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NO: Julia Vitullo-Martin, “Mayor Bloomberg: Right on Neighborhoods, Right on Immigration” (*The Manhattan Institute’s Center for Rethinking Development*, January 2008) 14

The U.S. Congressional Budget Office was created to provide Congress with expert nonpartisan analysis of issues that have major budgetary impacts. In the section of the report *The Impact of Unauthorized Immigrants on the Budgets of State and Local Governments* presented here, CBO explores the service burdens that states and localities bear as a result of unauthorized or illegal immigrants. Julia Vitullo-Martin, a scholar at the conservative Manhattan Institute, argues that America’s cities have a strong immigration tradition and that immigrants contribute to the national economy and to the making of strong cities. She applauds New York Mayor Michael Bloomberg for recognizing the critical importance of immigration to the vitality of cities and for endorsing a policy that seeks to welcome immigrants, a sharp contrast to the more punitive approach demanded by politicians in other immigration gateway cities.

Issue 2. Does Neighborhood Gentrification Benefit the Inner-City Poor? 20

YES: Lance Freeman, “There Goes the ‘Hood: Views of Gentrification from the Ground Up” (Temple University Press, 2006) 24

NO: Kathe Newman and Elvin K. Wyly, “The Right to Stay Put, Revisited: Gentrification and Resistance to Displacement in New York City,” *Urban Studies* (vol. 43, no.1, 2006) 32

Lance Freeman, associate professor of urban planning at Columbia University, argues that most studies that have pointed to the ills of gentrification suffer from an important methodological flaw. Such studies often fail to ask the residents of poor neighborhoods how they perceive the changes that are taking place in their neighborhoods. Freeman, who is African American, worries about gentrification-related displacement. Still, he finds that the low-income African American residents in two gentrifying sections of New York City see benefits in the upgrading of their

neighborhoods. Urban studies professor Kathe Newman (Rutgers) and urban geographer Elvin Wyly (British Columbia) dispute Freeman's contention that gentrification brings substantial benefits to the inner-city poor. Newman and Wyly argue that such studies understate the extent of gentrification-related displacement and the ills that such displacement inflicts on the lives of poor people. They fear that studies that overstate the benefits of gentrification will be used by developers to gain approval for new development projects that will lead to still further displacement of the poor.

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Issue 3. Should State Governments Impose Strong Limitations on the Ability of Cities to Use Eminent Domain Powers for Economic Development Purposes? 51

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NO: Bart Peterson, "Testimony Presented to the U.S. House of Representatives Committee on the Judiciary" (September 22, 2005) 63

Dick Carpenter is a research director and John Ross is a research associate at the Colorado-based Institute for Justice, a conservative political organization committed to protecting the rights of individuals against governmental encroachment. The Institute for Justice provided the lead lawyers in the *Kelo* lawsuit that sought to limit the use of eminent domain authority for economic development purposes. Carpenter and Ross believe that government abuses its eminent domain powers when it takes property from one owner and then transfers it to another owner who desires to build a new development project. They argue that government takings and urban renewal projects too often victimize working-class homeowners and the poor, with local governments acting on behalf of powerful corporations interested in reaping a profit from new development. Bart Peterson, then-mayor of Indianapolis, testified on behalf of the National League of Cities. He argues that public law recognizes the authority of governmental authorities to take property for public purposes, including for economic development purposes, is a long-recognized aspect of public law, with the government obligated to pay an owner just compensation for the property seized. He further argues that severe restrictions on local economic development authority would impair the ability of cities to promote new economic development and job creation, reversing a city's long-term economic decline.

