# U. S. A. NEW TOWNS: PROCESS AND PRODUCT A CRITICAL ANALYSIS

Thesis for the Degree of M. U. P.

MICHIGAN STATE UNIVERSITY
JOSEPH GARY CRUZAN

1969

ABSTRACT

U. S. A. NEW TOWNS: PROCESS AND PRODUCT
A CRITICAL ANALYSIS

by Joseph Gary Cruzan

In the United States of America today, there is a trend towards the private development of New Towns. In concept, New Towns have much to offer, including well-planned physical environments for "all people." An analysis of many of these "New Towns," however, indicates that they often result in poorly located but well-planned physical environments for medium and high income white families. Also, they generally lack any well-developed industrial base and thus have little effect in reducing regional transportation demand. These developments hardly fit the definition of "New Towns" and as such represent little improvement in guiding urban growth. In fact, in the long run it is really questionable if they are in the "public interest." This has been the case even in the sincerest of efforts.

The complex interrelated problems of New Town development can be traced to the lack of any sound

governmental framework to aid and regulate their development. Considering the expected future growth in the U. S. A., it is time to establish such a framework to promote and regulate New Towns and thus prevent further urban sprawl and the continuation of the present social-economic schism facing our urban societies.

U. S. A. NEW TOWNS: PROCESS AND PRODUCT

A CRITICAL ANALYSIS

By

Joseph Gary Cruzan

A THESIS

Submitted to
Michigan State University
in partial fulfillment of the requirements
for the degree of

MASTER IN URBAN PLANNING

Department of Urban Planning and Landscape Architecture

1969

733/89
6-25-69

TABLE OF CONTENTS

# CHAPTER I

## THE PROBLEM

Today the U. S. A. has entered a very rapid period of growth in which planning must play a more active role in shaping our urban patterns if large metropolitan centers of growth are to continue to function properly. Thus far our free-enterprise system of development has resulted in monotonous and sprawling patterns that intensify our social problems by perpetuating segregation of economic groups. This system also has resulted in a multitude of physical planning problems including traffic congestion and uncoordinated land use--a set of circumstances that can lead to many other problems including air pollution. The social, physical, and economic problems to be solved are by any measurement gigantic. The problems of guiding and shaping growth become even more complex when one considers the multitude of governments, authorities, jurisdictions, and special districts that must be encountered in attempting any solution. For example, in the Chicago Metropolitan Area the water districts alone number in the hundreds.

The planner today, more than ever before, must determine the appropriate urban patterns of the future, and then he must fight for the implementing powers and institutions. If he should fail in this task, the consequences could be disastrous. During the summer of 1968 a team of 60 Doctors concluded a special study by recommending that people move out of certain areas in Los Angeles because of the extreme health hazard from air pollution.[1] In recent years, planners have also talked of banning all private vehicles from New York City during business hours because of the magnitude of the pollution, circulation, and parking problems. In spite of these problems, the large metropolitan areas continue to grow. Therefore, it is time for planners to open their eyes beyond municipal boundaries and plan for growth regionally and nationally. If planning is to be effective, planners must take a guiding, preventing, and regulating approach rather than one of correctioning, as has been the case thus far. Robert Weaver has said "that in the 40-year period we have now entered, we will have to provide homes and all of the facilities needed for urban employment and enjoyment equal to all that has been built to date in the entire history of our country."[2] This future urban land must be planned if

---

[1] News Article in the San Francisco Chronicle, Summer of 1968, Edition unknown.

[2] Albert Mayer, The Urgent Future (New York: McGraw-Hill, 1967), p. 52.

our cities and metropolitan areas of the future are to represent an improvement over past urban life and form.

In response to the challenges of Urban America, a variety of professionals have begun, in recent years, a trend and advocacy for the private development of "New Towns." Contrary to popular opinion, the New Town concept is one of America's oldest and is part of our historic tradition. Some of the best planned examples of cities that started out as New Towns are Williamsburg, Virginia; Savannah, Georgia; New Orleans; Annapolis, Maryland; Philadelphia; Washington, D. C.; Cleveland; Buffalo; and Indianapolis.

When the Mormons migrated to Utah, they built a complete New Town at Great Salt Lake. During the latter part of the nineteenth and early part of the twentieth century, emulating British examples of industrial New Towns, the U. S. A. industrialists build such communities as Hershey, Pennsylvania and Kohler, Wisconsin. In the early nineteen-twenties the following cities were begun: Radburn, New Jersey; Johnson City, Tennessee; Mariemont, Ohio. Further experiments were continued with the three famous Greenbelt Suburban Resettlement Towns by the federal government and, more recently, with the private development of Reston, Virginia; Columbia, Maryland; Irvine, California and many more.[3]

---

[3]Carl Feiss, "New Towns for America," AIA Journal (January 1960), pp. 85-89.

In recent years the federal government has not played an active role in New Town development, and consequently people have begun to think that creating a New Town is a wild utopian idea. If these people would contemplate for a minute, they would realize that every city began as a town whether planned or not. Since the first settlment of this country, New Towns have been built by one means or another. Even planners often forget this and accuse New Town advocates of being "dreamers." New Town advocates should then ask the critics to clarify their alternatives for urban growth, for in the U. S. A. the building of New Towns has been a continuing tradition.

The purposes of this thesis will be to: 1. explore the attributes of the New Town concept as a means of channeling urban growth and improving the social and physical conditions of our metropolitan areas; 2. analyze recent New Town efforts as to their implementation of the concept and the problems encountered in the development process; and 3. make recommendations for improving the New Town development process which will hopefully improve New Towns in light of the public interest. Essentially then this study with its rather broad scope will provide the framework for many other in-depth studies.

New Town Definition

Before embarking on a discussion of New Towns, it is very important to establish an adequate definition. This in itself is no small task because there are almost as many definitions of New Towns as there are people who advocate them. In selection of a definition for purposes of this thesis, flexibility and precision are primary considerations, otherwise the principles herein will be applied unjustly. It should be pointed out however, that elements and sizes of New Towns do vary with circumstances. For example, acreage figures are often given in definitions. This is not really a desirable criteria because a 2000 acre development in one area might well be called a New Town, while a 5000 acre development in another area might be no more than a well-planned high-income suburb.

For the purpose of this thesis, New Towns will be defined as large, planned communities that are built with the objectives of absorbing metropolitan population increase and ordering dispersal, are a predetermined size appropriate to the selected location, function, and regional outlook,[4] and are, at least in theory, designed to be "reasonably" self-sufficient and self-contained. In addition they generally have the following characteristics:

---

[4]Albert Mayer, op. cit., p. 77.

a. A commercial center.

b. A "reasonable" range of cultural activities.

c. A "reasonable" range of recreational facilities.

d. All necessary public facilities, such as schools, civic buildings, water, complete sewage treatment, etc.

e. A complete range of residential facilities to accommodate all economic classes.

f. A complete range of residential types from free-standing houses to apartment buildings.

g. Industrial facilities complementary to the region but not necessarily the exclusive predominant economic base of the community.

h. Employment opportunities consistent with the principles of New Towns, reducing the demand for commuting.

i. A means of containment such as a green belt to prevent it from being engulfed by sprawl.

j. Freedom from discrimination because of race, religion, national origin, or social-economic class.[5]

It should also be pointed out that a New Town is often defined as being designed to eventually be self-governed. This however is subject to dispute and therefore will not be considered part of the definition. Essentially then according to definition, a New Town is not necessarily a New City but may be considered as a large segment of an existing city separated by a green belt. Then by definition, it is a means of planning, and developing for urban growth.

---

[5]Dennis, O'Harrow, "New Towns or New Sprawl?", <u>ASPO Newsletter</u>, Volume 30, Number 9, October 1964.

Distance factors from the Core City have purposely been omitted as this will vary with the population to be accommodated, with the intensity of the proposed development, with the location and quantity of land available, with the size of the proposed green belt, and with the existing transportation network. Population ranges too have been purposely omitted, because the definition is designed to emphasize that New Town development is a means to an end, regardless of the size of the metropolitan area.

It should also be pointed out that the term "reasonable" was used in the definition with respect to some of the characteristics. This means just that all planning areas are based on thresholds or hierarchies of use. For example, recreational facilities would be designed to accommodate the day-to-day needs of the residents, unless of course the New Town was specifically designed as a major recreational node for the metropolitan region.

It should be realized that it is very nearly impossible to write the all encompassing definition as, with everything else in planning, every situation is different.

## CHAPTER II

## THE CASE FOR NEW TOWNS

Before advancing any concept for consideration, it is important to create a background of common understanding. In other words, why has the New Town concept been developed? This dictates a discussion of present patterns of urban development. Robert Weaver has said that it is no longer a question "of whether we construct more housing in the fringe areas and beyond, but whether we can do so in a more creative, economic, and esthetically attractive manner."[1]

For too long now, the people of the U. S. A. have been accepting uncontrolled and undesigned urban sprawl as a natural and inevitable part of our free-enterprise system of urban design. Urban sprawl has been widely discussed throughout the U. S. A. at conferences of architects, home-builders, realtors, city planners, land conservationists, public administrators, tax experts, business and industrial leaders etc., but thus far no state or national programs for putting an end to sprawl have been adopted.

---

[1] Robert C. Weaver, "Beyond the Urban Fringe," _AIA Journal_ (September 1965), p. 72.

Despite the vast areas of suburban development in recent years, few have made a substantial contribution towards the development of better communities. To accommodate population growth, big cities have been growing in sheer physical size and spreading out rapidly in all directions. This rapid free-enterprise development generally follows a characteristic pattern. Open farm lands between the radiating highways are bought up by speculators and new housing developments soon appear, along with neighborhood shopping centers and a motley assortment of billboards and drive-in establishments such as motels, filling stations, hot-dog stands, beer joints, etc.

The following quotations very effectively illustrate popular attitudes toward our current patterns and systems of development.

> [Peter Blake Editor, Architectural Forum Magazine] The mess that is man-made America is a disgrace of such vast proportions that only a concerted national effort can hope to return physical America to the community of civilized nations.[2]

> [House and Home] Suburban sprawl negates and frustrates the purpose of cities which is to let more people live and work close together and so utilize and enjoy the maximum efficiency of community facilities and community enterprises, with easy access and cheap distribution.[3]

---

[2]Edward P. Eichler, The Community Builders (University of California at Berkeley, 1967), p. 5.

[3]*Ibid.*, p. 5.

> [F. A. Gutkind] The last vestiges of a community have disappeared. They are hardly anything else than an agglomeration of innumerable and isolated details, of human atoms, and rows of boxes, called houses, interspersed between the industries. It is a total victory of a laissez faire insensibility and recklessness over organic growth and even over organized development.[4]

> [William L. Slayton, Urban America, Inc.] We in America watch heedlessly while the tide of population ebbs and flows across the land without plan or long-range purpose, spilling naturally into the deep pools of our metropolitan areas until they are inundated. We make no effort to influence the flow, and we attempt to deal with it in our metropolitan catch basins only after it reaches the flood level, when we hastily and precariously attempt to build the levees and channels still higher.[5]

Haphazard development resulting from both market prices and public policy or the lack of it has left large gaps between developments and has made provisions for schools and other public facilities difficult and expensive. Sprawl also means low volume and un-economic utility systems. Private development then has not only produced an environment free of woodlands, water courses and other attractive natural features, but also one which has proven un-economic and a hindrance to the rational development of regional transportation systems.

In addition to the planning problems, Post World War II development has also alienated the city from its

---

[4] Ibid., p. 5.

[5] William Slayton, "A Critical Evaluation of New Towns Legislation," ASPO Planning 1967, p. 171.

suburbs. The failure of governments to reconstitute the host of minor civil divisions in metropolitan regions has made it possible for each locality to operate in terms of its own interests, without having to consider the region as a single working system. These political realities have in fact made it difficult for even well-meaning suburban officials to assume a conciliatory posture.[6] Thus during the United States greatest surge of urban development, there has not been an overall regional policy to guide the changes remolding the basic nature of the region.

In recent years it has become increasingly evident that in order to achieve a better quality of urban life, current social, economic, and environmental planning problems are going to have to be dealt with on state, regional, and national levels. This chapter will explore how New Towns might address themselves to solving these problems. It should also be pointed out that in this brief critique of present development patterns and systems, many of the major planning problems in the U. S. A. have been outlined. It should also be emphasized that because of the interrelationships of the problems any proposed solution to one problem will have a definite effect on the others, which in itself suggests a shot-gun approach as offered by the New Town concept.

---

[6] Chester Rapkin, "New Towns for America," Journal of Finance (May 1967), pp. 208-219.

Growth Statistics and Issues

It is impossible to realize the urgent need to improve urban development patterns without looking at the present scale of our urban expansion. Each year the U. S. A. adds the equivalent of 15 cities of 200,000 each. In less than 40 years, urban population will double, and the quantity of urban land will at least double. It is as if this country has 40 years to rebuild all of its urban areas.[7] The fundamental point is that population and housing gains, while spread throughout the entire nation, to a degree are overwhelmingly metropolitan focused and, beyond that, are concentrated to a high degree in a limited number of super-metropolitan areas. It is at these locations where the main opportunity and challenges for New Town building are primarily available.

It should also be pointed out that in past years the U. S. A. has been building only about a million and a half dwellings each year, and much less than that in 1966 and 1967. The President's Advisory Commission on Civil Disorders in 1968 recommended provision of six million units of low and moderate income housing in the next five years. Expanding the limited supply of housing for low income families is most crucial. It should be made clear however,

---

[7]Robert Gladstone, "New Town Role in Urban Growth Explored," Journal of Housing (January 1966), pp. 29-36.

that construction of all the needed housing in existing cities will only add to their congestion and contribute to the social-economic schism that is developing in large cities today.[8]

It is also interesting to note that in recent years the cost of housing has been rising rapidly principally because of the rising costs of urban land.[9] New Towns offer the possibility of lowering housing costs due to construction on cheaper virgin land far away from the metropolitan core and to the efficiencies of large scale production.

As with people and housing, economic growth in the nation is also at a scale that uniquely provides the basis for New Town development. Over-all, U. S. economic expansion, measured by gross national product, has produced a gain of more than 30 billion dollars per year in the production of goods and services for the period between 1960 and 1965. The total value of production during this period has increased from 500 billion to 665 billion, or 33 per cent.[10]

Despite the scale and pace of this recent pattern of economic expansion, the future outlook is for continued gains

---

[8] Murial I. Allen, "New Communities: Challenge for Today," AIP Background Paper Number 2 (October 1968), p. 3.

