	Environmental Impact Statement: Private activities	Local government has adopted or has authority to adopt some kind of EIS	Specific geographical review	Environmental review only	Recent innovations
Alabama	...	...	...	...	Coastal area	Air and water pollution control comm.	...
Alaska	...	...	...	Juneau—not mandatory	...	...	...
Arizona	Fish/Game Comm.—Review own acts	...	...	...	...	...	...
Arkansas	Util. plant siting	...	...	...	...	...	...
California	...	X	X	X	...	...	...
Colorado	...	...	...	...	...	Optional	...
Connecticut	Possible require. for powerplants	Guidelines being prepared	...	...	...	...	...
Delaware	Fill projects in wetlands	...	...	...	Industrial activities in coastal zone	...	...
Florida	...	...	...	...	...	Powerplants, dredge & fill, regional impact	...
Georgia	Dept. of Trans.	...	...	...	...	...	...
Hawaii	...	X	Limited	X	...	...	...
Idaho	...	...	...	X	...	...	...
Illinois	Possibly for coal gasification plants	...	...	...	...	...	...
Indiana	...	X	...	...	...	...	...
Iowa	...	...	...	...	...	...	...
Kansas	...	...	...	...	...	...	...
Kentucky	...	...	...	...	...	...	...
Louisiana	...	...	...	...	...	38 state rivers	...
Maine	...	...	...	...	...	...	...
Maryland	Env. Assess.—Requests from state agencies	...	...	...	...	...	Environmental checklist for state agencies (1974)
Massachusetts	...	X	Require a state license or permit	X	...	...	Reg. to have uniform system of preparation (1973)
Michigan	...	Exec. order	Exec. order	...	...	...	...
Minnesota	...	X	X	...	...	...	...
Mississippi	...	...	...	...	State/private activities in coastal zone	...	...

Missouri	...	...	...	...	...	...	...
Montana	Coal mining and strip mining (1974)	X	Which need permit approval	Environ. assessment	...	...	...
Nebraska	Dept. of Roads for own activities	...	...	...	...	...	...
Nevada	For complex sources & utility plant siting	...	...	...	...	...	...
New Hampshire	Limited—sewage and wetlands	...	...	...	...	...	...
New Jersey	...	Exec. order—Specific criteria	Require multiple permits from DEP	...	Wetlands—Type B public acts, coastal	...	...
New Mexico	Exec. order—Assess. of state-funded projects	...	...	...	...	...	...
New York	Strip mining	X(1974)	...	X	...	...	...
North Carolina	...	X	...	Optional	...	...	...
North Dakota	...	...	...	...	...	...	...
Ohio	...	...	...	...	...	...	...
Oklahoma	...	...	...	...	...	...	...
Oregon	...	...	...	...	...	...	...
Pennsylvania	...	...	...	...	...	Solid wastes, clean streams, air pollution acts	...
Rhode Island	...	...	...	...	...	3 specific areas	...
South Carolina	...	...	...	...	...	...	...
South Dakota	...	X	...	...	...	...	...
Tennessee	...	...	...	...	...	...	...
Texas	...	Policy only	Policy only	...	...	...	...
Utah	...	Exec. order	...	...	...	...	...
Vermont	...	...	...	...	...	Private/State acts which change land use	...
Virginia	...	X	...	...	...	...	...
Washington	...	X	...	X Required	Shoreline permits	...	...
West Virginia	...	...	...	...	...	...	...
Wisconsin	...	X	X	...	...	...	...
Wyoming	...	...	...	...	...	Utility plants—over 100 million (1974-75)	...

*Source: Compiled by the Council of State Governments from information in *Land Use Reports* and Robert W. Burchell and David Listokin, *The Environmental Impact Handbook* (Center for Urban Policy Research, Rutgers State University, New Jersey, 1975).