Issue 4. Are Public Subsidies for Sports Stadiums a Good Investment by Cities? 70

YES: Mark S. Rosentraub, from *Major League Winners: Using Sports and Cultural Centers as Tools for Economic Development* (CRC Press, 2010) 74

NO: Dennis Coates and Brad R. Humphreys, from “The Stadium Gambit and Local Economic Development,” *The Cato Institute, Regulation* (vol. 23, no. 2, Summer 2000) 80

Mark Rosentraub, Bickner endowed chair and professor at the University of Michigan’s Center for Sports Management, argues that cities can invest wisely in sports facilities, using new stadiums as part of a strategic plan to leverage new private investment in a declining downtown district. Rosentraub points to how planners in San Diego used the construction of a new ballpark as part of a larger project that transformed the surrounding neighborhood. Economics Professors Dennis Coates and Brad Humphreys summarize the findings of a large number of studies that all point to the same conclusion: that public subsidies for sports facilities seldom add to a region’s overall wealth and in some cases may even retard economic growth. Consultant studies typically understate the costs and overpredict the benefits that a city will receive from a stadium project. They further observe how the investment in sports facilities can divert public resources from more productive uses.

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YES: Lori Healey and John F. McCormick, from “Urban Revitalization and Tax Increment Financing in Chicago,” *Government Finance Review* (December 1999) 96

NO: Daniel McGraw, from “Giving Away the Store to Get a Store: Tax Increment Financing is No Bargain for Taxpayers,” *Reason* (January 2006) 103

Lori Healey, former Chicago Commissioner for Planning and Development and later chief of staff to Mayor Richard M. Daley, and John F. McCormick, financial manager in city’s Department of Finance helped arrange many of the initial tax increment financing (TIF) projects in Chicago. These authors argue that the TIF program has been an enormous success, attracting billions of dollars in new investment to Chicago and promoting the rejuvenation of distressed sections of the city. Dan McGraw, a freelance writer living in Texas, worries that TIFs have become little more than a standard “handout” given to big and profitable businesses when such assistance is not justified. TIFs diminish the revenues available for public services, increasing the tax burden placed on homeowners and small businesses in a city.

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YES: William J. Bratton, James Q. Wilson, and George L. Kelling, from “This Works: Crime Prevention and the Future of Broken Windows Policing,” the Manhattan Institute for Public Policy Research *Civic Bulletin* (no. 36, May 2004) 119

NO: Bernard E. Harcourt, from “Policing Disorder: Can We Reduce Serious Crime by Punishing Petty Offenses?” *Boston Review* (April/May 2002) 129

William Bratton was Commissioner of Police in New York City under Mayor Rudolph Giuliani before he moved on to Los Angeles to serve as Chief of Police. James Q. Wilson (emeritus professor UCLA, Ronald Reagan Professor of Public Policy at Pepperdine University, and past president of the American Political Science Association) and George L. Kelling (professor of criminal justice at Rutgers University) are the academic theorists who are generally credited with publicizing the theory of broken-windows policing. These three experts talk about the importance of order maintenance and why they believe that police must respond to smaller crimes and incidents of disorderly conduct in order begin a process that will also reduce major and violent crimes. Bernard Harcourt, law professor at the University of Chicago, argues that the advocates overstate the achievements of order maintenance policing. He shows that the reduction in major crimes occurred across the nation and not just in New York and in other cities where police departments adopted a broken-windows approach to order maintenance. Harcourt further argues that the new emphasis on order maintenance poses a threat to individualism and civil rights. Minority communities will bear the costs of a more aggressive policing approach that criminalizes nonthreatening behavior.

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YES: Sol Stern, from “School Choice Isn’t Enough,” *City Journal* (vol. 18, no.1, Winter 2008) 145

NO: Jay P. Greene and Robert Enlow, from “Is School Choice Enough?,” *City Journal* (vol. 18, no.1, Winter 2008, Online Forum) 152

Sol Stern’s “School Choice Isn’t Enough” produced a considerable stir of controversy, especially in conservative political circles. Stern, a long-time advocate of school vouchers, explains why he has reassessed his position. The evidence, according to Stern, shows that school vouchers seldom lead to significant improvements in student test scores or the restructuring of public school systems. Stern argues that greater emphasis should be given to reforming and strengthening a city’s public schools, rather than continuing to place so much emphasis on fighting for vouchers. Professor Jay P. Greene, professor of education policy and author of *Why America Needs School Choice*, heatedly disputes Stern’s reading of the evidence. According to Greene, voucher programs produce limited but still significant educational gains. The parents of voucher children also express their great satisfaction with the schools they have chosen. Robert Enlow, president and CEO of the Friedman Foundation for Educational Choice, argues for the need to reduce state regulations that continue to insulate public school systems from the competitive pressures that a voucher system was intended to create.

