

It's Time to Turn Government Action Toward Inner City

by Andrew Brod

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For the last few years, a debate has been raging in Greensboro: economic growth vs. our quality of life. A citizen's group in the conservative northwest of our community puts "quality of life" in its name to oppose the FedEx hub. An anonymous graffiti artists plasters anti-growth messages on construction signs along New Garden Road. Letters to the News & Record argue one side or the other, occasionally accompanied by name-calling.

The debate between growth and quality of life says much about who we are and what kind of city we want Greensboro to be. For many, the debate is an either/or proposition: Surely building new factories, offices, and homes requires a decrease in green space and an increase in pollution. And it is hard to argue against this view, because economic development, urban sprawl, and environmental pollution have run parallel courses over the years.

Every two years, an area of open space larger than Rhode Island is converted to non-farm economic development. In some urban areas, geographic growth has dramatically outstripped population gains. St. Louis, the second-most "sprawl-threatened" urban area according to the Sierra Club, covered 52 percent more land in 1996 than in 1990, during which time its population grew less than 1 percent. (Incidentally, the Sierra Club says Raleigh is the second-most sprawl-threatened urban area among smaller cities.)

Increased urbanization has significant implications for air and water pollution. For example, as we cover more and more land with "impervious" surfaces like buildings, roads, and parking lots, flooding and water quality tend to worsen.

But *is* the growth vs. quality-of-life issue necessarily an either/or proposition? First, we need to distinguish between *extensive* and *intensive* economic development. Extensive development is urban sprawl, in which an urban area's boundaries are extended into lands previously used for agriculture or left unused as woodlands, wetlands, etc. In contrast, intensive economic development means redeveloping within existing urban boundaries.

A new groundswell of opinion is emerging among city planners, economic developers, and analysts: Intensive economic development is smart economic policy.

One of the organizations championing the redevelopment of inner cities is the non-profit Initiative for a Competitive Inner City, founded by Michael Porter, a Harvard business professor best known for his writings about national competitiveness. Porter and ICIC focus on the business opportunities and competitive advantages of urban cores: strategic location, an under-utilized labor force, and an under-served retail market.

For the past few decades the biggest labor issue in America has been job creation, but in the future the biggest problem will be filling jobs. Yet businesses have shied away from

operating in inner cities, often because of poor information and prejudices about urban work forces. But there are signs of change.

In 1997, GTE Sprint chose inner-city Kansas City to be the site of a new call center, deciding against the suburbs where its own headquarters are located. Contrary to its worried expectations about the inner city and the people who live and work there, Sprint discovered a dedicated and talented work force. Performance goals in the city are being met more easily than at Sprint's suburban locations, and worker turnover is lower.

There is also a vast untapped retail market in the urban core. ICIC estimates that about 25 percent of inner-city retail demand is currently unmet by urban retailers. The reasons for this can be hard to pin down, as with the curious demise of Greensboro's Carolina Circle Mall. Because of this gap, many urban consumers must drive to other parts of the city, sometimes even to suburban areas, to shop.

So there is good reason to promote the redevelopment of Greensboro's downtown, purely for the sake of a vibrant urban and regional economy. But there is a further benefit: Intensive economic development is smart *environmental* policy.

Redeveloping inner cities reduces drive times, as urban residents are able to shop and work nearer their homes. In Kansas City, Sprint found that most of its inner-city workers walk to work. This possibility should be attractive to local leaders, as Greensboro continues to fail to meet EPA air-quality standards.

And there's more. Urban development uses less energy than extensive suburban development. It reduces the percentage of impervious surfaces in the watershed, thereby improving water quality and mitigating flooding problems. It preserves habitat in outlying areas and maintains the quality of recreation in nearby parks and lakes.

What can be done? First of all, we must abandon the misconception that sprawl is the result of free markets operating with little or no government interference. The fact is that governments intervene significantly, actually subsidizing sprawl by building roads and schools and planning communities around automobile use. It is not a question of government action or no government action, but of turning government action inward towards the inner city.

Greensboro is beginning to understand the potential of its own downtown. There is much to do. Intensive economic development means more than office towers and a couple of theaters. It means an economic community complete with residences, restaurants, and retail establishments.

Once this goal is attained, a healthy downtown Greensboro will be an engine of growth for the local economy, and a boon to the environment as well. With the right kind of economic growth, we can avoid the "either/or" trap.

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