Table 3
State Housing Finance and Development Agencies
As of November 1975

State	Name of agency	Date established	Quasi-independent status	Financial and lending activity: Loans to lenders	Mortgage purchase	Mortgage loans	Construction loans	Seed money	Mortgage insurance program(a)	Rent supplement program(b)	Land acquisition (c)	Development activity: Nonhousing (d)	Rehabilitation program	Administrative capabilities: Technical assistance	Statewide housing needs evaluation
Alaska	Housing Finance Corporation	1971	No	☆	★	★	☆	☆	☆	..	☆	..	★	★	★
California	Housing Finance Agency	1975	No	☆	☆	☆	☆	☆	☆	..	..	☆	☆	..	(e)
Colorado	Housing Finance Authority	1973	Yes	★	☆	☆	★	..	..	..	..	☆	★	★	(e)
Connecticut	Housing Finance Authority	1969	Yes	..	★	★	★	☆	★	..	☆	..	★	☆	(e)
Delaware	State Housing Authority	1968	No	☆	☆	☆	★	☆	☆	..	☆	..	☆	☆	★
Georgia	Residential Finance Authority	1974	Yes	☆	☆	☆	☆	☆	..	..	..	☆	☆	☆	..
Hawaii	Housing Authority	1970	N.A.	N.A.	☆	☆	★	★	☆	★	★	☆	★	★	N.A
Idaho	State Housing Agency	1972	Yes	☆	☆	☆	☆	☆	N.A.	N.A.	★	N.A.	☆	☆	☆
Illinois	Housing Development Authority	1967	Yes	★	☆	★	★	★	..	..	★	★	★	★	★
Iowa	Housing Finance Authority	1975	Yes	☆	☆	☆	..	☆	..	☆	..	..	☆	☆	N.A.
Kentucky	Housing Corporation	1972	Yes	..	★	☆	☆	☆	..	..	☆	..	☆	★	..
Louisiana	Office of Housing Finance	1976	No	N.A.	N.A.	..	N.A.	N.A.	..	..	..	..	☆	(e)	N.A.
Maine	State Housing Authority	1969	Yes	☆	★	..	★	☆	☆	..	☆	☆	☆	★	★
Maryland	Community Development Authority	1971	No	☆	☆	★	★	★	(e)	..	☆	☆	☆	★	★
Massachusetts	Housing Finance Agency	1966	Yes	☆	☆	★	★	..	☆	★	..	★	★	★	★
	Home Mortgage Finance Agency	1974	Yes	☆	..	..	..	☆	☆	☆	..	..	☆	☆	☆
Michigan	State Housing Development Authority	1966	Yes	..	..	★	★	★	..	..	☆	★	★	★	(e)
Minnesota	State Housing Finance Agency	1971	Yes	☆	☆	★	★	☆	..	..	..	☆	★	★	★
Missouri	Housing Development Commission	1969	No	☆	☆	★	★	☆	☆	..	..	★	★	★	★
Montana	Housing Division	1975	No	☆	☆	☆	☆	..	..	..	..	☆	☆	(e)	★
Nevada	State Housing Division	1975	No	☆	☆	☆	☆	..	..	..	..	..	☆	☆	☆
New Hampshire	Housing Finance Agency	1975	Yes	☆	☆	☆	☆	☆	..	..	..	☆	☆	☆	☆
New Jersey	Housing Finance Agency	1968	Yes	..	..	★	★	★	..	★	☆	☆	★	★	(e)
	Mortgage Finance Agency	1970	Yes	★	☆	..	..	..	..	..	..	..	..	..	..
New Mexico	Mortgage Finance Agency	1975	Yes	N.A.	☆	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
New York	Housing Finance Agency	1960	Yes	..	..	★	★	..	..	★	..	★	★	★	☆
	Mortgage Agency	1970	Yes	..	★	..	..	..	..	..	..	..	..	..	..
	State Urban Development Corporation	1968	Yes	..	☆	★	★	☆	..	..	★	★	★	★	★
North Carolina	Housing Finance Agency	1974	No	..	☆	..	..	..	☆	..	..	..	☆	☆	..

Ohio	Housing Development Board	1970	Yes	☆	☆	☆	☆	★	☆	..	..	☆	★	★	(e)
Oklahoma	Housing Finance Agency	1975	Yes	☆	☆	☆	☆	☆	..	..	N.A.	..	☆	..	..
Oregon	State Housing Division	1971	No	☆	☆	☆	☆	★	☆	(e)	..	..	☆	★	★
Pennsylvania	Housing Finance Agency	1972	Yes	..	☆	★	★	☆	..	..	..	..	★	★	☆
Rhode Island	Housing and Mortgage Finance Agency	1973	Yes	★	★	★	★	..	★	..	☆	★	★	★	(e)
South Carolina	State Housing Authority	1971	Yes	☆	☆	☆	☆	..	☆	☆	..	..	☆	★	★
South Dakota	Housing Development Authority	1973	Yes	☆	★	☆	★	☆	☆	☆	☆	☆	☆	★	(e)
Tennessee	Housing Development Agency	1973	Yes	..	★	★	☆	☆	☆	..	☆	..	☆	★	★
Utah	Housing Development Division	1971	No	..	☆	..	☆	☆	..	★	..	☆	★	★	★
Vermont	Housing Finance Agency	1974	Yes	★	★	..	..	..	..	..	..	..	☆	☆	★
Virginia	Housing Development Authority	1972	Yes	☆	★	★	★	★	☆	..	☆	☆	★	★	★
West Virginia	Housing Development Fund	1968	Yes	★	☆	★	☆	☆	★	..	★	..	★	★	★
Wisconsin	Housing Finance Agency	1971	Yes	..	★	★	★	..	..	..	..	..	☆	★	..
Wyoming	Community Development Authority	1975	Yes	☆	☆	..	..	..	☆	..	☆	☆	..	☆	(e)

★—Agency presently performing function.
☆—Statutory authority but not implemented.
N.A.—Not available.
(a) Refers to insurance programs, distinct from reserve funds for uninsured loans.
(b) Refers to state-funded rent supplement programs.
(c) Land acquisition refers to the power to acquire land for housing and housing-related projects rather than land acquired through foreclosure. Housing finance agencies in several States have full or limited powers of eminent domain or zoning override, but these have seldom been used (Connecticut, South Dakota, West Virginia, Wyoming, and New York State Urban Development Corporation).
(d) Refers to commercial and/or community facilities which are ancillary to the housing project. The New York Urban Development Corporation and the Hawaii Housing Authority have broader powers for commercial, industrial, and community facilities development.
(e) Function shared with or performed by related state agency.