Issue 8. Do Charter Schools Improve Education? 163

YES: Stéphane Lavertu and John Witte, from “The Impact of Milwaukee Charter Schools on Student Achievement,” *The Brookings Institution, Issues in Governance Studies* (no. 23, March 2009) 167

NO: Gary Miron, from “Testimony Prepared for the Hearing of the Committee on Education and the Workforce, U.S. House of Representatives” (June 1, 2011) 174

Stéphane Lavertu is a member of the faculty at the John Glenn School of Public Affairs at The Ohio State University. John Witte, nationally renowned education policy analyst, is professor of political science at the University of Wisconsin and former evaluator of the Milwaukee Parental Choice Program. Lavertu and Witte assess the performance of Milwaukee charter schools, observing both their achievements and their disappointments in the all-important area of student educational gains. Gary Miron, an expert in policy evaluation and professor in the College of Education at Western Michigan University, testified before Congress, noting the many flaws in charter school performance. He observes mediocre student performance, lax accountability standards, and the dominance of concerns for business-like efficiency in schools run by educational management corporations.

Issue 9. Should Federal Programs Seek to Deconcentrate Inner-City Poverty? 184

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NO: Sheila Crowley, from “HOPE VI: What Went Wrong,” in *From Despair to Hope: HOPE VI and the Promise of Public Housing in America’s Cities* (Washington: The Brookings Institution, 2010) 196

Susan J. Popkin is senior fellow at the Urban Institute and lead researcher on the *HOPE VI Panel Study* that looked at the fate of families displaced by the demolition of aging public housing projects. She reports that HOPE VI families moved to safer neighborhoods with lower concentrations of poverty and greater economic opportunity. Sheila Crowley is president of the National Low Income Housing Coalition, sharply criticizes the extensive demolition and displacement that were part of the HOPE VI effort. She questions just who are the real beneficiaries of the HOPE VI program.

Issue 10. Should Section 8 Housing Vouchers Continue to Serve as the Backbone of the Federal Government’s Assisted Housing Efforts? 208

YES: Margery Austin Turner and Susan J. Popkin, from *Why Housing Choice and Mobility Matter* (The Urban Institute, August 17, 2010) 212

NO: Christopher Swope, from “Section 8 Is Broken,” *Governing* magazine (May 2002), reprinted by NHI, *Shelterforce Online*, 127 (January/February 2003) 219

Margery Austin Turner and Susan Popkin, housing researchers for the Urban Institute, review the many benefits of housing vouchers. They argue that evidence shows that vouchers add to the life chances of poor people, increasing the job prospects and educational opportunities available to low-income families. Christopher Swope edits the website *Stateline* and previously served as the managing editor of *Governing* magazine, a publication devoted to the analysis of state and local policy issues. Swope argues that the housing vouchers have wound up creating

new concentrations of the poor in vulnerable neighborhoods, speeding the decline of fragile but otherwise stable working-class communities.

Issue 11. Did the Government's Regulation of Lending Institutions Under the Community Reinvestment Act Lead to the Mortgage Foreclosure Crisis? 228

YES: Peter J. Wallison, from "Cause and Effect: Government Policies and the Financial Crisis," *American Enterprise Institute for Public Policy Research* (November 2008) 232

NO: Philip Ashton, from "Cry Wolf Policy Brief: Community Reinvestment Act and Responsible Lending" (February 2011) 239

