



## MAKING NEW TOWNS - IN TOWN WORK

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Interest in new towns - in town is steadily rising. Intuitively, public officials, the business community, and citizen groups are coming to recognize the value of the new community concept. However, this recognition is not necessarily accompanied by an understanding of how to successfully bring them into existence.

### Problems Encountered in Developing New Towns

Unfortunately, problems encountered in the development of suburban and other types of new towns are discouraging efforts to undertake new towns-in town. A common reaction is to think that if it is not practicable to develop a new town on virgin land, it certainly must be unrealistic to try to create one in a built-up city. Those who have been working in cities have visions of stratospheric land costs, insurmountable relocation problems, and intransigent community groups and public officials blocking the way.

These visions are largely but not completely realistic. Properly approached, it should be possible to undertake and successfully pursue a number of new town - in town projects. However, the problems and values involved in their development must be clearly understood.

### Essential Characteristics of a New Community

From the beginning, certain essential characteristics of a community -- particularly a new community -- should be kept in mind. There are many ways to describe these. But one that is useful in this discussion is to describe a community as one in which both costs and benefits have been internalized to a very substantial extent. Under such a concept, most of the benefits of new development effort are captured and used to increase its attractiveness and marketability and to permit even greater resources to be applied to the meeting of cultural, social, economic, and/or environmental needs and to increase project feasibility.

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The purpose of this paper is to identify some of the factors and conditions that must be considered in evaluating the potentials for a new town - in town, to make a general comparison between in-town and other types of new communities in dealing with these, and to provide information from a few case studies to show what potentials for in-town development might be.

Skillfully done in the right place, the process of working comprehensively with the many factors that help to create a community develops a synergy that can generate even greater benefits, internally and to the larger region. Thus a new town should be very attractive and economically sound, not only to itself, but to the surrounding area.

### Benefits of New Community Must Exceed Costs

To be successful, a new town must be effective in enhancing or capturing the values of its location to the point where benefits exceed costs, not only internally but in the larger region of which it is a part. It is often thought that this should be relatively easy to do in an open space rural area or at the edge of urban growth. However, the conventional wisdom is that this is much harder to accomplish in a developed urban setting. Perhaps closer examination will show that no more and perhaps even less effort would be required to produce a successful new town in many existing urban situations.

One way to begin to determine this and, more importantly, to identify the things that must be done to make new towns work is to analyze the many conditions that must be established, enhanced, or preserved in the process of developing or improving a community. Such an analysis indicates that many of these conditions often exist within developed urban locations, whereas they must be created from scratch (if that is possible) in many rural or fringe locations.

Table 1 lists a number of conditions, facilities, and/or services that must be available or must be provided to make a community possible and broadly successful. Not every community needs every condition or service to the same degree. But every community needs a combination of services and conditions that will attract and hold a market and that will sustain a reasonable level of economic and social activity. In some (rare) instances, a few qualities of a community will be so strong and so attractive that the community will thrive even in the absence of conditions that might seem essential in other situations. Thus, some high-density central area communities are very attractive even though they have little or no open space and relatively poor air quality. Others, in remote suburban locations are equally attractive though they may lack balanced transportation, employment opportunities, or a range of social institutions.

The only way to make a really accurate analysis of the potentials of an area for new community development is to examine it, individually. However, a general assessment of the importance, availability, and potentials for achievement or enhancement of the conditions deemed important in new town development is also shown in table 1. This analysis indicates that in-town locations tend to have more of the qualities needed for sound community development and tend to provide greater opportunities for the effective use or enhancement of the facilities or conditions available.

Three factors are evaluated in this table:

A. The importance of the various factors to the success of the community,

TABLE 1. GENERAL EVALUATION OF THE IMPORTANCE, AVAILABILITY, AND POTENTIAL FOR ENHANCEMENT OF FACTORS INVOLVED IN COMMUNITY DEVELOPMENT.