Table 4
State Housing Programs and Regulatory Bodies*

	Alabama	*Alaska*	*Arizona*	*Arkansas*	*California*	*Colorado*	*Connecticut*	*Delaware*	*Florida*	*Georgia*	*Hawaii*	*Idaho*	*Illinois*	*Indiana*	*Iowa*	*Kansas*	*Kentucky*	*Louisiana*	*Maine*	*Maryland*	*Massachusetts*
REGULATION																					
State building codes																					
Preemptive building codes	—	—	—	—	M	—	M	—	—	—	—	—	—	M	—	—	—	—	—	—	m
Factory-built code	S	—	B	—	D	D	P	—	C	S	L	L	—	B	B	—	—	—	H	CM	—
Mobile homes code	S	K	B	S	D	D	P	—	P	S	—	L	—	B	—	A	P	K	H	CM	—
Landlord-tenant																					
Statewide housing code	—	—	—	—	M	—	M	—	—	M	—	—	—	—	—	—	—	—	—	—	M
Building license	—	—	—	—	—	—	M	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Emergency repairs	—	—	—	—	—	—	—	—	—	—	—	—	M	—	—	—	—	—	—	—	—
Housing court	—	—	—	—	—	—	—	—	—	J	—	—	J	—	—	—	—	—	—	J	J
Receivership	—	—	—	—	—	—	J	J	—	—	—	—	J	J	—	—	—	—	—	—	J
Repair and deduct	—	—	T	—	T	—	—	T	—	—	T	—	T	—	—	—	—	—	—	—	T
Rent withholding	—	—	J	—	—	—	J	—	J	—	—	—	V	—	—	—	—	—	—	MJ	J
Retaliatory	—	—	J	—	J	—	J	J	J	—	J	—	J	—	—	—	—	—	—	—	J
Mobile home park leases	—	—	—	—	J	J	J	J	J	—	—	—	—	J	—	—	—	—	J	—	—
Mobile home park sanitation	—	S	—	—	D	—	K	S	S	—	—	—	S	S	S	—	S	—	—	—	M
Rent control	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	J	M
Fair housing																					
Racial discr. sale & rental†	—	O	—	—	O	O	O	O	—	—	O	—	—	O	O	O	O	—	O	O	O
Sex discrimination-finance	—	O	—	—	—	O	—	O	—	—	O	O	—	—	—	—	—	—	O	O	O
Override of local zoning	—	—	—	—	—	—	—	—	—	—	H	—	—	—	—	—	—	—	—	—	C
Environment																					
Land use control	—	E	E	—	ER	E	E	E	QR	R	E	—	—	—	—	—	—	—	E	—	E
Impact statement	—	—	—	—	NM	—	F	E	—	—	N	—	—	N	—	—	—	—	—	N	NM
SUBSIDIES																					
Direct subsidies																					
Public housing subsidy	—	H	—	—	V	D	c	H	—	—	H	—	C	—	—	—	—	—	—	—	C
Urban renewal subsidy	—	—	—	—	g	—	C	D	—	—	—	—	—	—	—	—	—	—	—	—	C
Rent or interest subsidy	—	—	—	—	—	—	—	—	—	—	H	—	f	—	—	—	—	—	h	—	F
Prop. tax abatement & aid																					
Nonpublic subsidized hsg.	—	M	—	—	—	F	G	—	—	—	—	—	—	—	—	—	—	—	—	—	M
Elderly	M	—	—	M	M	M	G	M	M	M	M	M	M	G	G	G	M	—	G	M	M
Rehabilitation	—	—	—	—	—	—	M	—	—	—	—	—	—	M	—	—	—	—	—	—	—
Redevelopment corporation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	M

*Source: The Council of State Governments, *A Place to Live: Housing Policy in the States* (Lexington, Kentucky, April 1974).

†Substantially equivalent to federal statutes.

Capital letters on chart refer to active programs; lower case letters refer to inactive programs.

Letters on table indicating agency controlling program.

A: State Architect.
B: Building Commission.
C: Community Affairs Department.
D: Department of Housing.
E: Environmental or Natural Resources Agency.
F: Housing Finance Agency.
G: General state funds used to reimburse municipality for loss of abated taxes.
H: State Housing Authority.
I: Insurance Department.
J: Judiciary.