Peter J. Wallison, former general counsel at the United States Department of Treasury holds the Arthur B. Burns Chair in Financial Market Studies at the American Enterprise Institute (AEI). A political conservative, he is critical of governmental intrusion in the free market. Wallison argues that the CRA helped to undermine the industry's normal standards for home loans, leading mortgage institutions to make loans to persons who were not good credit risks. Philip Ashton, associate professor of Urban Planning and Policy at the University of Illinois-Chicago, argues that it is unfair to blame the CRA for a home foreclosure crisis that occurred three decades after the act's passage. Ashton observes that the lending industry has been critical of the CRA since its very beginning and has used the recent mortgage crisis as a pretense to launch yet one more attack on the CRA. The greatest abuses did not occur in CRA-covered loans but in loans made by institutions that were exempted from CRA requirements. Ashton argues that it was deregulation, not regulation, that contributed to the home foreclosure crisis.

Issue 12. Should U.S. Cities Adopt a System of "Congestion Pricing" to "Tame" Traffic? 251

YES: Environment Defense Fund, from "Road Pricing Makes Sense: Taming Traffic in London, Singapore, and Norway," www.edf.org 255

NO: The Keep NYC Congestion Tax Free Coalition, from *Congestion Pricing in the Manhattan Central Business District: Let's Look Hard Before We Leap* (May 2007) 262

A public interest group with a formidable record of lobbying for clean air, the Environmental Defense Fund (EDF) is a strong advocate of congestion zones. Case studies of London, Singapore, and cities in Norway demonstrate how a toll system can reduce traffic congestion and enhance the livability and economic attractiveness of the center city. The Keep NYC Congestion Tax Free Coalition is an alliance of businesses, labor organizations, and ideological groups that organized to oppose to Mayor Michael Bloomberg's effort to have New York City adopt a London-style congestion zone. The Coalition emphasizes the potential harmful impact that a congestion zone would have on the city economy as well as the burden that a congestion zone would impose lower-income and working-class citizens.

Issue 13. Should the United States Invest in High-Speed Intercity Rail? 272

YES: U.S. PIRG Education Fund, from *A Track Record of Success: High-Speed Rail Around the World and Its Promise for America* (2010) 276

NO: Robert Poole, from “Questions Legislators Should Ask About High-Speed Rail: Testimony to the National Conference of State Legislators” (April 2010) 289

U.S. Public Interest Research Group (PIRG) advocates stronger governmental action in such policy issues as environmental protection. PIRG looks at the high-speed rail systems of other countries and argues that the United States can similarly build a high-speed rail that can reduce pollution while promoting both national economic growth and local urban revitalization. Robert Poole is a policy analyst who, over the years, has questioned a number of the more orthodox big-spending solutions to urban problems. Poole questions whether high-speed rail in the United States is capable of attracting a great number of riders. He argues against investing so heavily in a transportation system that ultimately will accomplish so little.

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Issue 14. Is Urban Sprawl a Sufficiently Important Problem to Merit Government Corrective Action? 301

YES: James M. McElfish, Jr., from *Ten Things Wrong With Sprawl* (Environmental Law Institute, 2007) 305

NO: Robert Bruegmann, from *Sprawl: A Compact History* (Chicago: University of Chicago Press, 2005, pp. 1–3 and 5–13) 312

James M. McElfish, Jr., senior attorney and director of the Sustainable Use of Land Program at the Environmental Law Institute, reviews the numerous environmental, health, social, and economic problems that result from sprawled development. Robert Bruegmann is professor of art history at the University of Illinois at Chicago where he also holds appointments in the School of Architecture and the Program in Urban Planning and Policy. In this excerpt from his controversial book *Sprawl: A Compact History*, Bruegmann argues that critics often exaggerate the problems that result from sprawl. He views sprawl as progress and the inevitable result of the free choice of citizens who see considerable advantages in residing in lower density settlements located at some distance from congested urban centers.