[9] Edward Eichler, op. cit., p. 108.

[10] Robert Gladstone, op. cit., p. 31.

at a similar scale. This of course is urban-focused, along with population growth. However, within urban and metropolitan areas, expansion in jobs and facilities of all types has been dominantly taking place in the outer portions of metropolitan areas. Conservative estimates are that two-thirds of the new jobs in urban areas in the years ahead will be in the outlying locations.[11] This trend will support construction of major new outlying job centers to accommodate the gains and, in turn, create new outlying housing demands, setting in motion the full sequence involved in the urban development process. It should also be pointed out that many of the people that desperately need jobs live in the cores of cities, rather than in the outlying areas where jobs are increasing rapidly.

In contrast to the outlying areas, city cores generally house a rather static population and job market because of the limited capacity for expansion in the central area. What opportunities do arise generally cater to the higher skilled suburbanites, and thus the two-directional, daily commuting continues.

In Britain, where regional planning is a political reality, there is great conviction that the larger cities have become unmanageable because of the sheer force of numbers,

---

[11] Ibid.

and that it is desirable to limit, and indeed reduce, the population of the city cores. This program is carried out by discouraging or forbidding new employment opportunities and new places of residence in these areas. In addition, efforts are made to transfer existing populations and business firms into New Towns.[12]

Obviously today there is a crucial need in these times of rapid change to develop the environment by conscious decision rather than by chance. Massive urban growth is a fact. Careful planning is not. The quality, pattern, and costs of our current urban growth must be of great concern, if the U. S. A. is to make maximum use of its human, economic, and physical resources. If one agrees that a rapidly developing nation's settlement patterns require thoughtful direction, the U. S. A. urgently needs an urban settlement policy at the national and state levels now. This policy along with a state and national New Towns policy could insure the orderly planning and development of new growth centers to reduce the pressures on the existing cities.

New Towns, it should be understood, generally promote efficient use of land through the introduction of cluster development, mixed densities, and common open space. In the U. S. A. today the present rate of urbanization averages

---

[12] Chester, Rapkin, op. cit., p. 211.

about 30 acres of land per 100 population, while New Towns like Reston, Virginia and Columbia, Maryland utilize only about 10 acres per 100 population.[13] This tripling of density offers a two-thirds savings of our urban lands. It should also be pointed out that the Swedish New Towns have already demonstrated that higher density is not incompatible with good planning, abundant open space, and recreational facilities. Bernard Weissbourd estimates that a New Town program at the national level could conserve seven million acres of land.[14] At a time when people of other nations are starving, it is not easy to ignore the need for conserving agricultural land.

The need for land conservation is well illustrated by a New York Regional Plan Association study which estimates that the New York metropolitan area would add six million people to its present 16 million by 1985. The Association distributed the expected growth according to existing zoning density provisions for undeveloped land in the metropolitan area and found that it would require some 4,500 square miles of new land to accommodate this growth, double the amount of developed land then in the metropolitan area. "The

---

[13] "New Towns: Are They the Best Answer to Land Use Problems?", House and Home 26, (September 1964), 64-76.

[14] Bernard Weissbourd and Herbert Channick, "An Urban Strategy," The Center Magazine, September 1968, pp. 56-65.

urbanized metropolitan area then would extend from Trenton to New Haven and from Riverhead, at the end of Long Island to Poughkeepsie up the Hudson River." To provide contrast and to explore alternatives, the Regional Plan Association created a series of new hypothetical zoning maps. By increasing densities at the core and creating living concentrations at key points (New Towns) along corridors of travel and transit, interspersed with open space, it was determined that the expected growth could be accommodated by 750 square miles of new land, which represents a savings of 80 per cent from the original estimates.[15]

It is also important to point out that New Towns built in conjunction with center city urban renewal programs could help solve the relocation problem and provide an opportunity to integrate schools, thereby lessening social tensions. Educators and sociologists have known for years that what children learn from their peers in the classroom may be as important as what they learn from their teachers. There can be no little doubt that informal contact between minority and low income children and the children from medium and high income families is one of the most effective techniques for child development.[16] This too would serve to

---

[15]Robert Gladstone and Stanley Wise, "New Towns Solve Problems of Urban Growth," Public Management, May 1966, p. 136.

[16]Bernard Weissbourd, op. cit., p. 62.

gradually end racial prejudice, while bridging the communication gap between low and high income groups.

School integration too would most likely stimulate the total number of years of school obtained by the ex-ghetto children, and greatly reduce high-school drop-outs. Today children in the ghettos are stimulated only by filth, poverty, and crime, and in this environment they soon lose hope, drop out of school, and only add to our social planning problems. The effects of school integration on the solution of our social problems should not be under-emphasized.

It should also be understood that although New Towns would be desegregated, this would not mean an end to residential economic segregation. At this time such a goal seems improbable. However, if New Towns are planned appropriately as to scale and location of facilities, these could be easily integrated. Perhaps in the future, integration of community facilities would bridge many of the interest gaps between economic groups thus leading to a gradual end to economic segregation. This of course is speculation. One thing is certain, it is far easier to achieve community facility integration in New Towns than in large ghettos of one million population or more, and thus far school busing has resulted in only increasing racial tensions. This is at least due in part to the fact that it presents a forced situation. New Towns offer a natural solution.

Today it is no longer possible to provide housing for the growing low income and minority group population in the confines of the central city except by forcing more and more of the higher income families to move to the suburbs. Sufficient land is not available and almost all of the new housing built on urban renewal land has created fewer units than were demolished. Obviously, it is very hard to equal the high densities of our slum areas except by building very high, high-rise apartments, which in the case of low-income families often intensifies crime and other problems. The British have wisely built their New Towns before demolishing the slums from which the New Town residents come. In doing this they have avoided the problem that has beset our own public-housing and urban renewal programs, which have demolished more housing units than they created, thereby forcing people out of one slum area only to cause a new one to come into existence.

It should also be pointed out that land prices in the existing cities have often resulted in the construction of apartments on urban renewal lands that were well beyond the capacity of the prior residents. In fact this has been the rule rather than the exception. This of course has been a backroom policy of many cities in an attempt to stabilize the outmigration of high income families which has resulted in deterioration of the tax base.

## The Need for Regional Planning and Government

Today in the U. S. A. the political boundaries of our large cities are obsolete, as planning problems spill far out into the region. Planning to be effective must solve problems of over-all land use and the resulting relationships between residence and employment, of industrial growth and location, of highway location, of drainage and flood control, of air and water pollution, of open space distribution, of population distribution and destratification, and of New Town locations and sizes. These problems have not and cannot be solved on the local level. This is easily illustrated by water pollution, which often results from industrial wastes miles upstream. The need for metropolitan government has long been recognized and yet with few exceptions little has been done. Struggles for the development of metropolitan governments often over-shadow what it is that they can do: coordination and regulation of regional growth and design. It is difficult to see how growth can be properly administered, unless it is in accordance with an over-all plan that can be implemented. No doubt the success of New Towns depends heavily on the formation of metropolitan governments.

One of the best examples of metropolitan government is Toronto's Metro which started April 15, 1953. Twelve years after its formation a commission named to study desirable changes received not one suggestion regarding any serious changes or advocating return to the replaced system of independent municipalities. Experience has shown that this setup prevents interest domination by the central city. Thus far Metro has been responsible for, among other things, "striking physical accomplishments, such as trunk water distribution, improved sewerage and drainage systems, outstanding river-valley parks, and a system of expressways and parkways."[17]

Central cities today are faced with a marked decline in the growth rate of assessed valuation, self-defeating property tax rates, a flight of middle and high income families to the suburbs, and decamping industry. The resulting financial burden to those central cities which are attempting to solve their socio-economic problems, with expanded educational efforts, blight fighting, zooming welfare costs, urban renewal, and costly police protection, is simply beyond their fiscal capacities. The advantages of a metropolitan government with the appropriate powers of taxation with respect to the solutions of regional socio-economic problems should be obvious. A New Town could be designed to primarily strengthen and enrich, not destroy,

---

[17]Albert Mayer, The Urgent Future (New York: McGraw-Hill, 1967), p. 123.

the economy of the central city and to instill new spirit and leadership into the central city's cultural, political, and economic institutions.[18]

## Objectives of A New Town Program

One of the objectives of a New Town program, for any metropolitan region, should be to minimize the need for ever-increasing (commuting) automobile traffic. Across the nation, new highways are currently being widened to meet peak traffic loads. For the rest of the day and the week, they have more capacity than needed. New Towns should place living and working in such relation to each other so as to actually reduce the total demand for transportation. New Towns provide the opportunity for the development of rational transportation systems for internal mobility as well as accessibility to the central city. Properly designed New Towns can contribute to the sound, economic growth of the region in which they are located, and thus provide the rational basis for the development of inter-city mass transportation. This mass transportation system then would strengthen the economy of the central city by providing additional customers for its specialized shopping and entertainment facilities.

---

[18] Wayne E. Thompson, "Prototype City Design for Tomorrow," Public Management (August 1966), pp. 212-217.

Another objective of a regional New Town's program would be greater compactness of development which would leave land in the interstices between towns for an open space program serving ecological needs ranging from water and air purification to watershed, drainage, agricultural purposes. Compactness of development also makes possible long sought-after economies in infra-structure installation.

In the U. S. A. then the objective of New Towns should not only be to limit the growth of central cities, but also to organize the expanding metropolitan region to render the center more readily accessible. The prime objective then would be to accommodate the nation's urban gains on an improved basis. Although some relatively isolated, semiautonomous or economically specialized New Towns might be built, as in the past, the orientation of the programs should be centered around metropolitan locations, where the major population and economic growth is taking place. It should be emphasized that New Town in this context would be part of the metropolitan regional fabric: its physical layout, transportation complex, and social, economic, and cultural systems. In a rational distribution of a region's activities, New Towns would complement rather than compete with the central city through careful regional planning.

Answers to Those Opposing New Towns

The arguments against New Towns are almost as numerous as the ones for them. Consequently, no comprehensive coverage will be attempted here. It should be pointed out, however, that many arguments have similar and somewhat unjustified roots.

Some planners have argued that the New Towns are irresistible to the planner because "they offer a fresh beginning, free from societal messiness and the complexities of existing structures, utilities, and sites."[19] It cannot be disputed that New Towns offer a fresh beginning, but today, at least, it must be programed with out-dated and ill-informed, suspicious local governments. It should also be pointed out that it is common sense to attack any problem in the simplest way possible. New Town efforts, at least in their concepts, have not tried to escape social problems, but have merely attempted a longer range approach. These same people argue that urban renewal is in its infancy and a New Towns program could divert attention from the slum areas of the central cities.[20] It has already been shown how urban renewal planning and New Town planning could occur

---

[19] "Designing Intercity Growth; Harvard's Sixth Urban Design Conference," Progressive Architecture, August 1962, pp. 98-109.

[20] Philip Hammer, "An Antiquarian's View," Planning 1964, pp. 138-43.

simultaneously. Thus far urban renewal has not been very successful in "patching up" cities, and generally speaking it has resulted in "poor people displacement" with the hidden motive of increasing the tax base. It should also be emphasized again that New Towns are concerned with the proper planning of the doubling of urban land by the year 2000. Neither the urban renewal program or any other program offers an alternative other than sprawl.

One of the major groups opposing New Town programs are the big city mayors who see New Town legislation as a threat and feel that an attractive well-planned New Town would accelerate the drain of population and employment from the existing central cities and thus only serve to compound the already complex problems of these cities. Unfortunately, they fail to realize that suburban growth is inevitable, and that New Town proposals merely seek to give this growth more discipline, efficiency, and amenity.[21]

A key to New Towns development would be to effectively focus programs already available in metropolitan areas. For example, open space and recreation programs; community facilities programs; highway and rapid transit programs; urban and metropolitan planning assistance; water pollution control, environmental health, and river basin development programs;

---

[21] Chester Rapkin, op. cit., pp. 208-219.

federal land and facilities policies; home mortgage insurance and credit policies; airport development programs, etc. Any new federal assistance keyed to specialized aspects of New Town development, even apart from focusing already operating programs, would have to be directly related to need, as well as effectiveness, in accomplishing the full range of objectives at the local level.

Others that oppose New Towns point out the problems facing their successful accomplishment. For example, the problem of achieving short and long term fiscal stability for New Towns within the constraints of suitable tax rates, high early costs, and an initially small tax base; the problem of providing adequate urban services including necessary utilities, schools, public safety, welfare and recreation services with the given base; and the problem of introducing a local government apparatus responsible for providing urban services representative of public interests in relation to private interests. All these problems will be discussed in later chapters, but it is important to point out here that these problems are now applicable to typical suburban developments, and New Towns would not alter the nature or extent of the problems.[22]

---

[22]Robert Gladstone, op. cit., p. 33.

New Towns as Demonstrations

A New Towns program in the U. S. A. could offer industry an "urban test tube" in which it could exercise free thought and ingenuity, free from the shackles of tradition, political obstacles, and outmoded special interest municipal plants. The urban lab could essentially test the cooperation of industry, government, labor, and the newest innovations of our universities. In the "Lab," urban problems could be introduced in small and manageable proportions under controlled conditions so that the local community could cope with them effectively. Solutions then would be developed that could be applied to the more complex problems of the central cities.[23]

A New Towns program, in fact, could provide a tremendous stimulus to the kind of research and development that is needed to solve urban problems. The very scale of a New Towns program would create markets large enough to stimulate both private and governmental research in the hardware of city building. Many so-called New Towns are already being built by large corporations such as General Electric, Westinghouse, Goodyear, and Humble Oil. Westinghouse, for example, is now planning a New Town in Florida for the purpose of experimenting with and developing new products and systems which New Towns will require, such as

---

[23] Wayne Thompson, op. cit., pp. 215-216.

urban transportation facilities, garbage-disposal equipment, and home appliances.[24] By creating their own captive market, companies feel they will be able to absorb the immense cost of technical innovation that inhibits many promising building ideas.[25]

New Towns then open up exciting new opportunities to do things differently; opportunities for testing new types of transit and communications systems; model educational programs and facilities; new and revolutionary concepts for replacing or improving traditional municipal services. Computerized services in police, fire, and health could possibly extend the prevention philosophy in public safety so that crime and fires could be reduced to a minimum. By computerizing city hall with connections to homes and businesses, residents could receive instant information and many services from the city departments.[26] New Towns can also offer safer environments through well planned circulation systems which separate pedestrian from vehicular traffic. Because New Town designs generally encourage people to walk more, people may even become healthier and more physically fit. One of the principal reasons New Towns

---

[24] P. Herrera, "Instant City: Corporate Builders of New Towns," Fortune, 75, June 1, 1967, 135-8.

