

PHE & Risse

5 January 1988
Fourth Draft

Cover Sheet

New Town Planning and the Garden City/Greenbelt Ideal

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Section II: Greenbelt Towns and the New Towns in the United States Since the New Deal

Chapter 11: Small, Privately Financed New Communities - Their Place in the New Towns Movement
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Material in Chapter 11 will be further edited and the style adjusted by the author to achieve compatibility with other draft chapters when the author has access to those materials.

Material in Section II - Background will be edited by the author to eliminate overlap with other material in the book, but the points made are necessary to provide a context for the material presented. For example, there is duplication of reference to "new community" vis a vis "new town" in several paragraphs in the event some of these paragraphs are eliminated, and if not the reference will be streamlined.

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Chapter 11: Small, Privately Financed New Communities - Their Place in the
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I. Introduction

It is the thesis of this chapter that small, privately-financed new communities provide the most significant bridge between the new town ideal - as manifest in new town or planned community development started before 1973 - and future/real world development. There is continuing academic interest in the new town/planned community concept, but there is little being built now to further the new town ideal except for the small, privately-financed new community.¹(Klaus)

The small, privately-financed new community is similar in scale to what Howard originally articulated for his Garden City.²(Howard) Howard's ideal is closer in concept and scale to a small, privately-financed new community such as Burke Centre, Virginia, than to government-sponsored new towns like Greenbelt, much less large ones anticipated by the Federal Government in Title IV and Title VII.³(Burby) Although they may lack the "greenbelt" - as did Greenbelt, Maryland - small, privately-financed, planned communities (nee new towns and sometimes termed

"planned unit developments") provide a contemporary context for the continued evolution of specific elements of Howard's ideal.

Wolf Von Eckardt observed during the seminar on Greenbelt's 50th Anniversary (see Von Eckardt's last chapter of this book) that "there is no profit in a bench, no profit in open space." In fact, the small, privately-financed new community is a testament to the fact that there is profit in benches and open space. There is profit in good planning, in an effective pedestrian movement system and in supportive community social structures. A broader understanding of this reality is needed. When this understanding is achieved, it will result in acceptance of the new town ideal and should put in better perspective the long-term importance of the design features and amenities which are not found in "typical subdivisions" but can be accommodated at the scale of the small, privately-financed new community.

II. Background

Few ideas in the civilized world are as old as the idea of new towns. New towns were the vehicle for colonization of the Classical world by the Greeks and colonization of the Imperial world by the Romans. New towns were the vehicle for resettlement of Europe after the 10th Century and for the exploitation of the Americas and Africa. New towns were the governing body's way of ordering the future.

New towns as the primary mode of urban development declined during the early 1800s in the United States, reflecting the "individualism" that

brought Andrew Jackson the presidency in 1832. Why should government interfere with individuals in their exploitation of apparently unlimited land resources? There seemed to be no reason to plan. Just let the vast area absorb the excesses of man's emerging industrial power and technological innovation. The new town idea did not, however, eclipse in the United States.

When Ebenezer Howard came to the United States in 1871, he was impressed by the use of new towns by the railroad companies to sell and settle agricultural lands and thus develop markets for transportation services along their rights-of-way in the Midwest.⁴ When Howard returned to England, his experience in Howard County, Nebraska, and Chicago, Illinois, contributed to his concept of the Garden City as an alternative to 19th Century London's urban squalor. Thus, the new town idea crossed the Atlantic at least three times before it was applied at Greenbelt, Maryland. K.C. Parsons' chapter in this book outlines Clarence Stein's contribution to the transport of the ideal back to the United States after World War I. Other chapters deal in detail with the evolution of the Ebenezer Howard ideal since that time. "Ideal" will be used throughout this chapter instead of "Utopia" or "idea". It should be noted that sometime between Greenbelt, Maryland's, opening in 1937 and the opening of Columbia, Maryland, in 1967, "new towns" were renamed "new communities" in the United States - they are still new towns in Europe.

With a major start on the Greenbelt new towns, the United States might have been expected to become a world leader in planned development

rather than passing the baton back to Great Britain and the Scandinavian countries. Before examining in detail the small, privately-financed new community, it may be useful to examine the reasons for the lack of broad endorsement in the United States of the new town (now planned community) movement following the Second World War. The reasons for the United States taking a back seat are, among others:

- a) a predilection against strong central planning (regional or national) and land use controls because of their kinship with the central economic and physical planning identified with communist countries, and
- b) a national policy to foster small-scale, entrepreneurial and self help responses to the need for housing and mobility after the Second World War.