Table 4 (Continued)

Michigan	Minnesota	Mississippi	Missouri	Montana	Nebraska	Nevada	New Hampshire	New Jersey	New Mexico	New York	North Carolina	North Dakota	Ohio	Oklahoma	Oregon	Pennsylvania	Rhode Island	South Carolina	South Dakota	Tennessee	Texas	Utah	Vermont	Virginia	Washington	West Virginia	Wisconsin	Wyoming
M	—	—	—	—	—	—	—	C	—	—	—	—	—	—	—	—	m	—	—	MS	—	—	—	M	—	—	—	—
B	B	—	—	—	—	K	—	—	N	B	B	—	B	U	—	C	—	U	—	I	—	—	—	K	L	U	—	—
—	B	I	P	B	S	P	M	—	N	D	BI	A	—	—	K	C	—	S	K	I	L	K	—	K	L	—	S	—
M	M	—	—	—	—	—	—	CM	—	M	—	—	C	—	—	—	M	—	—	—	—	—	C	—	—	—	—	—
M	—	—	—	—	—	—	—	CM	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	M	—	—	—	—	—	—	m	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	J	—	—	—	—	—	J	—	—	—	—	—	—	—	—	—	—	—	—
J	J	—	J	—	—	—	—	J	—	J	—	—	—	—	—	J	J	—	—	—	—	—	—	—	—	—	J	—
—	—	—	—	T	—	—	—	T	—	—	—	T	—	T	T	T	—	—	T	—	—	—	—	—	T	—	—	—
J	—	—	J	—	—	—	—	J	—	J	—	—	—	—	—	J	J	—	—	—	—	—	J	—	—	—	—	—
J	J	—	J	—	—	—	—	J	—	J	—	—	—	—	J	—	J	—	—	—	—	—	—	—	J	—	—	—
—	J	—	—	—	—	—	—	J	—	J	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
M	S	—	—	—	—	—	—	—	—	—	—	—	—	—	S	—	—	—	—	S	—	S	E	S	—	—	M	—
—	—	—	—	—	—	—	—	M	—	MD	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
O	O	—	—	—	O	O	O	O	O	O	—	—	O	—	—	O	O	—	—	—	—	—	O	O	O	O	O	—
—	O	—	—	—	—	O	—	O	O	O	—	—	—	—	—	O	O	—	O	—	—	—	—	O	O	—	—	—
—	—	—	—	—	—	—	—	—	—	W	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
E	ER	E	—	E	—	ER	—	E	—	ER	E	—	E	—	E	—	R	—	—	—	—	—	ER	—	EM	—	ER	—
N	N	—	—	N	—	—	—	n	N	—	N	—	—	—	—	—	—	—	—	—	—	—	—	—	NM	—	N	—
—	—	—	—	—	—	—	—	m	—	d	—	—	—	—	—	c	—	—	—	—	—	CM	—	—	—	—	—	—
—	—	—	—	—	—	—	—	C	—	D	—	—	—	—	—	C	—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	F	—	D	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
M	M	—	—	—	—	—	—	M	—	M	—	—	—	—	—	—	—	—	—	—	—	—	M	—	—	—	—	—
G	M	—	G	—	M	G	M	M	—	M	M	M	M	—	M	G	M	M	M	G	M	—	G	M	M	G	G	M
—	—	—	—	—	—	—	—	—	—	M	—	—	m	—	m	M	—	—	—	—	—	—	—	—	—	—	—	—
M	—	—	M	—	—	—	—	M	—	M	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

K: Commerce, Corporation, or Business Department.
L: Labor Department (Law Enforcement Department in the case of Idaho).
M: Municipally enforced — selected municipalities in the case of building license, emergency repair, rent control, and Rhode Island property tax.
N: Several agencies.
O: Equal Opportunity Agency.
P: Public Works, Motor Vehicle, or Highway Department.
Q: Planning Office.
R: Regional agency or state agency with solely regional focus.
S: Public Safety or Health or Fire Marshall.
T: Tenants initiate.
U: U.S. Department of Housing and Urban Development (HUD) standards and inspections are acceptable.
V: Welfare or Human Resources Department.
W: Urban Development Corporation.

Table 5
Water Quality Management*

State	States with areas with approved 208 designations(a)	Pollution control program grants, percentage of state contribution(b) 1974	1975	Percentage of local match assumed by State for sewer treatment facility construction grants(c)
Alabama	1975	19	14	0
Alaska	...	...	50	50
Arizona	...	25	48	20
Arkansas	...	43	40	0
California	1975	76	79	50
Colorado	1974	67	67	20
Connecticut	...	53	63	60
Delaware	1975	50	47	40
Florida	1975	83	78	0
Georgia	...	42	39	0
Hawaii	...	69	56	40
Idaho	1975	...	53	60
Illinois	1975	74	80	0
Indiana	1975	47	47	40
Iowa	1974	38	31	0
Kansas	...	52	59	0
Kentucky	1975	60	61	0
Louisiana	...	36	41	0
Maine	1974	67	89	60
Maryland	1975	85	78	50
Massachusetts	1975	54	51	60
Michigan	1975	67	62	20
Minnesota	...	64	64	60
Mississippi	...	27	49	50
Missouri	1975	31	35	60
Montana	1975	46	41	0
Nebraska	...	42	44	50
Nevada	1975	60	55	0
New Hampshire	1975	79	85	80
New Jersey	1975	58	68	60
New Mexico	...	54	50	50
New York	1975	67	76	50
North Carolina	1975	49	48	50
North Dakota	1975	23	38	0
Ohio	1975	74	71	0
Oklahoma	1974	50	36	0
Oregon	1974	...	59	0
Pennsylvania	1975	61	71	0
Rhode Island	1975	25	40	60
South Carolina	1975	55	59	0
South Dakota	1975	30	25	20
Tennessee	1974	57	57	100 (loan)
Texas	1975	77	77	0
Utah	1975	45	55	0
Vermont	(a)	70	77	60
Virginia	1975	80	80	20-60
Washington	1975	...	51	60
West Virginia	1975	53	51	0
Wisconsin	1974	69	68	20-60
Wyoming	1975	24	63	0