[25] "Up from the Sidewalks," Time, 88:94, September 9, 1966.

[26] Wayne Thompson, op. cit., p. 216.

have generated so much interest in recent years is that simpler, more natural living can be reintroduced into our society. By planning in harmony with nature, it is possible to create an environment that depends much less on complicated paraphernalia and emphasizes human and natural relationships.

Essentially then, New Towns have the potential of becoming accident-free, pollution-free, noise-free, nuisance-free, and tradition-free communities for everyone. Wayne Thompson, former president of the International City Managers Association, has even suggested that the centers of New Towns might be enclosed with a glass or plastic dome to provide a weather controlled climate of 70 degrees the year round, large enough to accommodate the main cultural, recreational, and shopping facilities of the community.[27]

In this chapter New Towns have been discussed in their purest and most idealized form. It should be made clear that New Towns are not good simply because they are New Towns. Today they are faced with many problems. To name a few, they have to be located properly, designed properly, financed, engineered, administered, and sold. Above all they must be part of a program which has as its basic philosophy the building of better communities for all people.

---

[27]Wayne Thompson, op. cit., pp. 216-217.

## CHAPTER III

## U. S. NEW TOWNS: A CRITICAL ANALYSIS

In analyzing past "New Town" development in the U. S. A., it is important to analyze both the results as to their implementation of the concept and the systems that effectuated the project results. It should also be emphasized that any analysis calls for a rather liberal application of the "New Town" concept, for it is commonly agreed that the only completed post World War II New Towns on the continent are examples of developments associated with specific industrial operations such as Alcoa in Tennessee, and have no relevance to the key urbanization issues and potentials of New Towns today.[1] The purpose of this chapter will be to first discuss and summarize some of the results of past efforts, and then to illustrate the complexity and difficulty of building true New Towns under our present private system of development with a discussion of the major issues today.

---

[1]Robert Gladstone and Stanley Wise, "New Towns Solve Problems of Urban Growth, Public Management, May 1966, pp. 128-39.

With the exception of the Greenbelt Towns, New Town development has been primarily the effort of private enterprise. Some New Towns have emerged as dramatic and innovative in concept; others have been no more than the compounding of the dullest subdivision. Some have been located after exhaustive analysis to determine the optimum strategic site within a metropolitan region; other locations have been based only upon the availability of cheap land or a fortuitous land holding. Some have almost unlimited financial resources; others are paying considerably in excess of 10 per cent interest for the limited funds that they can secure. Some are marketing a range of housing prices and types; others are concentrating exclusively upon single-family detached housing for middle and upper-income families; and virtually none today are providing housing opportunity for families of low and moderate incomes,[2] and yet that has been one of the proclaimed objectives of almost every New Town. In fact, provision for all economic classes is a basic characteristic of the New Town definition. It should also be pointed out that in general, New Towns, as differentiated from Company Towns of the past, developed to

---

[2]Thomas McDade, "New Communities in America: A New Context for Institutional Innovation," Urban Land, January 1965, p. 6.

house employees of a particular industry, have failed to attract adequate industry and employment to effectuate any significant reduction in commuting. In essence then, New Towns are generally not New Towns but are in fact well-planned, medium and high-income, dormitory communities.

Company Towns of the Past

Many early private "New Town" projects in the U. S.A. fall under the heading of "Boom Towns" and "Company Towns." These towns generally neglected the interest of the residents and people in surrounding areas, serving only the interests of the developers. They were usually poorly planned housing developments built for a profit and to house the labor supply for natural resource mining or processing.[3]

Generally the only considerations for their development were the availability of cheap land, transportation access, a natural resource base and the motivations of a quick profit. Often there was even a failure to consider the adequacy of the water supply and sewage disposal and to reserve land for public uses and services. Temporary housing used by construction workers often was allowed to remain

---

[3]Mariemont, Ohio near Cincinnati, Ohio provides a well-planned exception. For more information on this town see A Descriptive and Pictured Story of Mariemont, The Mariemont Company, 328 Walnut Street, Cincinnati, Ohio, 1925, 63 pages and, Frederic H. Fay, The Development of Mariemont, Ohio, American Society of Civil Engineers, pp. 1619-1635, January 1926.

after development and typically developed into substandard housing and slums.[4] Consequently the residents suffered many problems of disease, filth, and congestion while the entrepreneurs got rich and left for new areas promising profit.

New Ellenton, South Carolina is an excellent sample of a Boom Town which was built for profit and neglected the comforts of its residents. The economic base for this development was largely tied to the construction phase of the H-Bomb plant. Because it developed without plan and without amenities, facilities, and services, which would allow it to compete with older established communities, its opportunity for attracting a balanced and permanent economic base passed it by quickly.[5]

Oak Ridge, Tennessee, built to house the employees of an A-Bomb plant, provides a sharp contrast to the development of New Ellenton. Its construction began in 1943 and by 1945 was providing housing for 75,000 people. In spite of its rapid growth, it was very carefully planned to provide a wide variety of conveniently located community facilities. In fact, it has been given wide recognition

---

[4] "New Towns," Architectural Forum, 95, November 1951, pp. 136-143.

[5] Stuart F. Chapin, "New Town Planning Criteria," ASPO Planning 1952, pp. 81-83.

for its excellent site planning in the hilly terrain. Some have said that "it is the best job of emergency housing to come out of the war."[6]

It should also be pointed out that many earlier Boom developments not only neglected the interests of their residents, but also failed to recognize the regional implications of their developments. In many areas these developments started at a time when zoning ordinances, subdivision regulations, and an active planning commission were non-existent. Because of the lack of comprehensive planning, developments often were not and did not have to be coordinated with one another, which often resulted in one development negating the interests of the residents of adjacent developments. For example, in Levittown, New York, a road planned as a 154 foot throughway bordered by a 20 foot greenstrip on each side was handled as an interior street with houses fronting on it in an adjacent development.[7] In this case the failure to coordinate plans resulted in unnecessary noise, dirt, and traffic hazards for the residents of the adjacent development.

---

[6]"Atom City," Architectural Forum, October 1945 pp. 102-116. For additional information on Oak Ridge, Tennessee see George Sanderson, "America's No. 1 Defense Community," Progressive Architecture June 1951, pp. 63-84.

## The Greenbelt Towns

The most significant ventures in New Town planning by the federal government were the three greenbelt towns: Greenhills near Cincinnati; Greendale near Milwaukee; and Greenbelt near Washington, D. C. These towns were built during the depression of the 1930's by the Resettlement Administration, and were made possible by the Emergency Relief Appropriation Act and the National Industrial Recovery Act, both of 1935. President Roosevelt, by executive order in September of that year, established the Resettlement Administration and prescribed its function in regard to the Greenbelt Towns. The purposes of the program as officially stated were:

1. To give useful work to men on unemployment relief.
2. To demonstrate in practice the soundness of planning and operating towns according to certain garden city principles.
3. To provide low-rent housing in healthful surroundings, both physical and social, for families that are in the low-income bracket.[8]

The towns were to be located in areas of high unemployment and with industrial potential, although they were not originally planned to contain their own industry. Location studies, however, had to be cut short because of political pressures, and construction of Greenbelt, Maryland, began

---

[8] Clarence S. Stein, Toward New Towns for America (New York: Reinhold, 1957), p. 119.

early in 1936. All the towns were built on land purchased by the federal government for that purpose. Sufficient land was acquired to assure a permanent greenbelt around the towns. All planning and construction was done by the Resettlement Administration, and the towns were administered by a succession of federal agencies until they were sold to private organizations.

After the initial appropriations had been spent (purchase in each case of some thousands of acres of land and construction in each case of hundreds of homes on only a small portion of the land, with a school and with shopping-community facilities) the Resettlement Administration Program was abandoned. In 1949 Congress passed Public Law 65 which governed the sale of the towns. Reference was made in it to the criteria of fair market value based on appraisal by an independent real estate expert. The only qualitative requirement in the law was that in the sale, preference was to be given to non-profit or limited dividend organizations of veterans or tenants. It should be emphasized that there was no reference made to the original goals, no restatement of these goals, and no mention of master planning as conditions of the sale.[9]

---

[9] Albert Mayer, "Greenbelt Towns Revisited," Journal of Housing (Jan., Feb., March, and April, 1967).

One of the major factors leading to the sale of the towns was the conclusion that their continued administration and maintenance was not palatable with other federal government activities. While under governmental regulation the towns did not have a chance to prove whether the original high objectives and methods were valid, or could be effectuated. A pre-condition for substantial success in any significant new effort is explanation, discussion, debate, conviction, and effective organization of opinion. The entire program had merely been the subject of heated controversy between those who favored and those who opposed government development of New Towns. Finally after much exploration and negotiation, the Greenbelt Towns were sold to private enterprise. Greendale, for example, was sold to the Milwaukee Community Development Corporation, a corporation formed by a group of Milwaukee businessmen.

Although all the towns were located in metropolitan areas, none were a part of any metropolitan planning context. They were not intended to channel urban growth, but to provide housing for low-income families outside central cities. Their failure, after private takeover, to attract industry to any substantial degree has resulted in continued commuting, but the towns do illustrate the possibilities for design innovation and environmental planning which such a program can accomplish.[10]

---

[10] Clifford Wayne Graves, Public New Town Corporations for California, (Unpublished Masters Thesis, University of California at Berkeley, 1964) pp. 72-75.

In 1967 Albert Mayer, one of the original Greenbelt Town Architect-planners, conducted a series of studies of the towns to determine problems encountered by the towns after they were sold.[11] The following discussion summarizes his findings.

In the early years of the towns, when land was not costly, it was cheaper to avoid massive bulldozing and leveling and compacting, but later after the land had changed hands several times causing the cost to go up, the opposite was true. In the later developments internal groves and slope-sided stream beds either disappeared or were markedly reduced. It should also be pointed out that in later developments many of the effectuating details of the plan concepts were never completed, and thus the results were more partial and haphazard than in the original sections. In Greenhills, for example, dividing hedges were generally not planted which resulted in a loss of privacy, the interior path system was not installed and the interior commons were blocked off like islands and did not constitute a direct system of pedestrian communication.

After the housing in the towns were sold, prices were still moderate, but there was no limitation on prices of resales and re-resales. The underdeveloped land was also

---

[11] Albert Mayer, "Greenbelt Towns Revisited," <u>op. cit</u>.

sold off fairly cheap, but again there was no limitation on resale. Thus the objective of the Greenbelt Towns to serve low-income families at low rentals was abandoned. Even though the original housing units were quite modest, prices rose rapidly, due to speculative buying. This was the case even in Greenbelt where much of the housing ownership was by cooperative. Today the original units are occupied by medium to high-income families rather than the originally intended low-income. The case is even more extreme with the privately developed housing built after the takeover by the private developers. In 1966 detached houses ranged from $15,000 to $60,000 and $70,000.[12]

It has already been pointed out that industry and office employment are essential for balanced New Towns; to enhance the tax base; to make jobs available and to minimize commuting; and to create a stimulating and useful social-economic mix. It has also been pointed out that the Greenbelt Towns were sited in metropolitan areas that were found to have high employment growth potential, so that jobs would be available. The facts today are, however, that none of the towns have succeeded, despite efforts since private take-over, in attracting any appreciable amount of industry, or in producing a minimum commutation situation significantly different from that of a normal suburb.

---

[12]*Ibid.*, (April), p. 152.

In the case of Greenbelt, the original maximum income limits set for eligibility by the government in order to be accepted in the town were considerably below the incomes of those working at the big agricultural experiment center in Beltsville. Consequently, practically no residents worked there. In later years 1000 units of defense housing were built, but no one was admitted that did not work in the defense industry, a considerable distance away. In the case of Greendale, the private development corporation made a serious effort to attract research and other industry. The fact is, however, that a 1960 report on economic and ecologic base notes that 95 per cent of working residents of Greendale work outside.

A conclusion can be drawn from this experience; in an unrestricted private market low income families will be crowded out even if they are the early occupants due to special conditions and provisions, unless there is an initial low-income, low-rental supply of substantial quantity, and a strong mechanism for maintaining it. In the case of the Greenbelt Towns, many of the low-income residents could not afford the extra costs of commuting and were forced to move closer to their place of employment.[13]

---

[13]Clarence S. Stein, op. cit., p. 131.

It should also be pointed out that Greenbelt has been multi-sected by major highways that did not exist when the land was originally purchased and developed. The Baltimore-Washington Parkway disected the southeast corner in 1954, and in 1958 a controlled access arterial highway cut off a chunk of the southwest, where a number of large residential developments have taken place. As of 1966 there was no underpass or overpass to connect these two amputated parts, and it is quite a long detour to get from one side of the town to the other. Similar bisections by major highways have occurred at Greendale and Greenhills.[14] Obviously the highway systems have more or less disregarded the effects on the towns, and it should be clear that site selections did not and could not have anticipated these occurrences. It is absurd for major conflicts to happen in any rational system of inter-consultation, but such a system which is badly needed has not been developed.

With respect to shopping and entertainment facilities, the Greenbelt Towns have not developed to the extent anticipated. During the period between 1937 and 1948, the commercial centers were essential as they were well patronized for shopping and along with the school were the focus of social and civic life. Their success in that period was

---

[14] Albert Mayer, op. cit., pp. 152-154.

attributed to the fact that many people did not have cars during the depression and gasoline rationing during World War II prevented long shopping trips. In the late 1940's, however, the development of large regional shopping centers, accompanied by rising car ownership, had a significant effect on the towns. Today only convenience shopping continues to thrive in the local centers in the towns. Movie theaters too are doing poorly, and there has been very little increase in the size of the centers to meet the needs of the expanded population. It now appears unlikely that a single large-scale versatile town center will ever be developed in any of the towns in view of the competition of the already developed regional centers near each of the towns. Greendale, for example, has four regional centers within a 10-15 minute drive of it.[15] It should also be pointed out that the original low-cost barrack-like row housing near the town centers has been a deterrent to change.

External elements then have resulted in a substantial lessening of internal civic and large-scale social entity and identification which in turn have mitigated against a goal of relative self-sufficiency and possibly civic wholeness. This experience then suggests that New Towns of the future will have to be built considerably

---

[15] *Ibid.*, pp. 154-156.

larger than even the potentially largest of the Greenbelts, to eliminate competition with regional centers by their own internal centers and large enough to contain and support cultural and educational facilities of significance.