Federal - and later state - programs subsidized mortgages for individual houses and subdivisions to support small-scale builders. Federal programs provided massive subsidies for low-density development through highway and later Interstate (expressway) programs. These public actions, and the private response to these incentives, led to the dominant pattern of new development - now termed "sprawl". It turns out that the most effective way to encourage small-scale entrepreneurial builders is to provide them with finished lots in the planned community context.

It is also ironic that the Interstate Highway program which was pushed by a Republican administration to weaken the then powerful rail and coal unions had unintended and significant impact on patterns of development. This, in turn, led to other unintended results that undermined the original objective. The limited access highways provided access to previously rural areas and thus led to "suburban sprawl". Sprawl, in turn, makes efficient mobility and a satisfactory quality of life impossible to achieve without regional planning and new town scale development - a socialist, if not "communist" concept. And, coming full circle, the new community concept is embraced by the private sector to offset the ills caused by the free enterprise approach to transportation and development following the Second World War.

Adverse reaction to the post World War II pattern of growth - sprawl - that resulted from the federal housing and interstate policies and programs - created popular acceptance for bringing the new town (by this time called "new communities") back across the Atlantic. In the mid-60s and early 70s, the founders and planners of Reston, Virginia and Columbia, Maryland and their imitators - both private and public - visited and admired the new towns of England and Scandinavia and saw them as a positive alternative to "sprawl". Large-scale planned communities were seen as a better alternative way to order growth, not just a concept for mass production of houses as was the case of the "Levittowns" between 1946 and 1961.⁵(Burby)

It can be argued that the demise of the Federal New Communities program - Title IV and Title VII - which is well documented in Burby and Weiss'

book, New Communities USA,⁶(Burby) - was a watershed in the new town - henceforth new community - movement. This demise coincided with the collapse of the REIT*/corporate American investment in housing and speculative land development. The cumulative result of these forces was an overbuilt office and apartment market and the building industry depression of 1972-1976. The depression produced economic wreckage, not yet recovered from, and led to a wholesale abandonment of the new community (nee new town) ideal by the private, as well as the public, sector. The abandonment of the Federal program was exacerbated by political pressure - i.e. in Louisiana the attempt by political figures to use new communities to evict alligator. (The use of federal funds to subsidize the development of the sites which would not otherwise be marketable had the impact of evicting alligators.)

III. The Small, Privately-Financed Community Defined.

For the purpose of this chapter, the small, privately-financed new community shall be defined as having an area of at least 1,000 acres and a population of at least 10,000. The community is planned and developed under single ownership/control and has a community-wide homeowners/ community association. The new community must have commonly owned land which contains and supports a community recreation/amenity system; it must have shopping and some employment as well as adequate public facilities such as schools, libraries, fire and rescue services. The public facilities may not be self-contained because of optimum

*real estate investment trust

management/service area parameters for the sub region, but at the least they should be planned to serve the new community population well and be located and designed in such a way that the community can identify with as many as is feasible. In the case of most small, privately-financed new communities, the existence of major employment areas and major green belts is dependent upon the Master Plan of the jurisdiction in which they are located. In the case of Burke Centre, there is a "green belt" on one side - a major stream valley - but no significant employment area.

The definition of the small, privately-financed new community must be flexible. Some of the characteristics described in this chapter may be applicable at a smaller scale, and many larger communities lack some of the characteristics. In addition, the concepts can be applied to infill locations which supplement the resources of an existing community. In some applications, such a community may be called a "planned unit development" (PUD). Just as the merchant-built houses in small and large "subdivisions" of the late 40's, 50's and 60's responded to the existing market, the small, privately-financed new community can be termed the "market-response" community of the 70's and 80's. These market-response communities do not contain features (represent ideals) that home buyers are not willing to pay for beyond those public facilities required through the land use control process - typically, fire station, library, park and school sites (sometimes school facilities) which can be shown to be required to serve the community and those jurisdiction-wide facility sites shown on the Comprehensive Plan and/or the official map.