**Source*: Environmental Protection Agency, December 1975.

(a) The dates indicate when the first designation was approved within the State. On February 15, 1974, Vermont chose to become a nondesignate State.

(b) By comparing these percentages it will be possible to get a general idea of the commitment of the State to water pollution programs.

(c) Waste Water Treatment construction grant program.

Table 6
Special Services to Encourage Industrial Development*

State or other jurisdiction	State, city or county provides free land for industry	State, city and/or county finance speculative building	State, city or county owns industrial park sites	State funds for city and/or county development-related public works projects	State funds for city and/or county master plans	State funds for city and/or county recreational projects	State program to promote research and development	State program to increase export of products	University R&D facilities available to industry	State and/or university conduct feasibility studies to attract or assist new industry	State recruiting, screening of industrial employees	State-supported training of industrial employees	State-supported training of hard-core unemployed	State incentive to industry to train hard-core unemployed	State help in bidding on federal procurement contracts	State science and/or technology advisory council
Alabama	★	★	★	★	★	★	★	★	★	★	★	★	★	..	★	★
Alaska	..	★	★	★	★	★	★	★	★	★	★	★	★	★	..	..
Arizona	..	★	★	..	..	..	..	★	★	★	★	★	★	..	..	★
Arkansas	..	..	★	★	★	★	★	..	★	★	★	★	..	..	..	★
California	★	..	★	★	..	★	..	..	★	..	★	★	★	★	..	..
Colorado	★	★	★	★	★	★	..	★	★	★	★	★	★	..	..	★
Connecticut	★	★	★	★	★	..	★	★	★	★	★	★	★	★	★	★
Delaware	..	..	..	★	★	..	..	..	★	..	★	★	★	..	★	★
Florida	★	★	★	..	..	★	★	★	★	★	★	★	★	★	..	★
Georgia	..	★	★	★	★	★	★	★	★	★	★	★	★	..	★	★
Hawaii	..	..	..	..	★	★	★	★	..	★	★	★	..	..	★	★
Idaho	..	..	..	★	..	★	★	★	★	★	★	★	..	..	..	★
Illinois	..	..	★	★	★	★	★	★	★	★	★	★	..	..	★	★
Indiana	★	..	★	★	★	★	★	★	★	★	★	★	★	★	★	★
Iowa	★	★	★	★	★	★	★	★	★	★	★	★	★	..	..	★
Kansas	..	★	★	..	..	..	★	★	★	★	★	★	..	..	..	★
Kentucky	..	..	..	★	★	..	★	★	★	★	★	★	★	..	★	★
Louisiana	★	..	★	..	..	..	★	★	★	★	★	★	★	..	..	★
Maine	★	..	★	..	..	..	..	★	★	★	★	★	★	..	..	★
Maryland	..	..	★	★	..	★	..	★	..	★	★	★	★	★	..	★
Massachusetts	..	★	★	★	★	★	★	★	★	★	★	★	★	★	★	★
Michigan	..	★	★	..	★	★	★	★	★	★	★	★	..	..	★	★
Minnesota	..	..	★	★	★	★	..	★	★	★	★	★	★	★	★	★
Mississippi	★	★	★	..	..	..	★	★	★	★	★	★	★	★	★	★
Missouri	..	..	★	..	..	..	..	..	★	★	★	★	..	..	..	★
Montana	..	..	..	..	★	★	..	★	★	★	★	★	..	..	..	★
Nebraska	★	★	★	..	★	★	★	★	★	★	★	★	..	..	★	★
Nevada	..	★	★	..	..	..	..	..	★	★	★	★	..	★	..	..
New Hampshire	..	★	★	★	★	★	★	★	★	★	★	★	..	..	★	★
New Jersey	..	..	★	★	★	★	★	★	★	★	★	★	★	★	★	★
New Mexico	★	★	★	..	..	..	★	★	★	★	★	★	★	★	★	★
New York	..	★	★	★	★	★	★	★	★	★	★	★	★	★	★	★
North Carolina	..	..	★	★	★	★	★	★	★	★	★	★	★	★	★	★
North Dakota	★	★	★	..	..	★	★	★	★	★	★	★	★	..	★	..
Ohio	..	..	..	★	..	..	★	★	★	★	★	★	★	★	★	..
Oklahoma	★	★	★	..	★	★	★	★	★	★	★	★	★	★	★	★
Oregon	..	..	★	★	..	★	★	★	★	★	★	★	★	★	★	★
Pennsylvania	..	★	★	★	★	★	★	★	★	★	★	★	★	★	★	★
Rhode Island	..	★	★	..	★	★	★	★	★	★	★	★	..	..	★	★
South Carolina	★	..	★	★	★	★	★	★	..	★	★	★	★	★	..	★
South Dakota	★	..	★	..	..	★	★	★	★	★	★	★	★	★	★	★
Tennessee	..	..	★	★	★	..	★	★	★	★	★	★	★	..	★	★
Texas	★	★	★	★	★	★	★	★	★	★	★	★	..	★	..	★
Utah	..	..	..	..	..	..	★	★	★	★	★	★	..	..	..	..
Vermont	..	★	★	★	★	★	..	★	★	★	★	★	★	..	★	★
Virginia	..	★	★	★	★	★	..	★	★	★	★	★	..	..	..	★
Washington	..	..	★	..	..	★	..	★	★	★	★	★	★	★	★	★
West Virginia	..	..	..	..	..	..	..	..	★	★	★	★	★	..	..	..
Wisconsin	..	..	★	★	★	★	★	★	★	★	★	★	★	..	★	★
Wyoming	★	..	★	..	★	..	★	★	★	★	★	★	★	..	★	★
Puerto Rico	..	★	★	★	★	★	★	★	★	★	★	★	★	★	★	★
Virgin Islands	..	..	..	★	★	★	..	★	★	★	★	★	★	..	★	