On the question of racial integration not much information is available with respect to the Greenbelt Towns. In actuality Negro families have moved into the towns without incident, but each of them only contains a very small percentage of non-whites. As of 1966 no fair housing committee and/or ordinances had been passed nor was any official action felt to be needed.[16]

It was mentioned earlier that Public Law 65 directing divestment of governmental control of the Greenbelt Towns included no requirements as to future development or master planning. The Public Housing Administration however did have master plans drawn up to guide private developers on the transfer of the towns. These plans were drawn up by those who had done the original planning. It should be emphasized, however, that in no case were these master plans fully followed, as far as the spirit and quality of planning was concerned. For example, as illustrated earlier, later subdivisions lacked the character of the original development including their sensitivity to terrain and nature.[17]

---

[16] _Ibid_., p. 160.

[17] _Ibid_., (Feb. - March), pp. 82-83.

In summary then it should be emphasized that the Greenbelt Towns have not made a positive contribution to the important problem of attracting industry and other employment, whether to minimize commuting, or to help bring down the tax rate, or to bring about a more favorable social-economic mix. It should also be emphasized that much of the potential of the Greenbelt Towns was truncated initially by lack of follow-up funds to enable them to expand to any significant degree beyond the original semi-self-contained fragments, to fructify the original thinking and purposes. After complete divestment of governmental control, the towns never really had a chance to prove out their purposes. Their private development generally represented a subdivision operation, unaffected by the original planning concepts.[18]

Park Forest Illinois

Park Forest, Illinois is another example of a New Town project that resulted in basically the development of a high income dormitory type community. Its private construction began in 1947 on a site approximately 30 minutes from the Chicago Loop. The unstratified population has exhibited a very high turnover, 50 per cent having moved between 1957 and 1960. In its early years, it contained no

---

[18] *Ibid.*, (April), p. 160.

Negro residents and as late as 1964, it only housed ten Negro families in dispersed locations. Because of the high population turnover the town has been deprived of stable leadership.[19]

Typical of past New Towns, Park Forest too has failed to attract any significant amount of industry. Of the 430 acres originally planned for industry, only 126 acres remain zoned for that purpose today, and they still are essentially undeveloped.[20]

One of the important problems facing Park Forest was the quality of the dedicated utilities installed by the developers. Because the developers had chosen to utilize public dedication agreements rather than to post performance bonds, Park Forest developed quickly, but the quality of utility construction was sometimes low and the correction of defects tended to be postponed for a variety of reasons usually involving construction priorities. Other development problems resulted because of conflict of interests between the private developer and the residents. This was due in part to the mutual distrust between the developer and planning minded citizens.[21] (This type of problem will be discussed in more depth later with respect to other projects.)

---

[19] Robert A. Dinerstein, "Problems in the Development of Park Forest, Illinois," _Planning 1964_, pp. 143-150.

[20] _Ibid._, p. 144.

[21] _Ibid._, p. 145.

Despite the problems of Park Forest, it is considered to be an attractive and successful community, because it has high standards for its schools and municipal services, and because it has developed from a basically sound plan.[22] It should be emphasized, however, that it is not really a New Town because it lacks industry and employment and does not have a heterogenous population.

Current New Town Efforts

Presently there are numerous New Town projects under construction throughout the U. S. A. Examples are Columbia, Maryland; Reston, Virginia; Clear Lake City, Texas; Irvine, California; Eldorado Hills, California; Litchfield Park, Arizona; Lake Havasu City, Arizona, and many more. Although the character of many of these developments is not yet established in detail, they all generally appear to be sizable in terms of area and population objectives, and multipurpose in land use. It should be pointed out, however, that most of these so called "New Towns" are nothing more than large-scale planned unit residential developments rather than "New Towns" with industry, greenbelts, and a heterogeneous population.

---

[22] Ibid., pp. 149-150. For more information see Philip Klutznik, "Park Forest, Illinois," Architectural Record, May 1951, pp. 94-110. Also Jack Miltzer, "Administrative Problems of New Towns," Planning 1952, pp. 71-81.

Before continuing it should be pointed out that although many New Towns have been designed basically for purposes of housing market speculation, some developers, James Rouse and Robert Simon, for example, are also dedicated social planners. Mr. Route consulted for more than a year with 60 of the country's outstanding social planners before bringing some of them together to formulate the sociological concepts of Columbia, Maryland.[23] Robert Simon, the initial developed of Reston, Virginia, has also been concerned with the social structure of his New Town. His specific efforts in this regard, however, were not as formalized as those of James Rouse as he did not create a work group nor did he make great use of outside consultants to provide ideas about the possible institutions of Reston. Mr. Simon did make a greater commitment to social planning than did the California developers, in fact he hired a full-time social planning director.[24] "In its industrial program, its recreation facilities, and its social planning, Reston represents a less ambitious break with the suburban past than does Columbia . . ."[25]

---

[23] "New Towns: Are They Just Oversized Subdivisions--With Oversized Problems?" House and Home, June 1966.

[24] Edward P. Eichler, The Community Builders, University of California, Berkeley, 1967, p. 82.

[25] Ibid., p. 85.

Both Reston and Columbia have been the exception rather than the rule as far as planning effort is concerned.

Recently the U. S. Department of Agriculture conducted a survey of New Towns, planned communities, and other large developments started between 1945 and 1967. The survey showed that new developments are often built without benefit of an adequate comprehensive plan and that too frequently little consideration is given to the geology, topography, and soils of the site chosen for the development. This results in construction that is difficult, dangerous, or excessively expensive. The survey also pointed out that typically, insufficient effort is made by the developer to preserve the best aspects of the surrounding landscape, and that only limited consideration is generally given to the economic social impact of the new settlement on the surrounding area.[26]

The survey went on to point out that monotony pervaded many new developments as a result of poor site planning and mediocre design, architecture, and landscaping. Many of the settlements also tend to be deficient in open space and their outdoor recreation facilities are often poorly located and designed. Some lack such basic community facilities and

---

[26] Murial I. Allen, New Communities: Challenge for Today, AIP Background Paper No. 2, October 1968, p. 7.

services as adequate water supply, central water distribution and sewage disposal systems, trash collection, sidewalks, fire and police protection, and libraries. The report also emphasized that the range of housing types in the developments is very narrow; single family, middle home predominating with a generally very narrow spread in housing cost or rents. In some of the projects low income housing has been planned, but has not yet been built.[27] Of course many of these deficiencies are not unique to New Towns, as they are prevalent in many smaller cities outside metropolitan areas, however, New Towns generally have as one of their prime objectives an improvement in living conditions.

It should be emphasized that today few New Towns meet the planning standard inherent in the concept; a community that offers both employment and the best in urban and suburban living to people of all economic levels. Robert Weaver has made statements to the effect that New Towns represent feasible examples of an extremely attractive life style for the middle and upper-income family, but he adds the broad base of our economic pyramid, more than a third of the total population is generally excluded.[28] It should

---

[27] Ibid.

[28] Robert C. Weaver, "Beyond the Urban Fringe," AIA Journal (September 1965), p. 76.

be understood however, that it is this element which operates our industrial and commercial facilities and supplies the manpower for numerous local services including janitorial, domestic, retail, and maintenance. For New Towns which are remote from concentrations of this labor group, the lack of such workers can be inconvenient and uneconomic.

The idea behind New Towns must be to create an economically and socially integrated community, not a single-class glorified suburb or a thin-social-economic-stratum town like those that have thus far developed; that is if they are to help solve social as well as physical planning problems. Private developers try to avoid accusations of segregation and discrimination by accommodating only a very small sprinkling of minority and low-income families. Unless a special effort is made to interest them, minority families will not apply in serious numbers, for reasons of diffidence, habit, and inadequate income. Today, in most New Towns, without subsidized public housing the income range of those that can be accommodated is pretty narrow, even with the federal rent supplement programs for disadvantaged persons.[29]

James Selonick affiliated with Reston has said:

> Our best opportunity for low-cost housing is in the rental field, where various federal programs are

---

[29]Albert Mayer, The Urgent Future (New York: McGraw-Hill, 1967), p. 84.

> available to us. We are prepared to construct a building under Section 221(d)3 as soon as a sufficient number of qualified workers, or prospective workers from our industrial commercial areas indicate the need for such accommodation. We have said that we will provide housing for anyone who works at Reston and we intend to fulfill that commitment.[30]

These quotes seem to place the responsibility for low income housing on the people. It seems that New Town development is confronted with the "chicken and the egg problem" and is linked with industrial attraction. It should also be pointed out that when New Towns are successful in attracting industry, it is generally the "clean-type" employing middle and high income families. (This problem will be discussed in more depth later.)

In planning for New Towns, Robert Weaver has suggested three alternatives:

1) Plan for everyone in New Towns,

2) occasion the development of unplanned shack towns nearby which will soon evolve into rural slums, or

3) depend upon commuters to supply these labor requirements, with consequent high incidence of absenteeism and upward pressures on labor costs.[31]

Lacking a reasonably full economic cross section will of course, also prevent New Towns from making a serious contribution to diminutions of traffic and commuter miles. With

---

[30]Robert Gladstone, "New Towns Role in Urban Growth Explored," Journal of Housing (January 1966), pp. 29-36.

[31]Robert Weaver, *op. cit.*, p. 76.

industry massively moving out of the central city to get more land for elbow room and one-story assembly lines, with private builders creating new middle and upper class New Towns, and with more office buildings in the central city for prestige and other semi-compelling reasons the two-directional commuting will continue to rise and will create new traffic peaks. The Levittowns and Park Forest are good examples.[32]

Critique of Private Development of New Towns

Obviously many more examples could be cited, but at this point it would be more beneficial to begin looking at the why(s) behind the results achieved by New Town efforts. This is a very complex subject and involves the problems of private enterprise as well as town planning.

First of all it should be pointed out that private developers are eager to build and sell houses quickly at a profit. Also the private enterprise system today is basically not socially, administratively, motivationally, or financially in a position to make a paramount and realistic commitment to a well-integrated New Town on any large scale. Because New Town developers do generally own a great deal of land, the value of which they are trying to raise,

[32]Albert Mayer, op. cit., pp. 84-86.

they are not really interested in attracting heavy industry or low-income residents, in the early years of development,[33] and later their attraction, as it will be shown, becomes much more difficult.

It should also be understood that in the building and development industry, the promoter-builder himself generally has only a minimum of investment, and it is only catalytic and temporary if he guesses right. It is he who calls the shots and chooses the location, while the lender or mortgage holder, the insurance company, bank or loan association, is very much the major and permanent but quite passive investor. The developer's small and temporary investment is often reduced to zero when the houses are sold, although he may own more land or sell on contract to other developers. This temporary interest of the original developer and of those who succeed him as short-term owners, establishes a poor attitude, as far as a real sense of responsibility or commitment goes, toward property that greatly affects the lives and activities of the people who occupy it.[34] The point is that the developer's attitudes and practices are all part of a system essentially not geared to optimum development and maximum long-run civic, economic, and social

---

[33] Edward P. Eichler, _op. cit._, p. 100.

[34] Albert Mayer, _op. cit._, pp. 54-55.

value. If the U. S. A. is to ever establish a rational urban civilization, speculative developers cannot continue to dominate the scene. Even dedicated developers like James Rouse have not been very successful in accomplishing social objectives in the present private enterprise system. Columbia, for example, thus far has not achieved the balance that it has sought between low and high income and even Rouse now anticipates a median income of $9,200 very much higher than the median income of the Washington area.[35]

Profit in New Town development is not bad. Financial success is important to the developer not only for obvious reasons or because such success is a source of esteem, but also so that initial New Towns will serve as models for future endeavors. In fact, the aim of many New Town builders has been to prove that the profit motive can be harnessed to correct deficiencies exposed by critics of conventional urban development. It is a fact however, that no matter how good the intentions of a developer, when social objectives conflict with those of profit, the profit objectives win out in every case. This is the way it is and must be in our competitive free-enterprise system. Profit is not just an objective, it is a must!

The complexities of New Town development and risk factors should not be underestimated. Problems of allowing

---

[35]<u>Ibid</u>., p. 84.

for building costs, house sale prices, rents, financing terms, and property and income tax levels have presented increasingly complex problems of analysis for the large-scale developer. The dimensions in land development are magnified for the New Town developer, since he must plan for many years into the future and be prepared to assume the costs of heavy financing over an uncertain time period. Profits are high in land and community development when rates of absorption are high, land prices are rising, holding periods are relatively short, and when long-term financing commitments can be secured at favorable terms. Rising interest rates, reduced levels of market absorption, and competition from increasing supplies of developed land, however, can cause a marked shift in profit potentialities and risks in land development.[36]

The characteristics of the housing industry also helps to explain the lack of social-economic balance in New Towns today. For example, many New Towns are built by a multitude of small volume builders. This factor combined with the immobile craft unions, the short work year and the attempt to compensate by constantly raising hourly wages, drives the cost of housing out of the low-income bracket, good intentions or not. Presently in the U. S. A. there are

---

[36]Paul F. Wendt, "Large-Scale Community Development," Journal of Finance (May 1967), pp. 220-239.

approximately 25,000 relatively small building contractors, none of which are in a position to conduct meaningful research or exercise real leadership.[37] This too has significantly contributed to a steady rise in building costs and the continuing shortage of low and moderate income families.

To really understand and analyze the problems facing New Town development, it is necessary to discuss the interrelated problems of private development in depth including problems of land assembly and location, marketing and sales, financing, industrial attraction and employment base, and government.

Location and Land Assembly Problems

Thus far in the U. S. A. the locations of privately developed New Towns have primarily been determined by the availability of large tracts of cheap land. Obviously, the location of a New Town development has a great effect upon its overall success. As Barbara Ward has said:

> Cities are organic things, requiring a strongly nourished economic and social life and to pick sites at random without thought for the veins and arteries of the larger body politic can increase costs and create wholly unsatisfactory communities.[38]

---

[37]Albert Mayer, op. cit., p. 65.

[38]Barbara Ward, "United Nations Symposium on the Planning and Development of New Towns," Ekistics November 1964, pp. 280-281.

It is a fact that almost every New Town developer has had to go well beyond established areas of development to find the right combination of land and price. This makes it tough to lure buyers, and it also creates many physical problems in land development. Few far out areas have either the roads or the utilities required by a New Town, even in its early stages. When New Town developers jump ahead of road construction to find low-cost land another problem is often created; that is--Who extends the roads to the New Town site, the state or the developer. Both have been tried, and both have proved costly.