Perhaps the primary distinguishing ingredient of the small, privately-financed community is an understanding on the part of the community planners of the tradition and experience of the new towns idea. By understanding the role of new towns from antiquity through the large, planned communities of the 60's, and through a commitment to apply those ideals which can be economically justified and are socially desirable in contemporary society, these planners carry forward the new town ideal.

One should not confuse the goals and priorities of Title IV and later Title VII Federal new community programs with those of the small, privately financed new communities. Title VII, The Urban Growth and New Community Development Act, was intended to harness the private initiative to help achieve public objectives. Title VII was intended to: 1) create a national urban growth policy, 2) establish a program for the encouragement of development of a variety of new communities, 3) cause the preparation of a planning program to assist states and regions in achieving more rational patterns of urban growth, and, finally, 4) provide capital subsidies for land acquisition and write down development cost to facilitate cities undertaking development of new towns in town (a form of urban renewal). As Thomas Ashley states in the introduction to New Communities USA, "we were looking for more than improved ways to develop communities physically."⁷(Burby) The private sector, in developing the small, privately-financed new community, is looking for a better way to develop communities physically but is also concerned about a better community, socially and economically, in order

to provide a better - and thus more successful - product in the marketplace.

IV. Limits to Planned Community Implementation

As pointed out by Von Eckardt in the seminar on the occasion of Greenbelt's 50th anniversary (Von Eckardt's last chapter of this book), the private sector cannot be expected to plan and implement major (large-scale) new communities alone. New town or planned community activity has, from antiquity, been a "public" activity and that is particularly true in the 80s when "no-growth" local controls favor small incremental changes and separate rather than planned and integrated uses.

In addition, mobility must be provided by "government" programs. The massive subsidy of individual automobiles through federal and state programs offers little prospect of change of urban form in the foreseeable future. Within this context, small, privately-financed communities must rely upon government to provide capacity for external mobility - arterials, expressways, transit systems, etc. Mobility systems provided by the private sector can function efficiently within the community; external mobility is a public responsibility.

Local and state government must also provide the public service infrastructure system to supply educational and other public services; fire, police, rescue, water and sewer, etc. - on the same basis as those services would be supplied to uncoordinated "developments" or subdivisions in the jurisdiction(s). While some of these service

systems can be "self-contained", in order to function effectively, they must be an integral part of the municipal/subregional/regional service system.

It is frequently suggested that land assembly - creating a site of sufficient size for a planned community - is an aspect of new community development in which the public sector must participate. This has not been true for the small, privately-financed new community. The experience with the HUD sponsored Title IV and VII new communities suggests that the public sector may be ill-suited to assist in the process of assembling land except through organizations established for the purpose, i.e. the New York State Urban Development Corporation. Public "participation" in the process of land assembly may best be limited to cases where the public sector has assembled land for another purpose - i.e. an airport - and then decides not to build the facility, or providing a site recycled by some former use - i.e. military base.

The fundamental issue is that land assembly, as traditionally viewed, starts the interest clock running to pay the cost of acquiring the land. This interest burden runs ahead of price inflation and cannot be carried by a large project because of the extended period of time required to take the project from land acquisition to completion. Writing down land holding costs by successive ownership transactions has been an integral part of the "success" of Reston and Columbia. The original owner converting itself into a developer - as with the Irvine Company in California, and other western ranches - serves the same purpose.⁸(Burby) Time is money in land holding. The federal Title IV

and VII programs delay of project timing more than offset the advantage of the lower interest rates which federal guarantees were intended to provide.

V. Why the Small, Privately-Financed New Community?

Aided by hindsight and with experience gained from studying and living in planned communities in the Post War United States - especially Reston and Columbia, the planners of small-scale, planned communities of the 70s and 80s have been able to address problems which limited the success of large-scale communities and/or discouraged other entrepreneurs from imitating them. Some of the difficult issues confronting large-scale, planned communities include:

- o difficulty of predicting long-term markets;
- o time and cost of land assembly;
- o inability to carry the interest on land debt once it is assembled;
- o inability to gain and continue to have the cooperation of local political jurisdictions; and
- o inability to maintain a focus on social and human values, much less physical design concepts in the face of changing economic realities and inevitable staff and organization changes.