Source: Office of International Investment, Domestic Investment Services Division, Department of Commerce.

Table 7
Functions of State Offices of Community Affairs*

State	Name of agency	Fiscal advice	Inter-local co-operation	Coor-dination of state activities	Per-sonnel train-ing	Local financial super-vision	Finan-cial assist-ance	Func-tional planning assist-ance	Local plan-ning assist-ance	Regional plan-ning coor-dination	Re-search and infor-mation	Hous-ing pro-grams	Eco-nomic develop-ment programs	Anti-poverty
Alabama	Development Office	..	..	★	..	..	★	★	★	★	★	★	★	★
Alaska	Dept. of Community & Regional Affairs	★	★	★	★	★	★	★	★	★	★	★	..	★
Arizona	Dept. of Economic Planning & Dev.	★	★	★	★	★	★	★	★	★	★	★	★	..
Arkansas	Dept. of Local Services	★	★	★	★	..	★	★	★	★	★	★	★	..
California	Dept. of Housing & Community Development	..	★	★	..	..	★	..	★	★	★	★	★	..
Colorado	Dept. of Local Affairs	★	★	★	★	★	★	★	★	★	★	★	★	..
Connecticut	Dept. of Community Affairs	★	★	★	..	..	★	★	★	..	★	★	★	★
Delaware	Dept. of Community Affairs	..	★	★	★	..	★	..	..	..	★	★	★	★
Florida	Dept. of Community Affairs	★	★	★	★	..	★	★	★	★	★	★	★	★
Georgia	Bureau of Community Affairs, Dept. of Community Dev.	★	★	★	..	..	★	..	★	★	★	..	★	..
Idaho	Bureau of Planning & Community Affairs	★	..	★	..	..	★	★	★	★	★	..	..	..
Illinois	Dept. of Local Government Affairs	★	..	★	★	..	★	★	★	★	★	★	..	..
Iowa	Office for Planning & Programs	★	★	★	★	..	★	★	★	★	★	★	★	..
Kentucky	Office for Local Government	★	★	★	★	★	★	★	★	★	★	..	..	..
Maine	Bureau of Community Affairs	..	..	..	★	..	★	..	..	..	★	..	★	..
Maryland	Dept. of Economic & Community Dev.	..	..	..	★	..	..	..	..	..	★	★	★	..
Massachusetts	Dept. of Community Affairs	★	★	★	★	..	★	★	★	..	★	★	..	★
Minnesota	Office of Local & Urban Affairs, State Planning Agency	..	★	★	★	..	★	★	★	★	★	★	★	..
Missouri	Div. of Community Dev., Dept. of Consumer Affs., Reg. & Liscensing	★	★	★	★	..	..	..	★	..	★	..	★	★
Nebraska	Div. of Community Affairs, Dept. of Econ. Dev.	★	★	★	★	..	★	★	★	★	★	★	★	..
Nevada	Urban Planning Division	..	★	..	..	..	★	★	★	★	★	★	..	..
New Hampshire	Community Planning, Office of Comprehensive Planning	..	★	★	..	..	★	..	★	★	★	★	..	..
New Jersey	Dept. of Community Affairs	★	★	★	★	★	★	★	★	★	★	★	★	★
New Mexico	Intergovernmental Services, State Planning Office	★	..	..	..	..	★	★	★	★	★	★	★	..
New York	Div. of Community Affairs, Dept. of State	..	★	★	★	..	..	★	★	★	★	..	★	★