Allan Lindsey, developer of El Dorado Hills, spent more than $1 million to build a divided four lane road to link the project to a freeway five miles away. Reston is another example of the bizarre lack of access roads. A four lane highway runs right down the middle of Reston, but no one can get on or off. The highway links Dulles International Airport with downtown Washington, D. C., and it is used almost exclusively by government officials and foreign dignitaries. Robert Simon, the developer, has asked the Federal Aviation Agency to provide access for Reston, but no action is expected. Meanwhile, visitors to Reston must drive the last seven miles along a two-lane country road.[39]

---

[39] "New Towns: Are They Just Oversized Subdivisions--With Oversized Problems?", House and Home, June 1966.

It is also important to point out that presently there are no regulations on New Town location in the U. S. A. New Towns can be built anywhere the land can be acquired providing they do not violate local zoning and subdivision regulations. The New Communities Act of 1968 does establish an incentive program for regulating New Town location but the legislation has purposely been left very general, and it is debatable what effect, if any, that it will have on the proper location of New Towns.[40] The reason for saying this is the present magnitude of the program. The principal amount of guaranteed federal obligations outstanding at any one time can not exceed $50 million per project and the total program has a ceiling of only $250 million. This, it should be understood, is a drop in the bucket in comparison to the costs of the average New Town. It is questionable if this legislation will effect the well-organized developer at all. It should also be pointed out that the competition and total demand for H.U.D. grants will probably greatly exceed the allotment of the program and could thus possibly tend to discourage future applications.

In sharp contrast to U. S. A. New Town development, British New Towns are highly regulated by the central

---

[40] H.U.D. Circular 6270.1, Initial Policies and Procedures, New Communities Act of 1968, November 19, 1968, pp. 1-18.

government. The selection and designation of sites for New Towns is a matter which Parliament has chosen to leave largely in the hands of the Ministry of Housing and Local Government. Because the British New Towns Act is silent regarding the criteria to be considered in weighing possible sites, the site selection process is largely ad hoc. The Minister is given broad discretion to make a Designation Order which for practical purposes is unreviewable, subject only to the qualification that he follow procedural requirements and be satisfied that the designation is in the national interest.

In Britain the actual initiative in proposing sites may be exercised by either Ministry officials or local authorities who desire the location of a New Town in their area. During the early stages of site consideration, an attempt is made to prevent land speculation by keeping the discussion primarily within the Ministry, but quiet consultations are sometimes carried out with local residents in an attempt to maintain tranquility. When a site recommendation has sufficiently crystallized, it is submitted to the Chief Planner of the Ministry, who has the major responsibility for evaluating proposals and making recommendations for final selection. This evaluation is based on criteria developed within the Ministry. It should also be pointed out that land may be selected irrespective of its unsuitability for development if its utilization will preserve for agricultural purposes other more suitable land.[41]

While the U. S. A. can be criticized for its failure to select New Town sites, the British system can be criticized for its very strong powers. The Minister is only required to be satisfied that the site is expedient in the national interest, a highly subjective decision. He cannot even be called upon to justify his decision in a court on the basis that the evidence was insufficient. One of the few limitations of the Minister's designation power is that he must consult the local authorities concerned; however, even this limitation is slight since he can decide which local authorities must be consulted.[42] In spite of the strong powers of the British system, it is doubtful if they are often abused as the British New Towns have been widely acclaimed for their success. The British system also lends itself to better coordination of planning efforts including that of transportation planning.

Closely linked with New Town location problems in the U. S. A. are problems of land acquisition. New Town developers are faced with the problem of acquiring thousands

---

[41] John R. McFarland, "The Administration of the English New Towns Program," Washington University Law Quarterly, February 1965, pp. 20-26.

[42] Ibid., pp. 23-24.

of acres, sometimes from hundreds of owners, at a "reasonable price." If the word gets out that land is being acquired for a New Town, the price may skyrocket to the extent that the project becomes impractical. For this reason land acquisition plans have to be kept top secret and conducted by many real estate men and attorneys that often do not know for whom they are working. In some cases an individual will not sell his land at any price and the project begins to resemble "swiss cheese." The problem can be focused around the fact that private developers have no power of eminent domain to acquire tracts of land essential to project success. Until all the necessary land is acquired, the developer cannot even be sure that the project is possible. In many metropolitan areas, adequate sites in the proper places could only be acquired through powers of eminent domain. This then explains some of the inadequacies of past New Town locations and their subsequent disection by highways and freeways.

Again in sharp contrast, the British have developed a rather unique framework for land acquisition. (This framework is quite detailed and will only be summarized here.) First it should be understood that in Britain the great portion of development is carried out by the public development corporation. This corporation has the authority to acquire land within and adjacent to the New Town and other land needed for the provision of services whether the development or redevelopment of the land is intended.

Generally land is acquired in any of three ways. (1) In the past the majority of land has been acquired by agreement. To acquire land by agreement the corporation must simply obtain the Minister's approval and comply with policy statements which limit the length of time in advance of its proposed use, that land may be acquired.[43]

(2) When land must be acquired compulsorily, it is acquired through a compulsory purchase procedure established by law. This consists of authorizing the purchase by means of a Compulsory Purchase Order, obtaining possession and title through service of a "notice to treat" and assessing compensation. Much of this procedure is similar to that of the U. S. A. for authorized uses of eminent domain. Of particular interest however is the procedure for assessing compensation. When the amount of compensation cannot be agreed upon after service of notice to treat, assessment of compensation is made in an administrative proceeding before the Lands Tribunal. Compensation is based on "market value" or the amount the land would bring if sold in the open market by a willing seller, but in certain cases it may be based on the cost of equivalent reinstatement. In either case

---

[43]*Ibid.*, p. 34.

there are certain factors which may not be considered in assessing compensation.

> First, no allowance can be made for the fact that the acquisition was compulsory. Second, the land's suitability for a particular use cannot be considered if the land could only be put to that pursuant to statutory powers or if there would be no market value for that use apart from the special needs of a particular purchaser or of an authority possessing compulsory purchases powers. Finally, appreciation in value due to any use which is illegal or contrary to the public health must be disregarded.[44]

This system greatly curbs land speculation and thus prevents another problem faced in the U. S. A.

(3) The third means of acquiring land is by Inverse Condemnation. In this case a landowner whose land is located within the designated New Town area may compel the development corporation to purchase his land if seven years have passed since the making of the Designation Order, and if the owner has served the corporation with written notice of his desire to sell. The corporation is deemed to have been authorized to acquire the tract on the date the owner makes his desire known. Although this provision was to protect those living on the site at the time of designation, it applies to anyone holding the land at the end of the seven year period.[45]

---

[44] Ibid., pp. 34-42.

[45] Ibid., p. 43. Time does not permit a discussion of all the implications of British New Town Policy, nor is it the purpose of this thesis to do so. British policies are being included here, however, to provide a framework for more "in-depth studies" in seeking improvement in the U. S. A. New Town policy.

U. S. A. New Town Marketing and Sales Problems

The marketing and sales problems confronted in the planning and developing of a New Town are like other problems; very complex and interrelated with factors that under the present system of development are not subject to control. The most obvious of these is the effect of location on sales. Many New Town developers have tended to overlook the remoteness of their sites under the assumption that their open-space planning and other amenities would bring buyers out from the suburbs, but experience has shown that remoteness often robs them of far more sales than amenities can attract.[46]

Another marketing problem of New Town development is simply trying to "guess" the market. Of course this problem is encountered in any type of housing development, but the results are much more critical at the New Town scale and many mistakes have been made. For example, Robert Simon, developer of Reston, in the first years gave his architects too much freedom and they ignored the realities of the housing market. This resulted in (1) too many different floor plans which proved highly inefficient to construct, (2) the use of non-standard building materials adding more expense and complications, and (3) the utilization of many

---

[46]"New Towns: . . . ", House and Home, op. cit., pp. 94-95.

modern designs which exceeded their demand. El Dorado Hills, a New Town outside of Sacramento, California, provides another example. Soon after it began sales, the market collapsed when a nearby corporation laid off 10,000 workers. Much of its market projections had been based on this one industry. In the case of Clear Lake City, 25 miles from Houston, the developer built California-style homes, and soon discovered that the market demanded Houston style homes. This same developer failed to heed buyer-preference studies which resulted in constructing costly recreational facilities for which there was little demand.[47] To date few market studies have proven very reliable, and New Towns, it should be emphasized, greatly increase the risks involved.

Some developers feel that under the present system, the cost of financing outweighs the realities of the market place. A developer's cash flow situation demands a big and increasing volume of sales right from the beginning, but the far-out location of the New Town often isolates buyers from shops and schools and makes sales very difficult particularly in the early months. Sales problems are further complicated by the fact that homes are generally built prior to working places. Many times developers are forced to push sales at

---

[47] Ibid., p. 100.

a loss to attract the first buyers. In a three-case study, it was found that the sales volume fell far short of early cash-flow requirements. At El Dorado Hills, the developers projected 400 house sales the first year but sold only 120 even after drastically cutting profits. Total sales in the first three years was 380, 20 short of the first year's projection. In May of 1966, Robert Simon of Reston sold 25 of the 350 townhouses projected for that year. At Clear Lake City, early market studies predicted sales of 1,200 houses a year, but it in fact had sold only 625 houses in the first three years.[48]

The problem of New Town building is that no one can predict with any accuracy what the housing market will be like five to ten years in advance. New Towns, however, require market projections more accurate and reliable than it has presently been possible to develop, for the financial success of such a venture depends on steady sales. Interest rates and other costs continue regardless of sales.

In the U. S. A., New Towns are exponents of private enterprise and are free of governmental control. This highly prized freedom however, deprives them of the power of the state to induce industrial development, thereby manipulating residential location. In Great Britain the situation is much

---

[48] _Ibid._, p. 100.

different, although the government does suffer from a duality of purpose with respect to industrial development. On the one hand the British government seeks to curtail the growth of employment in certain regions and to encourage it in others. On the other hand, it also seeks to develop New Towns, the development of which requires an adequate intake of industrial employment. Many of the New Towns are however in regions in which policy frowns on industrial growth.[49]

It has already been pointed out, that New Towns are constantly criticized for their failure to provide sufficient quantities of low-income housing. Again developers find themselves in a serious dilemma, for many developers have concluded that the market for low-priced homes is not big enough to support a New Town and that the few such homes that could be sold might severely decrease total sales.[50] The problem is further complicated by the fact that in providing for the social, cultural, and recreational facilities and services designed to speed sales, costs go up so that it becomes very difficult to provide low-income homes, even

---

[49] William Hart, Special Issue of Town and Country Planning on New Towns, January-February 1968, pp. 33-35.

[50] Edward P. Eichler, op. cit., p. 173.

if there is definite commitment.[51] Dr. Wallace Smith maintains that one cannot analyze the housing market merely by asking what percentage of the new housing serves families of a given income, because of the shifting of the housing stocks from high income new units in time to low income units. Builders no longer can compete with used houses on the bases of price but must offer more space or quality.[52] This too then helps explain why New Towns have been accommodating only higher income families.

The problem is further complicated by high-income families seeking the prestige locations of the high priced homes in New Towns as a guarantee against the introduction of lower income and minority groups close to their homes and immediate surroundings. These families, as it will be shown later, are a real threat to the success and future of a New Town project, as they often try to incorporate the Town and vote to stop future development, taking the power of control out of the hands of the developer. For example, in Foster City, a New Town project near San Francisco, 69 per cent of the residents indicated they would oppose a neighborhood of $20,000 homes even if it were separated from other neighborhoods by a lagoon and a row of apartments. To many

---

[51] Ibid., p. 104.

[52] Ibid., pp. 107-108.

buyers then, "planning" essentially means conditions or actions which minimize the risks that might threaten their social image and their monetary investment.[53] In summary then, residents of New Town projects often prevent the development of a true New Town with a social-economic population mix.

Efforts to develop a true New Town nevertheless continue. Profit projections for Columbia demand the tapping of relatively low income markets ($12,000 to $16,000 homes) as well as the middle and upper income buyers. James Rouse, recognizing the market dangers of mixing, intends to offer vastly different price ranges in different locations at the same time.[54] Exactly what will happen at Columbia remains to be seen, as it is still too early to tell what consequences social-economic mixing will have in the U. S. A., or if the objective will in fact be implemented.

## Problems of Industrial Attraction

Another major problem facing New Town developers, and one of the most difficult is the attraction of industry. For a New Town to really be balanced and thus be different from suburban developments, it must have an industrial employment base. Thus far industrial attraction has been one of the

---

[53] Ibid., p. 116-117.

[54] Ibid., p. 126.

greatest failings of New Towns not sponsored by an industry, as has been illustrated by the Greenbelt Towns and Park Forest, Illinois.

Industry and office employment are essential for New Towns to enhance the tax base; to make jobs available and minimize commuting; and to create a stimulating and useful social-economic mix. Industry then is the cornerstone of the New Town concept. It represents both land profits and a potential source of buyers and renters.

One difficulty in its attraction is that there is no particular leverage available to developers to attract industry in the early years. Another is that characteristically open-planned industry cannot compete for land at the prices privately produced houses can command. Albert Mayer, a well known New Town planner has said "As long as land is a freely disposable private commodity and speculative profit is a basic factor, large-scale logically related development is not going to take place, though the volume may prove large."[55]

Industry is interested in locating close to where people are already living, and generally prefer unincorporated areas, where taxes are lower and the school tax problem is less acute. Industries also often demand available

---

[55] Albert Mayer, op. cit., p. 86.

railroad siding and satisfactory road connections, which are not always available in the early years of a New Town development.[56]

In order to persuade industry to move into a New Town which is just getting started, concessions generally have to be made at the expense of profits. If a developer does not make concessions, chances are his competitors will, and he will suffer the consequences. For example, at Clear Lake City, General Electric agreed to occupy a new building if the ceiling were raised about a foot to accommodate some special equipment. The developers refused, but the developers of Nassau Bay, an adjacent community, accepted the deal. Consequently the resultant revenue got Nassau Bay off to a fast start, and it quickly became a rugged competitor to Clear Lake City for both industry and homebuyers.[57]

As might be expected, the concessions that must be made increase in proportion with the size and prestige of the company being sought. For this reason big employers are often looked at with mixed emotions by developers. William Finley, Vice President of Columbia, has pointed out three dangers in accepting a large industry in the early years: (1) the New Town may take on the look of a Company Town;

---

[56] Albert Mayer, "Greenbelt Towns Revisited," op. cit., pp. 156-157.

[57] "New Towns: . . . ", House and Home, op. cit., pp. 95-96.