The small, privately-financed new community is what the authors of New Communities USA predicted would happen following their survey of large-scale communities in the United States started from 1947 through publication of the book in early 1976. The planners of Burke Centre

were aware of - participated in - the seminars that contributed to New Communities USA during the Burke Center planning process (1973-1976).

In the conclusion of New Communities USA, the authors suggested "in addition smaller scale new communities (herein referred to as small, privately-financed new communities) ranging from developments of several hundred acres to villages of more than 1,000 acres will be built. These small-scale, new communities will encompass many of the benefits from improved environmental planning and a broader range of residential amenities than characterized full scale new communities. However, neither spontaneous new communities nor planned unit developments offer a total approach to urban growth problems."⁹(Burby) As stated earlier, larger communities will require significant public participation which has not been forthcoming since the middle 70s, and thus, as stated at the outset, the small-scale, privately-financed new community is the one area where one can see current activity which has a lineage to large-scale planned development in the United States.

The developers of Burke Centre were aware of and generally subscribed to the goals espoused by planned communities such as Reston and Columbia.¹⁰(Burby) These objectives were seen to ensure quality and have a significant market advantage to an increasingly knowledgeable sector of the buying public.

One must also recognize the disadvantages of the small-scale new communities. Probably the most significant disadvantage is the inability to achieve the critical mass sufficient to test or implement some concepts and thus create viable alternatives to some least common

denominator dictates of the market, i.e. no viable housing types between 2.7 dwelling units per acre (single family detached) and 8 dwelling units per acre (townhouse/single family attached). There is also a significant impact of topography on the small-scale communities because there is less flexibility to distribute uses in a smaller area.

Nevertheless, the small, privately-financed new community provides a bridge between the new town ideal and future reality. It provides a test bed for social, economic and physical planning concepts within the context of market response and the limit of contemporary society's preference for forms of development which reflect (or require) nearly exclusive use of the private automobile for mobility.

VI. Burke Centre as an Example of a Small, Privately-Financed New Community

Burke Centre is a good model of the small, privately-financed, planned new community. It is not the only such community in Virginia - Brandermill near Richmond is another example. There are many others especially in suburban areas which have experienced high growth rates since 1975 - in Georgia, Florida, Texas and California, in particular.

Burke Centre is within a large political jurisdiction - Fairfax County - which had previously accommodated the construction of one of America's premier, large, planned new communities - Reston. A special land use control system had been developed for Reston which could be made applicable to other sites in the county. Perhaps more important, Burke Centre, along with Reston and two other planned suburban satellite

communities, had been part of Fairfax County's comprehensive planning since 1958.

Burke Centre had been planned to be the "center" for a large area of south central Fairfax County (see Figure 1). County Comprehensive Plan amendments adopted in 1975 removed major road improvements which were part of the original concept and the planned size of Burke Centre was diminished to 1/5 the size of Reston. (See Figure 2.)

Because of the relatively small size and relative ease of land acquisition - three parcels made up the initial 1100-acre site - and, because of the very significant market for housing in the late 70s and early 80s, Burke Centre could be conceived, developed and completed very quickly. Planning started in early 1974, the first of the 17,000+ residents arrived in May of 1977 and by mid-1987 the community was essentially complete. Perhaps equally important was the fact that the original three major land owners had previously attempted to sell their land on a number of occasions for large-scale planned development and having failed to conclude a sale were willing to "participate" with the developers of Burke Centre by carrying the cost of the land.

An important factor affecting the final product was the small, professional staff. Burke Centre was conceived by a partnership of three entrepreneurs (with financing from a limited partner/insurance company) who relied primarily on advice from a small consulting team for physical, social and economic planning concepts and the staff of an engineering firm with which all of the partners had extensive personal