Factor Involved Condition; Service; Facility	Importance	Initial Availability		Potentials for More Effective Utilization or Enhancement	
		In-Town Site	Other	In-Town Site	Other
<b>Environmental Factors</b>					
Air Quality	2	2	4	1	1
Water Quality	5	4	2	4	1
Soil Capability	4	3	2	2	1
Natural Ecology	1	1	3	2	1
Historic/Cultural Conditions	2	2	2	2	2
Transportation Alternatives	3	3	1	4	2
Utility Systems	5	4	1	4	2
Suitable Micro-climate	2	2	3	3	2
Open Space	2	2	2	4	3
Energy Conserving Characteristics	2	3	1	4	3
Land Availability	5	3	3	4	4
		<u>29</u>	<u>24</u>	<u>34</u>	<u>22</u>
<b>Social Factors</b>					
Health Services	2	4	1	3	2
Recreation Services	4	4	1	4	4
Public Safety	5	2	1	4	4
Housing Assistance	2	3	1	3	2
Educational Services	4	3	1	3	3
Social Institutions	2	3	1	3	2
Balanced Population	2	3	2	4	2
Opportunities for Privacy	2	2	4	2	4
		<u>24</u>	<u>12</u>	<u>26</u>	<u>23</u>
<b>Economic Factors</b>					
Employment Opportunities	3	4	2	4	2
Reserve Base	3	4	2	4	2
		<u>8</u>	<u>4</u>	<u>8</u>	<u>4</u>
<b>Institutional Factors</b>					
Governmental Capability	2	3	2	3	2
Fiscal Capability	3	2	1	3	2
Management Capability	4	3	1	3	3
		<u>8</u>	<u>4</u>	<u>9</u>	<u>7</u>

on a scale of one to five: (1) Desirable in some cases; (2) Desirable in most cases; (3) Essential in some cases; (4) Essential in most cases; (5) Essential in every case.

B. The initial availability of the condition, service, or facility, on a scale of one to four: (1) Rarely available at scale needed; (2) Sometimes available: perceived quality may be low; (3) Generally available: adequacy may be in doubt; (4) Almost always available: generally adequate.

C. The potentials offered for making more effective use of the factor or for developing or enhancing it, on a four-point scale: (1) Minimum opportunity; (2) Opportunities in some situations, but rare or limited in effect; (3) Frequent opportunities, with some chance of substantial enhancement; (4) Major opportunities for more effective use or enhancement in most cases.

The summarized results of a generalized evaluation of in-town versus suburban or freestanding locations for new towns is shown in table 2.

TABLE 2. SUMMARY EVALUATION OF NEW COMMUNITY DEVELOPMENT FACTORS.

Category of Factor	Potential Availability		Potential for Enhancement	
	In-Town Site	Other	In-Town Site	Other
Environmental	29	24	34	22
Social	24	12	26	23
Economic	8	4	8	4
Institutional	8	4	9	7
Totals	69	44	77	56

As can be seen the evaluation shows a total of 69 points in the evaluation of factor availability for in-town locations, versus 44 points for suburban or freestanding locations. Evaluation of the same alternatives in terms of their potentials for effective use produces point totals of 77 to 56, in favor of in-town locations. The advantage clearly appears to be on the side of in-town sites for new community development. Certainly, if all factors--including the achievement of social objectives -- are to be taken into account, opportunities for developing new towns - in town appear to be at least as valid as for those in outlying locations.

Of course, a more accurate evaluation would attempt to quantify these factors in a cost-benefit or cost-effectiveness framework. The evaluation here is raw, in that it does not assign weights to the conditions or factors or to the effort required to produce or take advantage of them. However, it does indicate some promising potentials for the development of new towns in in-town locations.

Table 3 carries this analysis one step further for several specific, possible in-town locations that have been examined for their development potential. Three sites in the Chicago area have been evaluated and are shown along with the most advanced new town - in town in the nation: Cedar-Riverside in Minneapolis. Although the analysis is again crude, it can be seen that almost every one of the potential sites has as many advantages and enhancement opportunities as the active project -- Cedar-Riverside.

This suggests that, with appropriate organizational effort and incentives, new town projects in these locations would possibly succeed. Presumably, many other suitable in-town sites could also be found. If further work

TABLE 3. EVALUATION OF FACTORS INVOLVED IN NEW COMMUNITY DEVELOPMENTS FOR SEVERAL SPECIFIC IN-TOWN LOCATIONS.