Issue 15. Do Portland-Style Smart Growth Policies Raise Housing Prices and Hurt Urban Livability? 324

YES: Randal O’Toole, from “The Folly of ‘Smart Growth’,” *Regulation* (Fall 2001) 328

NO: Michael Lewyn, from “Debunking Cato: Why Portland Works Better Than the Analysis of Its Chief Neo-Liberal Critic,” online publication of the Congress for a New Urbanism (2007) 337

Randal O’Toole, a Cato Institute senior fellow, argues that environmentalists overstate the achievements of Smart Growth policies. O’Toole points to a number of problems that he sees resulting from Smart Growth efforts in

Portland, especially increased traffic congestion and the escalation of housing prices. Michael Lewyn teaches a seminar on sprawl and the law at the Florida Coastal School of Law in Jacksonville. Lewyn contends that Portland's growth management system has succeeded in protecting recreational spaces and agricultural acreage and in reducing automobile reliance. Lewyn also counters the assertion that the UGB is responsible for home price inflation.

Issue 16. Are Environmentalists Too Often the Unwitting Allies of Suburban Exclusionists? 350

YES: **Bernard J. Frieden**, from *The Environmental Protection Hustle* (MIT Press, 1979, pp. 2–11, 178–183) 354

NO: **W. David Conn**, from “Book Review: The Environmental Protection Hustle” *Urban Studies* 18.1 (1981) 361

The late Bernard Frieden, the director of the MIT/Harvard Joint Center for Urban Studies at MIT, argues that unnecessarily strict land-use regulations serve to drive up the price of housing, impairing the ability of the working class, the poor, racial minorities, and young married couples to find quality, affordable housing. Frieden contends that affluent suburban communities have used the rhetoric of environmental protection as a cover for exclusionary land-use and housing policies. W. David Conn, professor of city and regional planning at California Polytechnic State University, San Luis Obispo, responds that Frieden understates the harm that growth projects can impose on fragile natural areas. Conn worries that developers will use Frieden's claims to leverage approval of environmentally unwise growth projects.

Issue 17. Does New Urbanism Represent a Viable Strategy That Can Transform Suburban Communities? 367

YES: **Robert Steuteville and Philip Langdon**, from “The New Urbanism: A Better Way to Plan and Build 21st Century Communities,” *New Urban Network* (June 10, 2009) 371

NO: **Myron A. Levine**, from “The New Urbanism: A Limited Revolution,” in *Redefining Suburban Studies: Searching for a New Paradigm*, ed. Daniel Rubey (Hempstead, NY: National Center for Suburban Studies, 2009) 377

Robert Steuteville and Philip Langdon, the coauthors of *New Urbanism: Best Practices Guide*, argue that New Urbanism is a reaction-sprawled development. The New Urbanism builds compact mixed-use developments that, in a number of ways, resemble the small towns that dominated the U.S. landscape before the rise of the automobile. Steuteville and Langdon show how New Urban design emphasizes environmental sustainability while also seeking to reinvigorate the sense of “community” critical to neighborhood life. Myron A. Levine, professor of Urban Affairs at Wright State University and the author of the present volume, argues that the New Urbanism, despite its laudable goals and many achievements, does not really pose a challenge that is capable of reshaping the American landscape. Most Americans are quite content to live in large detached homes in automobile-reliant suburbs. As a result, developers will continue to build, and the vast majority of Americans will continue to buy, homes in conventional suburbs rather than in New Urban communities.

**UNIT 5 DEBATING THE FUTURE DIRECTION OF
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YES: Elisabeth Rosenthal, from “Across Europe, Irking Drivers Is
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NO: Joel Kotkin, from “The War Against Suburbia,” *The American:
The Journal of the American Enterprise Institute* (January 2010) 396

Elisabeth Rosenthal, reporter for *The New York Times*, reviews the various means by which European countries discourage automobile use and encourage walking, bicycling, and public transit. Joel Kotkin, presidential fellow in Urban Futures at Chapman University and author of *The City: A Global History*, argues that Americans prefer automobile-orientated lives and the freedoms and privacy of large single-family homes as contrasted the smaller housing units and greater population densities of Europe.

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