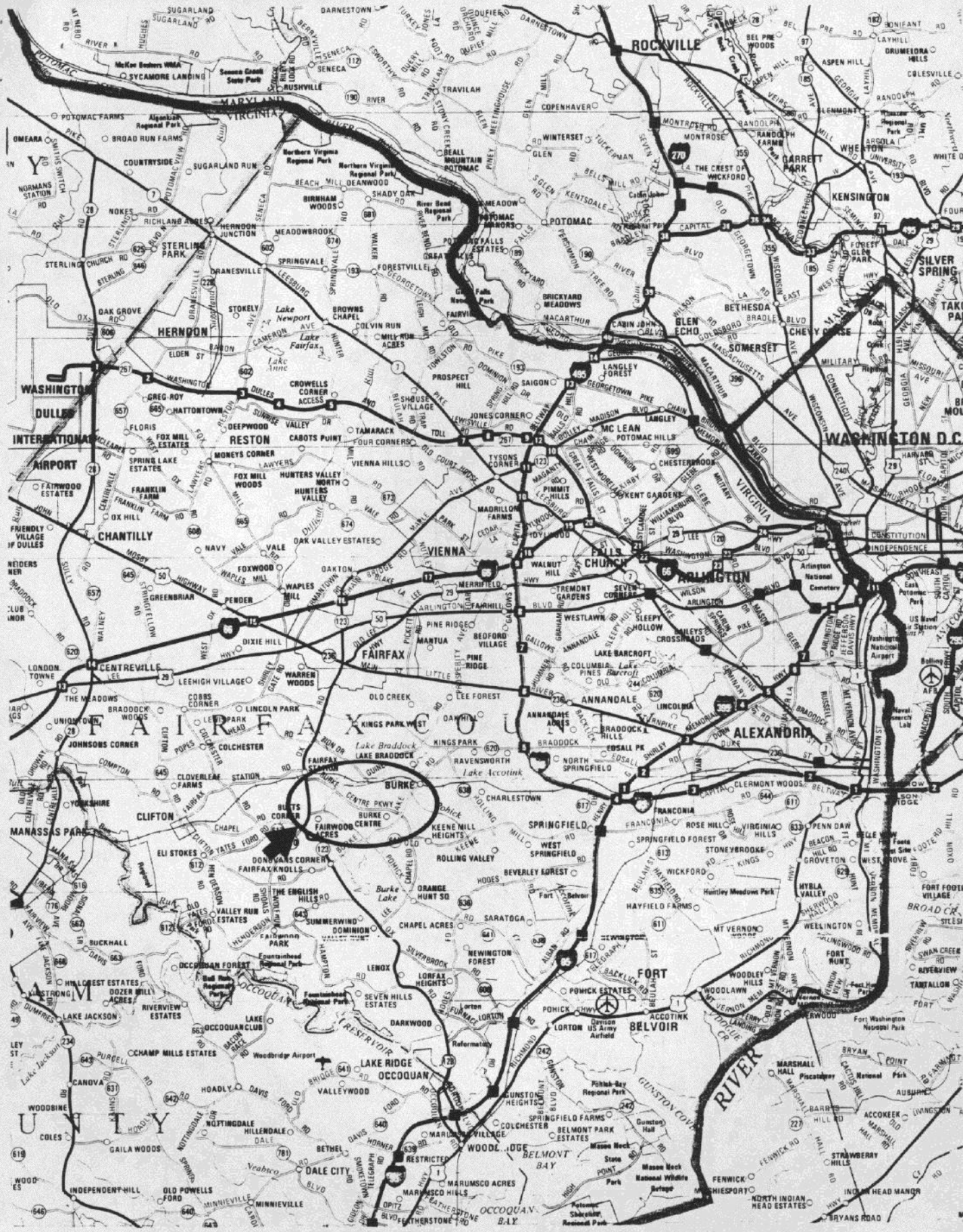
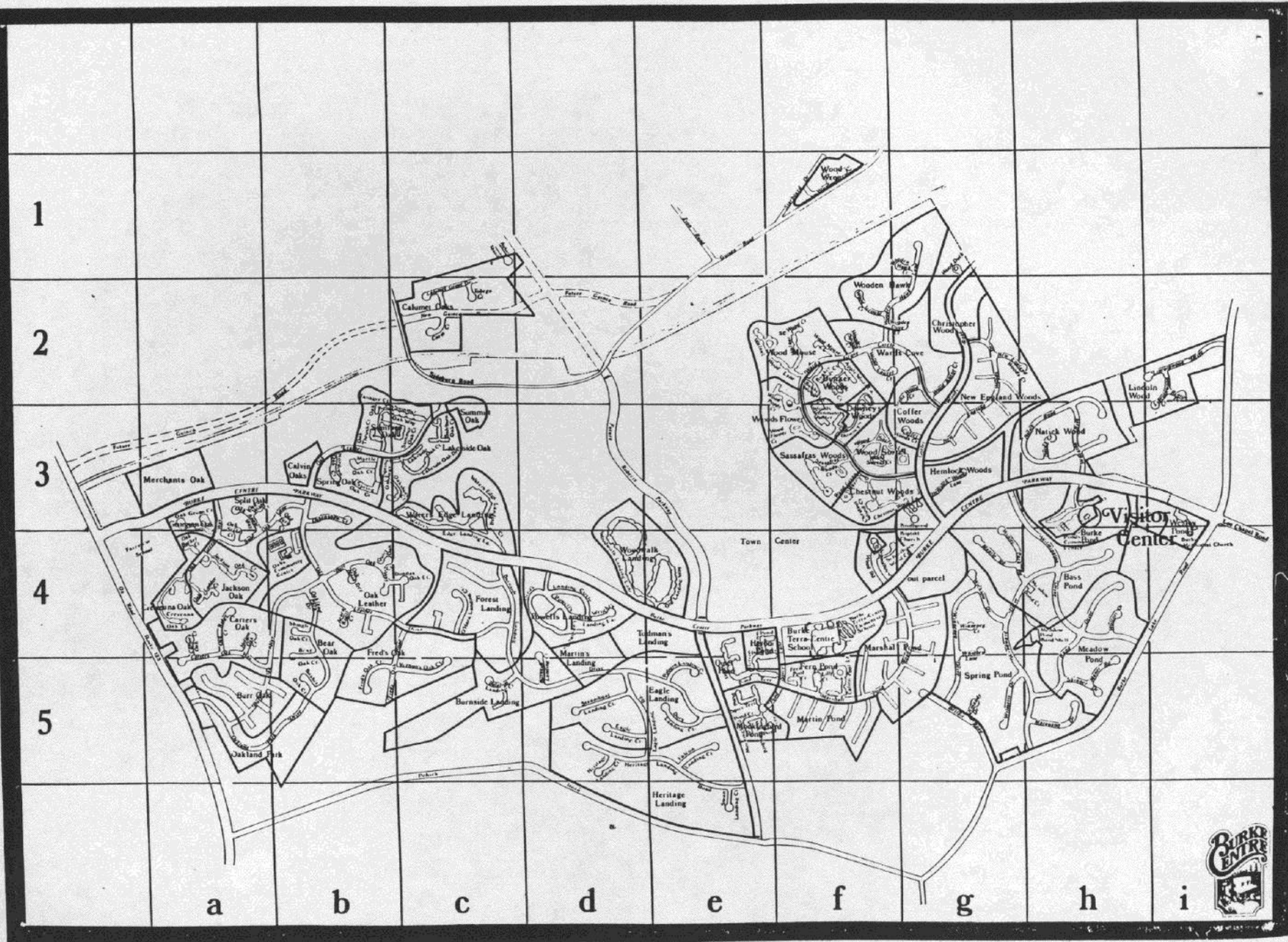


Figure 1



experience. When the project got underway the detailed planning and implementation of the project was directed by one of the partners who took day-to-day responsibility for the most minute details of engineering, planning and development with the support of a very small staff.

There was one staff person primarily responsible for coordination and marketing, one responsible for land development, one responsible for finance, one responsible for planning and community structure . Not only were the staff members responsible for these activities, they executed them. In the critical, early development stages of Burke Centre there were a total of six employees. Other than the engineer preparing construction drawings (site plans, road designs and subdivision plans), who conceived of and executed the plan as it exists today, there were no outside consultants.

The previous experience of each of the senior staff members, the fact that there was no junior staff to educate/coordinate/mediate, and the fact that staff members had so much to do that they could not waste time in disagreement or turf battles, contributed to the smooth operation and unified direction from which Burke Centre benefited. Size, experience and organization of the staff responsible for community development is an area which has not been significantly studied but may have more impact than other more frequently mentioned forces.

Finally, Burke Centre was conceived by the senior planner from the outset to be a "market response" community. He had been frustrated in

the past by preparing plans for large-scale, innovative and architecturally excellent communities across the eastern and southern United States and then seeing those plans not implemented. As a result of that experience, Burke Centre was designed from the beginning to be market responsive and thus economically successful - a community that would be built.