Factor Involved Condition; Service; Facility	Chicago Locations						Minneapolis	
	River Community		Park Neighborhood		Suburban Downtown		In-Town Cedar-Riverside	
	*A	E	A	E	A	E	A	E
<u>Environmental Factors</u>								
Air Quality	1	4	2	1	3	1	2	1
Water Quality	3	4	4	4	4	4	4	4
Soil Capability	2	2	4	2	4	2	4	2
Natural Ecology	0	3	2	2	0	1	1	3
Historic/Cultural Conditions	1	2	2	2	2	1	2	2
Transportation Alternatives	4	4	4	4	4	4	3	4
Utility Systems	4	4	4	4	4	4	4	4
Suitable Micro-climate	3	3	4	3	3	2	2	2
Open Space	2	4	4	4	1	2	2	4
Energy Conserving Characteristics	3	4	3	4	4	4	4	4
Land Availability	3	4	3	4	3	4	3	4
	<u>26</u>	<u>38</u>	<u>36</u>	<u>34</u>	<u>32</u>	<u>29</u>	<u>31</u>	<u>34</u>
<u>Social Factors</u>								
Health Services	4	4	4	4	4	2	4	3
Recreation Services	4	4	4	3	4	3	4	4
Public Safety	2	4	2	4	4	4	2	4
Housing Assistance	4	4	4	4	2	3	3	4
Educational Services	2	4	2	4	4	3	4	4
Social Institutions	1	3	3	3	4	2	3	4
Balanced Population	3	4	2	4	4	3	3	4
Opportunities for Privacy	3	3	3	3	3	3	3	3
	<u>23</u>	<u>30</u>	<u>24</u>	<u>29</u>	<u>29</u>	<u>23</u>	<u>26</u>	<u>30</u>
<u>Economic Factors</u>								
Employment Opportunities	4	4	4	4	4	4	4	4
Resource Base	4	4	1	4	4	4	3	4
	<u>8</u>	<u>8</u>	<u>5</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>7</u>	<u>8</u>
<u>Institutional Factors</u>								
Governmental Capability	4	2	4	2	3	3	3	3
Fiscal Capability	4	2	4	2	2	3	2	2
Management Capability	4	3	4	3	2	3	3	3
	<u>12</u>	<u>7</u>	<u>12</u>	<u>7</u>	<u>7</u>	<u>9</u>	<u>8</u>	<u>8</u>
TOTALS	69	83	77	78	76	69	72	80

\*A E = Availability/Enhancement

demonstrates the validity of this analysis, there would be strong reason to advocate emphasis upon a new town - in town program as a major element of urban development policy. Even without further study, this approach appears to be one of the most attractive available.

### Key Conditions Essential to Success of New Town Development

If this approach is so promising, why are there not more successful examples of new town - in town development or of older community rehabilitation? Mainly, the problem is that it is difficult to produce some of the key conditions that are essential to success. Several, especially critical factors are hard to guarantee:

- . The assurance of adequate quality in the provision of certain public services (particularly education and public safety) even where mechanisms for providing these services are available.
- . The ability to serve the markets that are available and to attract new markets; attitudes toward inner-city locations by higher income families tend to limit the market: limited financing for middle- and low-income housing restricts the market still further. This is probably the single most important factor. Given promise of an effective demand, and the ability to meet it, powerful incentives are created which can overcome many of obstacles and problems involved.
- . Substantial control over development areas or the ability to generate confidence and to stimulate construction or rehabilitation activities on lands controlled by others.
- . The ability to capture for reinvestment many or most of the secondary benefits of the development effort.

### Solution to Problems of Developing a New Community

Solutions to these problems will vary widely between communities. However, in almost every case, they will involve some means of internalizing costs and benefits: of permitting more needs to be met internally and more of the values generated to be captured for support of the development and rehabilitation activity. Traditional private or public models will not do. Rather, combinations of public and private capability and technique must be created.