(2) extra roads and utilities generally have to be built to accommodate it; and (3) a big company can drive such a hard bargain for a large site that the developer could lose money on the deal, even in the long run. Consequently developers are generally very selective about the type of industry accepted, particularly in the town's early stages. Some New Towns have such stiff density requirements (number of employees per square foot of building), that they tend to ban anything but high-paying "think factories." At Reston, a few of Simons' aides have discouraged assembly plants because few workers could afford to buy houses in Reston's price range. (Earlier it was pointed out that Reston planned to provide homes for anyone that worked there. By not providing low-income type employment, then, Reston is actually banning residential development for the lower social-economic classes.) Reston developers have also been wary of factories that would bring heavy truck traffic into the town.[58]

Because New Towns have been so selective in choosing and attracting industry, they have raised the concerns of many city officials of the nearby metropolitan areas, and thus have raised considerable opposition to New Town development. In the eyes of these officials, their concerns are somewhat justified. They do not want their cities to degenerate into settlements of low-income people with the dirtiest and most undesirable industry. As long as this continues

---

[58]*Ibid.*, p. 95.

New Towns will not and cannot become socially and economically integrated communities to any great degree. New Towns must accept their share of society's low-income and minority groups, if they are to benefit the public interest and ease social tensions. This means that they must attract industry and employment for all. The problem then becomes one of implementation. How can New Towns attract all types of industries and social-economic groups of people and still optimize residential sales? This dilemma is still far from solved.

Some New Town developers have tried to rely on the expansion of nearby industry to provide homebuyers for the first few years. This method however has proven quite risky. Clear Lake City provides an example. Its developers tried to rely on the employment of a nearby Manned Spacecraft Center which was expected to expand enormously. It turned out however the Center was delayed a year and employees began working in temporary quarters in Houston, many of which settled there. When the Spacecraft Center did move to its site near Clear Lake City, a confidential communique was circulated, according to reliable sources, that warned employees not to buy homes because they might be transferred again soon. It is also interesting to note that because the first astronauts bought homes in neighboring Nassau Bay, it quickly took on the image of a prestige community and attracted many more of the higher-paid executives. It has already been pointed out how El Dorado Hills suffered from a similar experience of mis-judging nearby industrial expansion.[59]

In Britain, actual attraction of industry is carried out by a combination of central and local government control coupled with salesmanship by the development corporation. No new factory with more than 1000 square feet of floor area can be built without an industrial development certificate from the Board of Trade. No site can be so used for industry unless it is already so used or the local planning authority permits it.

Industrialists wishing to expand their factories in the big cities find it difficult to get the requisite certificate and planning permission and thus are under pressure to move out. At first the British industrialists doubted the wisdom of a move to a New Town, but once a few had moved and experienced the advantages of a modern factory with their workers living in modern houses in healthy surroundings within a short distance of the factory, the development corporations generally found that they had many applicants for factories on their industrial estates. The corporations then could select those with the kind of labor requirements most compatible with the population grouping envisaged for the New Town.

---

[59] _Ibid._, pp. 95-96.

It should also be pointed out that the employees of a factory to be moved to the New Town would eventually be provided with houses there. Generally speaking the flow of houses has kept pace with industrial development. Of course not all move with the factory. In this case the industrialists can use the industrial selection scheme managed by the Minister of Labor through local employment exchanges. Under this scheme the industrialist can describe the vacancy to the exchange, and the exchange then arranges for it to be brought to the notice of qualified workers on the housing lists of the "exporting" authorities in the big city who have expressed their readiness to move to a New Town if jobs can be found.[60]

If the U. S. A. is to develop socially and economically integrated New Towns and thus be different from past suburban developments, the government is definitely going to have to curb present industrial trends with respect to New Town development. Government regulation of industrial location appears to be a possible answer, as demonstrated by the success of the British New Towns. One thing is certain, the present unregulated development of New Towns is faced with many problems of industrial attraction that in turn are closely related to the social composition and economic success

---

[60] C. W. G. T. Kirk, "New Towns in Great Britain," <u>Public Management</u>, March 1966, pp. 70-80.

of New Towns. Unless some changes are made, it is highly doubtful if the badly needed (in concept) New Towns will provide solutions to our pressing physical and social planning problems. In fact if these developments fail to accomplish their objectives, they will most likely only multiply planning problems.

## Financial Problems of New Towns

New Towns in the U. S. A., because of their very nature, have been confronted with tremendous financial problems. This is primarily due to the fact that they are not likely to produce any profit for five or more years and because tremendous sums of money are involved. The cost during these years include the land itself, off-site improvements such as sewerage disposal plant, water lines, and major roads, on-site improvements including interior roads, water lines, sewer lines, and grading, and other costs including interest on borrowed capital, planning costs, administrative overhead, and promotion expenses. Financial considerations become even more complex when one considers that the need for reliable long range predictions far exceeds the abilities of experts to produce such information. It has already been illustrated how inaccurate market forecasts can greatly effect the success of a New Town. It is impossible to forecast with any accuracy future housing demands because they are so closely linked to the nation's economy, which is in turn affected by a multiplicity of factors including world conditions.

The effective implementation of the New Town concept under present community laws depends on the purchase of the surrounding land to serve as a greenbelt. This greenbelt must be kept essentially open for agriculture, forests, sports, recreation, and ventilation, and must be acquired integrally with the built-up area. Private developers today cannot afford to acquire this very large acreage, including that for the greenbelt. Experience has shown that they cannot afford to keep heavy capital tied up and to pay taxes over the long period required for development. The build-up of pressure to reduce such involvement and to become liquid is usually irresistible. Land must be sold off whether or not the uses are optimum for the city, or prematurely forced into building; or too little land is acquired at the start, so that there is practically built-in fringe development, deterioration and consequent congestion and pollution. In the future it is going to be necessary for a public body with ample finances to acquire and retain the land.[61]

It should also be pointed out that profits are high in New Town development when rates of absorption are high,

---

[61] Albert Mayer, "New Towns: And Fresh In-City Communities," Architectural Record, August 1964, pp. 129-138.

land prices are rising, holding periods are relatively short, and when long-term financing commitments can be secured at favorable terms. Rising interest rates, reduced levels of market absorption, and competition from increasing supplies of developed land however can cause a marked decrease in profit potentialities and consequent increase in risk.[62] In light of the many uncertainties involved and the apparent invalidity of past market assumptions, it is highly questionable whether New Town development will result in monetary returns commensurate with the risks involved.

Because of the risks involved, mortgage money is extremely difficult to obtain, and investors often demand a share of the land profit and in some instances a considerable degree of control over the major decisions.[63] Reston provides an example. Between 1962 and 1964, Robert Simon made 80 unsuccessful attempts to borrow money from various sources, including banks, insurance companies, and big corporations. Just five days before Reston would have had to be abandoned, Gulf Oil made a $15 million commitment with the condition that it would get first mortgages on all the land, an option to buy stocks in Reston, and the only gas station

---

[62] Paul Wendt, op. cit., p. 227.

[63] Chester Rapkin, "New Towns for America," Journal of Finance, (May 1967), pp. 208-19.

in town.[64] Since that date Gulf Oil has completely taken over the development of Reston and Simon has been replaced.

Another problem of financing is encountered when investors have second thoughts that leave the developer in a damaging situation. Simon's financial problems began when a potential investor promised him $6 million and later changed his mind when it came time to make the loan. A similar thing happened with El Dorado Hills' first backers, Hale Brothers Associates, owners of Broadway Stores, decided not to wait for long-range profits after the first two disappointing years of the project. Consequently in a complicated deal, Hale Brothers left developer Lindsey with the El Dorado Hills land but took 80 per cent of other land that was jointly owned in a separate corporation.[65] Similar things have happened in other New Town projects.

In recent years more and more investors have been realizing that they can take the risk out of financing a New Town if they can get control of the appreciating land. They have also learned that it is not necessary to own the land to control it. At Columbia, for example, Connecticut General Life Insurance Company together with Teachers Insurance Annuity Association of America and Chase Manhattan Bank,

---

[64] "New Towns: . . . " House and Home, op. cit., p. 94.

[65] Ibid.

loaned $50 million to Rouse in a deal that gave them 50 per cent of the land profit and a strong say in major decisions.[66] Sometimes the rapid appreciation in land values stands as a strong temptation for investors to realize some quick profits, if revenue from the New Town proves slow in maturing. Thus financing today jeopardizes the very completion of the New Town project. What effect, if any, the New Communities Program will have on the financing of New Towns remains to be seen as it is too early to judge. It has already been suggested, however, that the ceiling of the program may prove insignificant in terms of national needs.

The financing of a U. S. A. New Town becomes even more complex when one injects taxation considerations. The investor's tax status and objectives are all important influences upon the time horizon of investment and, inferentially, upon the method of calculating and viewing investment. The range of differences in tax status and objectives among large-scale builders is virtually unlimited. Generally speaking there are three major considerations by which to judge the tax implications of a venture: (1) Which profits can be treated as capital gains rather than ordinary income? (2) Until such time as profits are realized, which

---

[66] *Ibid.*

costs can be deducted from other taxable income? (3) What are the opportunities to create and own income producing improvements whose depreciation can be used to offset taxable income?[67] (Quite obviously, the financial-taxation considerations of New Town development are very complicated and thus beyond the scope of this thesis.)

In contrast to the U. S. A. predominantly private system of New Town finance, in Britain the working capital for developing New Towns is provided by the national government in the form of long term loans known as advances, and both the development corporations and the Commission for New Towns are prohibited from borrowing from any other source. The advances are made by the Minister after he decides, with the concurrence of the Treasury, that the development proposals are likely to secure a reasonable return in relation to the costs of the undertaking. As the Minister receives repayment of interests and principal, he must pay it into the Exchequer; if a payment becomes due and is not made, he must file an explanation with each House of Parliament. The aggregate amount of the British New Towns Program has a ceiling of 550,000,000 pounds or approximately one and one-third billion dollars.[68] By contrast the 250 million

---

[67] Edward Eichler, op. cit., pp. 131-139.

[68] "The Administration of the English New Towns Program," Washington University Law Quarterly, February 1965, pp. 44-47.

dollar ceiling of the New Communities Program seems rather insignificant especially when the size of the two countries are also compared.

In Britain, in addition to the advances to provide working capital, the Commission for New Towns and the development corporations are also eligible for other type of assistance including grants to help defray deficits when operating revenue is insufficient to offset current expenditures and housing subsidies for the development of housing within the designated New Town.[69]

It should also be pointed out that financial control, over the operations of the development corporations and the New Towns Commission, accompanies the British national governments' duty to provide financial assistance. Both the Minister and the Treasury must approve proposed building construction before advances of funds can be made. The Treasury examines project proposals to determine if the project is one which the development corporation, rather than a local authority or private developer should provide. The economic feasibility of proposals are also studied to determine if they are likely to secure a reasonable return compared with the cost of carrying them out.[70]

---

[69] _Ibid._

[70] _Ibid._

Perhaps as the need for New Towns receives wider recognition in the U. S. A., the New Communities Program as well as other H.U.D. programs will exercise more control over and provide more funds for their development. It is doubtful however if the size of the grants will ever approach the proportions of the British program. It is also most likely that the difficulties in finding the necessary funds; working capital, construction loans, and permanent mortgages for New Towns will not be eliminated until there are many which have proven themselves successful. This again is a dilemma of U. S. A. New Town development. Federal aid in the form of FHA insurance for large-scale development loans and through other aid programs is most likely going to be necessary if true New Towns are to be developed.[71] Again is the question of which comes first: "successful" New Towns and then aid or aid and then "successful" New Towns. Can New Towns prove themselves worthy of federal aid prior to receiving it?

## Governmental Problems of New Towns

Another major problem area concerning New Town development is that of government. This is due in part to the size and complexity of the New Towns. Traditionally, the provision of public facilities has been viewed as the

---

[71] Paul Wendt, *op. cit.*, p. 234.

responsibility of a local government and thus either a municipality or county constructs and owns the facilities. In the case of New Towns however, the local government is generally ill-equipped, financially and/or organizationally, to assume this responsibility. In addition since the New Towns are usually the product of private enterprise, the installation of these facilities is viewed as a private responsibility which means that the corporation does the work under franchise and supervision by a public body.

The local government has an inherent interest in the public facilities provided in the New Town, because the services rendered through them must be related to the existing framework provided by the local government, and because the local government has a basic responsibility for meeting the needs of all its residents. It should also be pointed out that residents already living in the area generally expect to benefit from the facilities provided in the New Town, even though they do not live within its boundaries. This is particularly true when the range and type of facilities in the New Town are superior to those existing in the host jurisdiction. When this is the case, the local government actually feels it is serving the interests of existing residents by participating in the installation of New Town public facilities.

This participation is often a major source of problems and disputes between the developer and the local government. In normal urban development, facilities are installed in stages, (except for schools which cannot be built in most states until the market has been determined) from "basic facilities" such as water and sewer systems, transportation and police and fire protection facilities to those that are considered "social amenities" such as parks and open spaces, recreation, civic and cultural facilities. This staging has resulted by necessity because of competing demands for limited financial resources. In other words, facilities judged most vital to the health and general welfare of residents get initial priorities. Obviously this approach is not acceptable for New Town development because one of the major objectives of New Towns is the provision of a better urban environment than is available elsewhere. The implications of such a policy is that a full range of facilities will be a part of the New Town from the beginning. In this context then all facilities are basic and vital to the proper functioning of a New Town. This means then that the investment responsibility of host local governments increases drastically and often beyond the financial capability of the local government. When municipal bonds are sold legal procedure is required, and the development process can be delayed considerably.

Even when local government officials want to cooperate fully, the many requests a New Town makes leads to inevitable delays, and delays can be disastrous for a New Town. Because of the tremendous overhead, even a two-week setback can cost developers tens of thousands of dollars.[72]

Difficulties can be expected to arise in every area that is under local jurisdiction. For example zoning fights have occurred in numerous instances of New Town development, and they take time and manpower. In the case of Columbia the fight lasted a full year. Even at that, the developers felt they had been lucky. Sometimes zoning fights last several years. Land engineering requirements is another potential source of conflict. In the case of Reston, land improvements were required to meet the same stringent requirements as any subdivision in the county. The developers requested permission to build winding roads that would preserve trees and add to the rural look, but the county demanded that paths as much as 100 feet wide be cleared for the roads. Reston has also had to supplement natural drainage streams with drainage pipes which greatly adds to develment costs. Reston developers have claimed they could save $500 dollars a lot if the so-called "extra-requirements"

---

[72]"New Towns: . . . ", House and Home, op. cit., p. 96.

were waived.[73] Such requirements threaten the financial feasibility of a New Town.