North Carolina	Div. of Community Assistance, Dept. of Econ. & Natural Resources	★	★	..	★	..	★	★	★	★	★	★	★	★
Ohio	Dept. of Economic and Community Dev.	★	★	★	★	..	★	★	★	★	★	★	★	★
Oklahoma	Div. of Community Affairs, Dept. of Econ. & Comm. Affairs	..	★	★	★	..	★	★	★	★	★	..	..	..
Oregon	Local Government Relations Div., Executive Dept.	..	★	★	..	..	★	★	★	★	★	..	..	..
Pennsylvania	Dept. of Community Affairs	★	★	★	★	★	★	..	★	★	★	★	★	★
Rhode Island	Dept. of Community Affairs	..	..	★	★	..	★	★	★	..	★	★	..	★
South Carolina	Office of Community Dev., Div. of Administration	★	..	★	..	..	★	★	..	★	★	..	★	..
South Dakota	State Planning Bureau	..	★	★	..	..	★	★	★	★	★	★	★	..
Texas	Dept. of Community Affairs	★	★	★	★	..	★	★	★	★	★	★	★	★
Utah	Dept. of Community Affairs	★	★	★	★	..	★	..	★	★	★	★	..	★
Vermont	Dept. of Housing & Comm. Affairs. Agency for Dev. & Comm. Affairs	★	★	★	★	..	★	★	★	★	★	★	..	..
Virginia	Div. of Planning & Community Affairs	★	★	★	★	..	★	★	★	★	★	★	★	★
Wisconsin	Dept. of Local Affairs & Development	★	★	★	★	..	★	..	★	★	★	★	..	★

*Based on a survey of community affairs agencies compiled by the Pennsylvania Department of Community Affairs, 1974, updated by the Council of State Governments, fall 1975.

Table 8
Substate Districts*

State	Designated (a)	Organized (b)	Funded (c)
Alabama (d)	12	12	12
Alaska (d)	0	0	0
Arizona (d)	6	6	6
Arkansas (d)	8	8	8
California	10	4	4
Colorado (d)	13	13	13
Connecticut (d)	15	15	15
Delaware	0	0	0 (e)
Florida (d)	10	10	10
Georgia (d)	18	18	18
Hawaii (d)	4	4	4 (f)
Idaho	6	6	6
Illinois	14	14	14
Indiana	17	17	17
Iowa (d)	16	15	15
Kansas (d)	11	11	11
Kentucky (d)	15	15	15
Louisiana	8	8	8
Maine (d)	8	8	8
Maryland	7	5	5
Massachusetts (d)	13	13	13
Michigan (d)	14	14	14
Minnesota	13	13	13
Mississippi	10	10	10
Missouri (d)	20	20	20
Montana	12	12	12
Nebraska (d)	26	15	14
Nevada	0	0	0 (g)
New Hampshire	6	6	6
New Jersey	10	0	0
New Mexico (d)	6	6	6
New York	11	11	11
North Carolina	17	17	17
North Dakota (d)	8	8	8
Ohio	15	10	8
Oklahoma (d)	11	11	11
Oregon (d)	14	13	13
Pennsylvania	10	10	10
Rhode Island	0	0	0
South Carolina (d)	6	6	6
South Dakota (d)	6	6	6
Tennessee (d)	9	9	9
Texas (d)	21	21	21
Utah (d)	7	7	7
Vermont (d)	13	13	13
Virginia (d)	22	22	22
Washington	13	11	4 (h)
West Virginia (d)	11	11	11
Wisconsin	8	8	8
Wyoming	0	0	0

**Source:* The Council of State Governments, *The Book of the States: 1976-77* (Lexington, Kentucky: forthcoming).

(a) Districts have been officially designated by the Governor.

(b) Districts have begun internal organization and, in some cases, begun acquiring staff.

(c) Districts receive state appropriations or state pass-through of federal funds.

(d) An explicit or implicit implementation of umbrella multijurisdictional organization policy for substate districts.

(e) Considered too small to divide into substate districts.

(f) Four counties serve as substate planning organizations.

(g) Designated their larger counties as mandatory planning units.

(h) Has separate designations for local areawide planning and coordination of federal-state activities.

Suggested Readings

New Communities Development

Center for Urban and Regional Studies. *New Communities U.S.A.* Lexington, Massachusetts: Lexington Books, 1975.

Clapp, James A. *New Towns: An Emphasis on the American Experience.* Exchange Bibliography #982. Monticello, Illinois: Council of Planning Librarians, February 1976.

General Accounting Office. *Getting the New Communities Program Started: Progress and Problems.* Report to Congress. Washington, D.C.: November 15, 1974.

Gliege, John G. *New Towns: Policy Problems in Regulating Development.* Papers in Public Administration No. 17. Tempe, Arizona: Institute of Public Administration, Arizona State University, 1970.

Golany, Gideon, ed. *Strategy for New Community Development in the United States.* Stroudsburg, Pennsylvania: Dowden, Hutchinson and Ross, Inc., 1975.

Mields, Hugh, Jr. *Federally Assisted New Communities.* ULI Landmark Report. Washington, D.C.: The Urban Land Institute, 1973.