In some instances, this may involve the creation of semi-public corporations. In others, private groups may be clothed with some of the powers of public authority through a licensing or charter arrangement. In still others, needed conditions can be achieved through public-private cooperation, arranged through carefully drawn contracts similar to the Lakefront Ordinance between the City of Chicago and the developers of the Illinois Center Projects.

Several conditions are essential, however. And state legislation and related programs should provide a basis for these. These include:

- . Planning must be linked with action. Machinery for implementation should be set in motion and planning activity should then be undertaken to guide it. Probably one of the most valuable spurs to action would be programs to enable the marketing of housing to a broad range of income groups. As indicated above, the ability to serve a broad market is a powerful incentive. Broad markets are, in general, available to in-town locations. The ability to serve them would fuel the entire community building process.
- . Commitments should be substantial and for the long term. The rejuvenation and transformation of older inner city areas will take many years. Unless commitments reach over the necessary length of time, and are well supported, it will not be possible to develop the confidence needed to attract new investments and markets.
- . Planning and development activities should extend across the full range of needs and concerns. It must be possible to influence the availability and quality of most of the conditions listed in earlier sections of this paper. Only when the accumulated value of these conditions becomes relatively high will levels of satisfaction be great enough to generate solid market support. Entities with the responsibility to develop new towns should be given the authority required to enable them to resolve as many problems internally as possible and to capture the benefits of these solutions to cover their costs. This may include the resources needed to

TABLE 4. SUMMARY OF DEVELOPMENT POTENTIALS IN GENERAL IN-TOWN LOCATIONS IN METROPOLITAN CHICAGO.

	Potentials for New Development			
	Area in Acres	Housing Units	Other Developments	Other Benefits
Chicago River Communities	1,300	23,000	300 acres parks 115 acres commercial	Recapture river frontage for public recreational use. Rehabilitate and protect 19,000 existing dwelling units.
Chicago Park Community	160	6,300	750,000 sq. ft. of commercial	Protection and renovation of 10,000 existing units. Bolstering of existing commercial and institutional development.
Older Suburban Central Area	80 to 100	3,000 to 5,000	750,000 sq. ft. to 1,000,000	Bolstering of existing commercial, institutional and residential development and of major institutions.

TABLE 5. BENEFITS AND DEVELOPMENT POTENTIALS IN POSSIBLE NEW TOWN - IN TOWN LOCATIONS IN METROPOLITAN CHICAGO.

Potentials and/or Benefits	River Communities	Park Community	Older Suburban Area
Land available for new development	1,300 acres	160 acres	
New housing units	23,000 plus	6,300	
Other new developments	115 acres commercial	750,000 sq. ft. commercial	1,000,000 sq. ft. commercial
Other benefits			
Housing units protected or rehabilitated	19,000	10,000	
River frontage reclaimed	5 miles, 115 acres		
Major institutions reinforced and protected	Numerous	Several	All central institutions
Intensified use of existing transit	Major	Several station areas	Three transit stops
Intensified use of existing utilities	Major	Significant	Significant
Strengthen economic base	Reinforce loop plus nearby industry	Stabilize labor force, institutions, tax base	Stabilize entire economy and fiscal structure of area

assure the provision of the wide range of social services as well as those required to build physical facilities.

Areas involved should be large enough or well defined enough to permit the costs and benefits of development to be substantially internalized. Benefits will, eventually, extend to the larger community. Initially, however, they should be captured and reinvested to the fullest extent possible to help improve the speed and quality of development and its chances for success.

If policies and programs could be adopted favoring new community development and opening the way for effective public-private cooperation in pursuing new towns - in town, many opportunities for the betterment of areas throughout Chicago would emerge. An indication of the magnitude of the potentials in individual locations is indicated in tables 4 and 5. These estimates have been derived from a series of preliminary, general studies of the areas involved but are reasonable reflections of the possibilities that exist and are typical of what could be found in other locations.

The concepts and the program activities required are not new. They have been applied under different names and in different ways before. The Hyde Park and Lincoln Park Neighborhood Rehabilitation Programs are examples. So too, in a way, is the Illinois Center Project. But a new sense of direction and mission is required. Hopefully, the new town - in town concept can be developed to provide this.