Most developers feel that many local governmental problems could be eliminated if they had: (1) zoning and subdivision regulations which would permit maximum freedom to offer the highest densities the market would absorb and would guarantee his right to capitalize on the commercial and industrial demand; (2) authority to create and control a district which could raise funds through the sale of tax-exempt bonds; (3) legislative guarantees that such zoning and district provisions would be under his control for most of the development period, thus preventing a premature shift to resident control; and (4) assurance that roads and utilities would be brought to the project site at a reasonable cost.[74] Another fear of developers is annexation by an existing municipality which would mean that his land inventory would be subjected to municipal tax rates and that the development process would become enmeshed in the municipal administrative network creating further delays and costs. Both delays and governmental distrust and misunderstanding greatly threaten the successful completion of a New Town.

---

[73] Ibid.

[74] Edward P. Eichler, op. cit., p. 74.

New Town builders are also very much concerned with changes in future political jurisdiction affecting their development. Until recently California law, for example, made it very easy for only 500 residents to create a city, which then has the legal right to take over zoning control from the county. In the event the New Town is prematurely incorporated, the developer has but a single vote in referenda and for the officials who will establish tax rates, and zoning, building, and subdivision regulations.[75] Then premature zoning ordinance requirements, can compel the developer to provide expensive facilities long before there exists sufficient population to support them.[76] In some states then it would be quite possible for a New Town to remove itself from the control and planning of its developers.

It should also be pointed out that resident revolts are most likely after the Town has grown for about five years, and that is usually when the developer may be starting to make his first clear profit. To guard against revolts, some developers try to maintain as much control as possible over resident organizations. At Clear Lake City, the first sewer board was appointed after the first ten families had been persuaded to buy houses at reduced cost. Two of the board

---

[75] Thomas McDade, op. cit., p. 7.

[76] Chester Rapkin, op. cit., p. 235.

members were actively building in Clear Lake City at the time. At El Dorado Hills, developer Lindsey's executive vice president, Carl Kowall, was elected by fellow residents to be the board chairman of the water district.

Other New Town developers have put emphasis on cooperation with residents. At Reston, each buyer automatically becomes a member both of a neighborhood and a townwide group. Developer Rouse has said "If we can't do a good job for our residents at Columbia, we deserve to have the project taken out of our hands."[77]

It is also important to understand that since all the powers of local governments are granted by the state which created it, a state can facilitate or inhibit New Town construction by altering the power of local government and the requirements leading to their formation. States, for example, could aid developers by making the creation of small cities much more difficult or even impossible thereby removing the threat of early incorporation. States on the other hand could also inhibit the process by banning the creation of special districts for the purposes of taxing special areas created and administered by city-or county-elected officials.

States also have the power to act more directly with New Towns, as is the case in Britain. For example

---

[77]"New Towns: . . . ", <u>House and Home</u>, <u>op. cit</u>., p. 98.

States could adopt legislation removing local control over New Towns and placing it instead in a special commission which would review the plans of applicants and decide which New Towns would be entitled to special dispensations. A state could go even further and use its own credit and power of eminent domain to acquire large parcels of land and finance both acquisition and site development. As in redevelopment, the state government could sell the improved sites to private corporations, with contractural restrictions upon their use. The state could also grant the powers of condemnation and credit to a development corporation under careful regulation. It should also be understood that almost any action by a state to change the nature of New Towns requires legislation. Because states have not taken stronger action in New Town development, developers have been faced with many problems that could be eliminated.

## Summary

In this chapter it has been shown that there has been a gap between New Town objectives and New Town accomplishments. New Towns thus far have failed to provide socially and economically integrated communities that represent any sharp break with suburban efforts. New Towns for the most part lack balanced industry, and many have no industry of any significance and thus have not reduced commuting and transportation demand. Because New Towns are predominantly only "glorified suburbs" for medium and high-income families, they are if anything only accelerating the rate at which the social-economic schism is taking place in the U. S. A. Also because New Towns often fail to locate in the most desirable regional locations, they sometimes create regional planning problems including that of accessibility.

The major problem areas of New Towns today include that of location and land acquisition, marketing and sales, industrial attraction, finance, and governmental participation or the lack of it. These problems, it should be understood, are highly complex and interrelated, and are attributable to the unrestricted private enterprise development of New Towns. In light of the problems involved, it is highly questionable if New Towns will make any significant contribution to solving national and regional social-economic planning problems under the present system of development. Thus far, even the most conscientious effort by dedicated developers have failed to accomplish New Town objectives. Perhaps it is too early to judge the most recent efforts, but is is doubtful if even the most sincere attempts will approach fulfillment of New Town objectives under the present unrestricted and basically un-aided system of development.

# CHAPTER IV

## NEW TOWNS: CONCLUSIONS AND RECOMMENDATIONS

Thus far the New Town concept has been discussed, at length, as to its advantages for channeling and organizing expected future urban growth and attacking current social problems. In counter argument, those who are against integrated developments of any kind argue that they too should have a choice, a choice of segregation. The question then becomes one of public interest. Can the leaders of this country allow segregation to continue uninterrupted--segregation which has resulted in race riots and destruction of considerable portions of our largest cities; in over-whelming social-economic problems; and in barriers to communication between social-economic groups. Is it in the best interest of this country to neglect our minority groups, to deprive them of modern educational facilities, housing, and of equal employment opportunities? Will this not only lead to more riots and large social-economic problems of all the people of this country? At least in concept, New Town planning in conjunction with center city urban renewal planning has much to offer as a means to solving these pressing problems.

It should be obvious from the previous analysis of past U. S. A. New Town efforts, that they are not a planner's panacea. New Towns in the U. S. A. today, are not New Towns at all. They are, for the most part, only large-scale medium and high-income (predominantly white) residential developments with a partial balance of physical facilities. They generally lack a developed economic base and thus have had little effect on reducing transportation demand. This, it should be understood, has generally been the case in privately developed New Towns, as well as in the federally initiated Greenbelt Towns. This type of New Town does not solve either physical or social planning problems.

It is a fact that New Towns today are faced with a multitude of complex interrelated problems; problems which can generally be traced to the lack of any sound framework for their development. The purpose of this chapter will be to make generalized suggestions for guiding, regulating, and promoting New Town developments that will more closely fulfill their objectives. In doing this it will propose many more problems and areas that deserve research.

The serious flaw in governmental structure and metropolitan decision-making is that in the metropolitan areas of this country, there does not exist any possibility of directing and ordering metropolitan growth. New Towns policy in the U. S. A. today should not be a question of central city versus New Town but rather one of governmental organization and cooperation. The ability to clearly enunciate public policy with regard to metropolitan patterns of settlement, amenity, and job opportunity is lacking.[1]

Need for New Town Programs

Without state and national programs, the planning of New Towns will too often be determined by fortuitous circumstances with little thought given to their impact upon urban areas, or existing local plans. They will continue to be nothing but large "glorified" subdivisions. Without a program the advantages that should result from the use of outlying land to provide housing for low income families throughout the metropolitan area will be lost, and there will be no reduction in regional transportation demand.[2]

New Town programs will provide the mechanisms by which developers, who are interested in the objectives of sound development in cooperation with responsible local government, can act so as to secure the assistance that will permit them to undertake the development of well-balanced New Towns within the context of metropolitan planning.

---

[1]Robert Gladstone and Stanley Wise, "New Towns Solve Problems of Urban Growth," Public Management, May 1966, pp. 135-36.

[2]Gordon Edwards, "The Proposed Federal Program," Planning 1964, pp. 157-60.

Presently there is a need for state and local experimentation with agency power and control methods. The underlying issue appears to be how initiative in New Town building is to be allocated between the public and private sectors. Even if ultimate construction is to be left to private developers, substantial public intervention is needed to regulate and coordinate the developments. Public controls must be tailored so as to not discourage New Town development. It may well prove easier to aid the development than to simply control it, particularly since the control most needed is an effective way to implement metropolitan plans. Yet if aid is postponed until controls are available, New Town developers may become discouraged.[3] Therefore it should be evident that a massive effort is needed to think through the problems and to develop the tools and agencies that will promote meaningful New Towns.

In developing New Towns, both the public and private sectors have unique assets with which to confront the problems. Private enterprise has investment capital, professional and entrepreneurial expertise, the motivation and initiative to act quickly and efficiently, and the freedom to operate without constant public involvement. Government,

---

[3]Chester Rapkin, "New Towns for America," Journal of Finance (May 1967), pp. 208-19.

on the other hand, has the powers which private enterprise lacks, including the police power, the power of eminent domain and the power to tax. Government also has the responsibility for formulating policies, assistance programs, and protecting the public interest.

## Role of State Government

Although state governments have the powers and leverages to deal with the problems of New Towns, few cases are found where these powers have been coherently used to direct urban development. This may be due in part to official unwareness that these tools, if coordinated could be used to guide New Towns. In part, the magnitude of the effort required for effective coordination may be somewhat overwhelming. However, the major source of failure has been the pressure and strength of opposing interests and the absence of any definite policies on which to base decisions concerning New Towns. Essentially the root of the problem then is the absence of any well-defined agreement on desirable directions for future urban growth. Without goals and objectives, new governmental machinery will accomplish little. With a sense of direction much of the existing machinery may be made to perform surprisingly well.[4]

---

[4]Stanley Scott, "Urban Growth Challenges New Towns," Public Management, September 1966, pp. 259-260.

State agencies engaged in comprehensive planning can play an important role in New Town development. Those agencies with imagination and political acceptance can get involved in significant state policy formulation. New state policies furthering state and regional planning and enunciating the clear public interest in the composition of New Towns would give valuable guidance to all concerned.

Many states have already recognized the need for greater care in making long-term decisions on local governmental structure in urbanizing areas. This has resulted in the adoption of a variety of policies including state-level review of annexations and incorporations, liberalized annexation laws, and stricter incorporation legislation.[5]

State planning agencies could also develop state land use plans designating urban land. These then could be used to aid in the choice and evaluation of sites for New Towns. Some agencies already have developed population and economic analyses which would also be useful in site selection.[6]

It should also be pointed out that new state legislation is going to be necessary to aid New Town development and to implement regional growth policies and plans. State

---

[5] Ibid.

[6] Murial I. Allen, "New Communities," AIP Background Paper No. 2, October 1968, p. 20.

governments are going to have to develop non-restrictive enabling legislation delegating the authority required to effectively plan, develop, and govern New Towns. They should provide models of legislation for the local county or multiple jurisdictions that wish to sponsor public, private or joint public-private New Towns in desirable areas. Their job then is to establish a framework for the private enterprise development of New Towns. This legislation must be made flexible enough to permit private enterprise to experiment with new approaches to developmental problems including the controlled use of eminent domain.

As it has already been pointed out, land assembly and consequent location greatly affects the economic success and regional desirability of a New Town. State governments must enact legislation which will permit the use of eminent domain for land assembly in desirable locations. In certain cases, it may be necessary for states to delegate the responsibility for land assembly to local or state-wide development authorities. Once eminent domain can be used for acquiring sites for New Towns, regional plans involving New Towns then can be effectuated.

Another type of state legislation that is just as vital to the success of New Towns is the delegation of the police power for stronger regional regulation of land use. Traditional attitudes of land use regulation must be altered if the challenges of our urban regions are to be met. Urban land can no longer be viewed as a conventional economic commodity. Land must be viewed as a limited resource--the use of which has a profound influence on the nature and quality of life in any given area.[7] When this view becomes accepted, there will be hope for "real" regional planning of which properly located New Towns will be a part. One thing is certain, planning for metropolitan regions must progress far beyond the present weak and tentative efforts if the building of New Towns is to be guided effectively!

In addition to the reallocated power of land use control, regional plans could be implemented by redirection of public investment, new taxation policies, public land development, and governmental grants and loans conditioned on compliance.

If appropriately coordinated by a regional planning agency, public investment could insure the proper programming of urban freeways, rapid transit, water supply, sewerage disposal, water pollution control, air resource management, regional parks and open space, and advance public land acquisition for future development. Public investment in combination with other financial incentives could also help reduce the necessity of using the police power to

---

[7]Stanley Scott, <u>op. cit</u>., p. 257.

accomplish many regional goals. It should also be emphasized that measures to implement regional plans need not necessarily intrude on local zoning decisions as long as the decisions do not contravene the large scale regional plans. Local governments could retain authority to allocate their "portions" of each goal--such as the intra-city location of the municipality's share of each land use as determined by the regional plan.[8]

It should also be pointed out that regional land use control, revision of taxation policies, and direction of public investment could greatly aid New Towns in the attraction of industry. Once industrial location is controlled, New Towns would be able to attract a balanced economic base which would be followed by a social-economic mix of population.

## State Financial Responsibility

Funds for advance planning and for advance land acquisition should be established by state governments. Delaware already has a revolving fund program for these purposes. The fund was established by legislation with the State Planning Office designated as the recommending agency and the State Budget Commission as the administering agency. After the State Planning Office receives a request for a

---

[8] *Ibid.*, p. 258.

project from a state agency, it is checked for conformity with the comprehensive plan and to see that it is part of the capital program. When the project is approved, the state agency then receives funds for either advance planning or land acquisition. After the agency receives the necessary legislative authorization and the bonds are issued for the project, the original cost of the project is returned to the fund.[9]

Other opportunities for indirect, as well as direct state financial contribution to New Towns development also exist. Most of these have been fully explored but seldom is the full impact of the state contribution to local development felt because only single approaches are used. In the case of New Towns, it seems especially appropriate to use several of the direct and indirect state financial programs in a concerted effort for maximum effect.[10]

State operational budget and capital programs should also be given high priority to state agency programs that have New Town application. State governments can and should establish loan and/or grant programs to supplement federal programs in the areas of housing, water and sewer systems, and transportation. This most likely will necessitate the

---

[9] Murial Allen, op. cit., pp. 20-21.

[10] Ibid.

formation of public or non-profit development corporations to accept and administer this type of financial assistance, and of course this will require additional legislation in most states.

New Towns and Local Government

It is accepted public policy today that local governments should be involved in New Town development in the provision of public education, zoning and land use control, police and fire protection, and usually water supply and sewerage treatment. Most New Towns are however, being built in unincorporated territory where the governmental framework is inadequate. Thus New Towns generally necessitate changes in the area's governmental structure.