Urban Land Institute. *New Towns Planning and Development: A World-Wide Bibliography.* ULI Research Report No. 20. Washington, D.C.: 1973.

U.S. Congress, House Committee on Banking, Currency and Housing. *Oversight Hearing on the New Communities Program,* before the Subcommittee on Housing and Community Development, 94th Congress, 1st session, September 1975.

Weiss, Shirley F. *New Town Development in the United States: Experiment in Private Entrepreneurship.* Chapel Hill, North Carolina: New Towns Research Series, Center for Urban and Regional Studies, University of North Carolina, March 1975.

Growth Management

Advisory Commission on Intergovernmental Relations. *Urban and Rural America: Policies for the Future.* Washington, D.C.: 1968.

Baldwin, Pamela L. and Baldwin, Malcolm F. *Onshore Planning for Offshore Oil: Lessons from Scotland.* Washington, D.C.: The Conservation Foundation, 1975.

Chavooshian, B. Rudd; Nieswand, George H.; and Norman, Thomas. "Growth Management Program: A Proposed New Approach to Local Planning and Zoning." Leaflet 503. New Brunswick, New Jersey: Rutgers State University, 1975.

Committee on Community Development. *1976 Report on National Growth and Development: The Changing Issues for National Growth.* Washington, D.C.: The Domestic Council, February 1976.

The Council of State Governments. *State Growth Management.* Washington, D.C.: The Department of Housing and Urban Development, May 1976.

Real Estate Research Corporation. *The Costs of Sprawl: Environmental and Economic Costs of Alternative Residential Development Patterns at the Urban Fringe.* Washington, D.C.: April 1974.

Scott, Randall; Brower, David J.; and Miner, Dallas D. *Management and Control of Growth: Issues, Techniques, Problems, Trends.* 3 vols. Washington, D.C.: The Urban Land Institute, 1975.

Land Use

Advisory Commission on Intergovernmental Relations. "Environment, Land Use, and Growth Policy," *ACIR State Legislative Program,* Part V. Washington, D.C.: September 1975.

American Law Institute, "A Model Land Development Code." Philadelphia, Pennsylvania. Special attention to Section 7 (successive years).

Bosselman, Fred and Callies, David. *The Quiet Revolution in Land Use Control.* Washington, D.C.: Council on Environmental Quality, 1971.

Chavooshian, B. Rudd; Nieswand, George H.; and Norman, Thomas. "Transfer of Development Rights: A New Concept in Land Use Management." Leaflet 492-A. New Brunswick, New Jersey: Rutgers State University, undated.

The Council of State Governments. *Land: State Alternatives for Planning and Management.* Lexington, Kentucky: 1975.

Council on Environmental Quality. *Environmental Quality—1973.* Washington, D.C.: 1973.

Division of Information and Research, Legislative Services Agency. *Transfer of Development Rights: Bibliography.* Trenton, New Jersey: 1975.

Franklin, Herbert M.; Falk, David; and Levin, Arthur J. *In-Zoning: A Guide for Policy Makers on Inclusionary Land Use Programs.* Washington, D.C.: The Potomac Institute, December 1974.

Hagman, Donald. *Public Planning and Control of Urban and Land Development.* St. Paul, Minnesota: West Publishing Co., 1973.

Reilly, William K., ed. *The Use of Land: A Citizen's Policy Guide to Urban Growth.* New York, New York: Cromwell Company, 1972.

Reitze, Arnold W., Jr. *Environmental Planning: Law of Land and Resources.* Washington, D.C.: North American International, 1974.

"A Summary of State Land Use Controls," *Land Use Planning Reports.* Washington, D.C.: 1975.

Housing and Community Development

Advisory Commission on Intergovernmental Relations. "Housing and Community Development," *ACIR State Legislative Program,* Part VI. Washington, D.C.: December 1975.

Betnun, Nathan. *State Housing Finance Agencies and Public Purpose Housing Development.* New York, New York: Praeger Press, 1976.

Bureau of National Affairs. *Housing and Development Reporter.* Washington, D.C., periodically.

The Council of State Governments. *A Place to Live: Housing Policy in the States.* Lexington, Kentucky: June 1974.

Council of State Housing Agencies. *State Housing Agencies: Roles and Accomplishments.* Washington, D.C.: April 1975.

National Council of Urban Economic Development. *States and Urban Development.* Information Service No. 3. Washington, D.C.: October 1975.

National Governors' Conference, Center for Policy Research and Analysis. *States' Responsibilities to Local Governments: An Action Agenda.* Washington, D.C.: 1975.

New Jersey County and Municipal Government Study Commission. *Housing and Suburbs: Fiscal and Social Impact of Multi-Family Development.* 9th Report. Trenton, New Jersey: October 1974.

Pennsylvania Department of Community Affairs. *The State's Role in Strengthening Local Government Capabilities.* Report of the National Conference. Harrisburg, Pennsylvania: September 1974.

COASTAL ZONE
INFORMATION CENTER

NOAA COASTAL SERVICES CENTER LIBRARY
3 6668 00001 0274