New Town developers are particularly interested in an arrangement that will facilitate acceptance of the plan and give assurance that it can be carried through. The specific course chosen generally reflects the developer's experience, sources of capital, the existing local governmental structure and policies, and the state law on the formation of new local governments. Considering all these variables, it is not surprising that a wide range of alternatives are available. Presently no fully satisfactory solution has been developed to satisfy all those concerned, however, several promising alternatives are being tested.[11]

---

[11]Stanley Scott, op. cit., pp. 254-255.

It should be understood that during New Town construction, the area is generally in an unstable political equilibrium. Effective and responsible self-government is difficult to achieve until the project acquires a minimal sense of identity and develops qualified and experienced local leadership. For this reason some temporary form of government appears to be desirable to represent all the interests of those legitimately concerned with the future of the New Towns.

One of these is the "county service area" which permits the establishment of county-controlled taxing and bonding devices to provide urban services and facilities. This type of control has the advantage of preserving governmental flexibility by eliminating the need to create hard-to-change autonomous districts or city governments before development has started. Thus far it is still too early to determine exactly how satisfactory this alternative will be.

As another alternative a new body could be created to review New Town plans and advise the county governing body in its dealings with each New Town, or perhaps a "board of overseers" might be created for each New Town. It would be the responsibility of the board to review the initial plans for the New Town and follow its step-by-step implementation during the town's period of development until it was judged ready for full fledged local self-government.

Board approval could be required for the over-all financing plan for the community facilities, issuing bonds, spending public funds, and any significant changes in the community plan. Common properties such as open space, parks and other facilities could be retained in board ownership during the developmental period, and then transferred to the succeeding municipality.[12]

Regardless of the interim solution to the problems of building and governing New Towns, the question of providing the best permanent governmental organization remains. As with other New Towns questions, there are many possible alternatives one of the best of which is the establishment of a traditional city government. City governments are generally considered an effective means of conducting urban business. Their smaller areas and populations facilitate the solution of problems requiring relatively close attention to localized community needs and desires.[13] Another alternative would be to annex the New Town by extending the jurisdiction of the core city government. The advantages here would be in cooperation and coordination. (More detailed discussion of local governments for New Towns is beyond the scope of this thesis. Interested persons should consult

---

[12] Ibid.

[13] Ibid.

the many articles written by Stanley Scott of the Berkeley Institute of Governmental Studies at the University of California.)

## The Federal Government's Role

Recently a special task force of the American Institute of Planners, studying the problems and attributes of New Town development, concluded "that one-third of all new community growth should occur outside of existing and incipient metropolitan territories. . . ." To implement this a national settlement policy is needed. Such a federal policy should be the key mover in developing the incentive and the momentum necessary for a national effort and should include the following objectives:

1. Creation of new settlement patterns to relieve pressures on existing urban areas and distribute the nation's population more rationally

2. provision of a wider range of choices in living locations and accommodations for individuals and families in keeping with the principles of a democratic society

3. realization of national and social objectives, especially in the areas of health and education, and improved overall quality of life through use of new techniques, materials and design in comprehensive planning of the environment

4. provision of new employment and business opportunities for residents of central cities, suburbs and rural areas, particularly those living in or having businesses in areas of chronic unemployment and commercial decline.[14]

---

[14]Murial Allen, op. cit., p. 30.

Once a policy has been adopted the federal government could encourage New Town development in several ways. First of all the federal government, as well as the state governments, can aid and influence New Town development by strategic placement of its public works. For example it is easy to see how the location of federal highways, airports, and military bases etc. stimulate and effect urban growth and settlement.

A second way that the federal government can assist New Town development is by financial assistance programs. The New Communities Act of 1968 provides a beginning by providing funds for New Town development. This assistance gives the federal government a say in the general location and social composition of a New Town. Several new sources of funding however, must be developed if a national New Town program is to be undertaken. Specifically, three new instruments of federal fiscal aid are needed for a coordinated impact on the financing problems of New Towns. They are: creation of a supplementary grant program for New Towns, which would tie together in a single package several existing grants; establishment of an "Urban Development Bank chartered by the federal government, with initial capital of $1 billion, which would make long term low interest loans to local and state public agencies and corporations" undertaking New Town development thus meeting the critical gap of venture capital requirements for public and quasi-public agencies sponsoring New Towns; and formation of a "soft loans" consortium of private banks through federal encouragement to finance activities for special provisions in education, health, etc., otherwise not easily subscribed to by private credit instruments.[15] Such added programs would be conditioned on the developers compliance with state and federally accepted regional plans.

A third way the federal government could assist New Town development would be to create a Federal New Town Development Agency capable of building New Towns in a defined set of circumstances and situations. Such an agency would be eligible for participation in all other agency programs in the same manner as any other private corporation or state or local agency; however its initial capital would be provided by the federal government. It should also be pointed out that the agency's sphere of action would be limited to existing federal land holdings which might appropriately be used as New Town sites.

Prerequisite to any federal program for New Towns would be the establishment of a new federal commission charged with the actual formulation and administration of national New Towns policies and programs. In doing this it would be responsible for coordinating the policies and programs of many federal departments including that of HUD, DOT, HEW, USDA, Commerce, and Interior. Upon formation of the Commission the secretaries of these departments would automatically become active members.

## Conclusion

New Towns offer one of the best solutions for guiding future urban growth in the United States and for attacking some of our most pressing social problems. Bridging the social-economic schism in our societies today should be given a high national priority and New Towns offer one of the best approaches. New Towns if properly planned can lessen social tensions and provide greater opportunities for minority and low income groups. It should again be emphasized that promotion of socially and economically integrated New Towns does not mean that a completely integrated society will necessarily be developed in the near future, but only that strict segregation will no longer be possible. As pointed out in chapter two, it is most probable that socially and economically homogenous neighborhoods would develop, by individual choice, within the boundaries of a New Town. New Towns would however provide a better environment and more equality of opportunity for all people.

It should also be emphasized that development of New Towns does not mean abandonment of existing core cities. New Town planning, regional planning, and core city urban renewal planning should go hand in hand. In that way old cities would, through time, take on a new look with a more heterogenous population and revitalized tax base, as they would have both their share of the rich and the poor alike. Then all the attributes of the region could be accented with regional planning and a well planned regional transportation system, including that of intercity mass transportation.

Yes, New Towns today are faced with a multitude of complex problems, problems which have resulted from the unregulated, un-aided, private development of New Towns. Regardless of the motives or aims of private developers, the present system is not conducive to the development of New Towns that have much to offer over our present suburbs. If a new framework is not created for their development, they will continue to result in escapes for the medium and high income and magnify our physical and social planning problems. In the long run un-aided, un-regulated New Town development is in the interest of no one!

A new framework made up of federal, state, and local government incentives, and regulations based on sound policies and planning, could, if effectively coordinated, produce "real" New Towns; New Towns that would provide a better life for all.

In closing it should also be pointed out that in seeking and implementing new ideas with respect to New Town development, many unforeseen problems can be expected to arise.

These problems however, must be attacked head-on if the U. S. is going to be successful in implementing solutions to our present urban problems.

This thesis should not be taken as the final word on New Towns, but only as a framework for much more needed research in the search for a better environment. Urban growth is certain--its form is not!

BIBLIOGRAPHY

Allen, Murial I. New Communities: Challenge for Today. An American Institute of Planners Background Paper-Number 2, October 1968, 39 pages.

Anderson, J. W. "A Brand New City for Maryland." Harpers Magazine, November 1964, pp. 99-106.

Bauer, Kurt W. "Greenbelt Town Grows Up." American City, October 1959, pp. 143-7.

Best, Robin H. "Washington's New Town." Town and Country Planning, February 1964, pp. 99-102.

Beveridge, William Henry. New Towns and The Case for Them. London: University of London Press, 1952, 24 pages.

Blumenfeld, Hans. "Alternative Solutions to Metropolitan Development." Planning 1948, pp. 15-24.

Cartsonis, Emmanual. "New Towns; A Challenge to Partnership of Private and Public Enterpirse." Planning 1967.

Carver, Humprey. Cities in the Suburbs. Toronto: University of Toronto Press, 1962, 120 pages.

Chapin, F. Stuart, Jr. "New Town Planning: Criteria." Planning 1952, pp. 81-3.

"Designing Intercity Growth; Harvard's Sixth Urban Design Conference." Progressive Architecture, August 1962, pp. 98-109.

Dinerstein, Robert A. "Problems in the Development of Park Forest, Illinois." Planning 1964, pp. 143-50.

Edwards, Gordon. "The Proposed Federal Program." Planning 1964, pp. 157-60.

Eichler, Edward P. The Community Builders. University of California, Berkeley, 1967, 196 pages.

Eversley, D. E. C. "Taipola." Town and Country Planning, April 1961, pp. 161-64.

Feiss, Carl. "New Towns for America." American Institute of Architects Journal, (January 1960), pp. 85-9.

Feiss, Carl. "New Towns in the United States." Town and Country Planning, January 1955, pp. 37-41.

Foley, Donald L. "Idea and Influence; The Town and Country Planning Association." American Institute of Planners Journal, (February 1962), pp. 10-17.

Gallion, Arthur B., and Eisner, Simon. The Urban Pattern. Princeton, N.J.: Van Nostrand, 1963, Chapters 18 & 19.

Gladstone, Robert, and Wise, Stanley. "New Towns Solve Problems of Urban Growth." Public Management, May 1966, pp. 128-39.

Gladstone, Robert. "Does Building a City Make Economic Sense." Appraisal Journal, (July 1966), pp. 407-12.

Gladstone, Robert. "New Towns Role in Urban Growth Explored." Journal of Housing, (January 1966), pp. 29-36.

Graves, Clifford Wayne. Public New Town Corporations for California. University of California, Berkeley, 1964, Masters Thesis.

Gruen, Victor. The Heart of our Cities. New York: Simon and Schuster, 1964, Chapter 18.

Gutheim, Frederick. "Europe Offers New Town Builders Experience." Public Management, April 1966, pp. 99-107.

Hammer, Philip. "An Antiquarian's View." Planning 1964, pp. 138-43.

Hancock, M. L. "New Towns: Are They the Answer to the Current Urban Sprawl?" Journal of Housing, (October 1965).

Hart, William O. "British New Towns Today." Land Economics, February 1956, pp. 57-68.

Hart, William O. Special Issue of Town and Country Planning on New Towns. January-February, 1968.

Kaplan, Marshall. "The Roles of the Planner and Developer in the New Community." Washington University Law Review, February 1965, pp. 88-104.

Kirk, C. W. G. T. "New Towns in Great Britain." Public Management, March 1966, pp. 70-80.

"Land-Financing Idea Stirs Doubts." Engineering News Record, February 1964, pp. 45-6.

"Land Loans: Congress is Cool." House and Home, April 1964, pp. 6-7.

Larson, C. Theodore. "The Motor Road: Forerunner of the Universal City." Traffic Quarterly, October 1964, pp. 459-90.

McDade, Thomas. "New Communities in America: A New Context for Institutional Innovation." Urban Land, January 1965, pp. 6-8.

McGovern, P. D. "New Towns as Regional Centers." Town and Country Planning, June 1961, pp. 250-256.

Madge, John. "The New Towns Program in Britain." American Institute of Planners Journal (November 1962), pp. 208-19.

Mandelker, Daniel R. "Some Policy Considerations in the Drafting of New Towns Legislation." Washington University Law Quarterly, February 1965, pp. 71-87.

Mayer, Albert. "New Towns: and Fresh In-City Communities." Architectural Record, August 1964, pp. 129-38.

Mayer, Albert. "Trends in New Town Development." Planning 1952, pp. 64-71.

Mayer, Albert. The Urgent Future. New York: McGraw-Hill, 1967, 184 pages.

Mayer, Albert. "Greenbelt Towns Revisited." Journal of Housing, (January, February-March, and April 1967).

Miller, Richard A. "Turning Small Towns into New Ones." Architectural Forum, February 1962, pp. 92-5.

Murray, Robert W., Jr. "New Towns for America." House and Home, February 1964, pp. 123-32.

"New Towns: Are They the Best Answer to Land-Use Problems?" House and Home, September 1964, pp. 64-9.

"New Towns: The Arguments for and Against." American Builder, June 1966, pp. 94-7.

"New Towns: Are They Just Oversized Subdivisions--with Oversized Problems?" House and Home, June 1966.

"New Towns or New Sprawl?" American Society of Planning Officials Newsletter, October 1964, pp. 1-2.

Osborn, Frederick J. "The British New Towns Policy." Land Economics, August 1956, pp. 281-4.

Osborn, Frederick J., and Whittick, Arnold. The New Towns, The Answer to The Megalopolis, 1963, 376 pages.

Osborn, Frederick J. "The Town Planner at Work." British Affairs, Autumn 1961, pp. 128-31.

Osgood, Frank. "Government-Industry Cooperation-New Towns." AIP Newsletter, December 1965, pp. 7-9.

Perloff, Harvey. "New Town in Town." AIP Journal,(May 1966).

Rapkin, Chester. "New Towns for America." Journal of Finance, (May 1967), pp. 208-19.

Rodwin, Loyd. "Planned Decentralization and Regional Development with Special Reference to British New Towns." AIP Journal (Winter, 1955), pp. 43-9.

Round Table Conference on the Planning and Development of New Towns. Moscow: 1964, United Nations 99 pages.

Scott, Stanley. "Urban Growth Challenges New Towns." Public Management, September 1966, pp. 252-260.

"Shared Responsibility: Building Cities a Better Way." Public Management, March 1968.

Simon, Robert E., Jr. "Planning a New Town." Planning 1964, pp. 150-157.

Slayton, William. "A Critical Evaluation of New Towns Legislation." Planning 1967.

Stein, Clarence. Toward New Towns for America. 1957. 263 pages.

Thompson, Wayne E. "Prototype City Design for Tomorrow." Public Management, August 1966.

"U. S. A., New Communities or Their Simulacrum." Town and Country Planning, January 1967.

Ward, Barbara. "The Processes of World Urbanization." Ekistics, November 1964, pp. 274-80.

Weaver, Robert. "Beyond the Urban Fringe." AIA Journal, (September 1965), pp. 72-6.

Weaver, Robert. "Federal Proposals May Solve City Problems." Public Management, June 1966, pp. 154-59.

Weissbourd, Barnard, and Channick, Herbert. "An Urban Strategy." The Center Magazine, September 1968, pp. 56-65.

Wendt, Paul F. "Large-Scale Community Development." Journal of Finance, (May 1967).

Wilmott, Peter. "Social Research and New Communities, AIP Journal, (November 1967).

Whyte, William H. The Last Landscape. Garden City, N.Y.: Doubleday & Co., Inc., 1968, Chapter 13, pp. 224-243.