

Growth Gamble

By Neal Peirce and Curtis Johnson

It's the worst possible combination: New England's evil twins of aging, slow or no growth population and land-gobbling, spread-out development.

The six states are allowing their signature asset – their picturesque towns, rolling hills, small farms and verdant forests – to be carved into just another bunch of manufactured subdivisions and strip malls stuck here or there. They're fast losing their seed corn – their youth – to other sections of America. Town resistance and ferocious housing inflation are closing off housing options for residents and newcomers alike. The spirit, the very character of New England seems in peril.

Check around for solutions and you find that go-it-aloneism – town by town, state by state – is so ingrained it's tough for New Englanders to think "outside the box" to find common cures. Sure, there are big mitigating factors: town officials have to operate with the hand they're dealt, from property tax reliance to residents' suspicion of new development. And a growing number of spirited "smart growth" and affordable housing efforts have sprung up across the states. Still, the region as a whole seems bereft of an urgent need to act, to shape a coherent strategy that preserves its rich heritage while securing its future.

Right now, the cards show a foreboding deck:

Sprawl. Standard zoning and exurban development are eating away at the innards of New England's character and way of life. Townspeople often refuse stubbornly to allow much change, not even chances to fill in sites where more people could live and work. Subdivisions get randomly plopped down, while the rich carve out starter-castles on the sides of hills surrounded by their private forests. Key transportation arteries become so congested that the economy of whole subregions is in jeopardy. Water supplies are threatened. People walk less, imperiling health. The poor, minorities, senior citizens are increasingly isolated.



Aerial from glsweetnam.com

The Seeley-Brown Orchard in Pomfret, a small rural town located in picturesque northeastern Connecticut, is now a housing development.

Supplies of affordable housing dry up. Convenient downtown stores close their doors. Struggling family farms finally give way to developer dollars.

Not just an urban phenomenon, sprawling development is reaching into northern New England as dairy farming shrinks and seasonal home complexes burgeon. More than 1 million acres of open space and agricultural land has been lost to development in the last 20 years, more land than it had consumed in all its prior recorded history.

Youth drain. New England's young families are heading off to the Atlantas, Denvers and Phoenixes of America in search of better jobs and affordable places to live. Birth rates in all its states are well below the U.S. average. Of the hundreds of thousands of New Englanders who moved away in the 90s, roughly three-quarters were between the ages of 18 and 34, many well educated. New England is already the nation's oldest region; by 2030 Maine, at 46.9 years median age, will be America's oldest state, and all six states older than the national average.

The economic repercussions can be grave. Maine's former Attorney General James Tierney warns: "Do we really think employers won't notice our aging workforce – and that there are no young people to fill the ranks?" All the "business climate" factors normally noted – the tax rate, workmen's comp and the like – "are nowhere near as significant as the aging of our population," Tierney asserts.

Some New Englanders shrug off population and youth flight, saying they don't want more people and congestion in their towns anyway. It's a dangerous attitude. Without the energy, the risk-taking, the imagination of youth, what's any region's future?

Housing crisis. Soaring housing costs are fueling New England's youth exodus and its

ability to attract new workers – white or blue collar. The inflation is most severe in the Boston-Providence-Portland area, in Connecticut's Fairfield County and hot growth spots like the Maine coast and the Upper Valley region on the New Hampshire-Vermont border. Massachusetts, Connecticut, Rhode Island and New Hampshire rank among America's 10 least affordable states for renters. The median cost of owner-occupied homes, plus the percentage of million-dollar homes, are higher in Massachusetts, Connecticut and Rhode Island than 41 other states.

It's a dangerous development. Consider the 2005 survey of Bay State residents commissioned by the mega-cranberry producer, A.D. Makepeace. Some 68 percent said it was either "very difficult" or "nearly impossible" for young families "to buy an affordable house and raise a family in Massachusetts." Latest reports underscore the peril of soaring housing costs. In 2004, Massachusetts was the only state in America to drop in total population; in 2005, it was still losing, now joined by Rhode Island.

Anti-family culture. Across New England, towns are resisting new housing for families with children. Why? Fears that affordable housing will "flood" the schools with children, forcing increased property taxes to pay the bills.

The practice is even starting to threaten New Hampshire, long successful, with its low-tax climate, in siphoning off jobs and investment from Massachusetts. Peter Francese of Exeter, the respected founder of American Demographics Magazine, wrote Gov. John Lynch early last February: "Our state is committing slow economic suicide." New Hampshire's rising prosperity of recent decades, warned Francese, "will soon turn into rapid decline" as young families despair of finding housing and leave.

We found fear of young families and increased school costs everywhere. Some even dub it "vasectomy zoning." The six states' construction rate of multi-family housing – the kind more often affordable for young families – placed between 40th and 50th among U.S. states in the '90s.

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Worse, towns increasingly restrict new housing developments (especially affordable ones) to age-55-and-up residents, and offer tax abatements to seniors. Older residents are thought to demand less from local treasuries. But the towns' short-term gain may be their states' long-term risk: more elderly translate into spiraling state expenditures for Medicaid, assisted living and prescription drug costs.

Intensifying problems, towns hungry for higher tax yields often clamor to land malls, then welcome shoppers from other towns, but refuse to make space for housing for the same mall's workers and local customers. There's some good news: recent campaigns to arouse awareness of the need for affordable housing, reported in all six states. Still, many local development decisions suggest a raw me-firstism that would make New England's ancestors, from the Puritan elders forward, flinch with shame.

What's to be done? The time seems right to reshuffle the deck, protect New England's strong suits, play some new cards:

Every community for all classes. The idea of democratically shared town and neighborhood life, rich and poor sharing the same communities, was literally born in New England. Recent decades have seen the affluent concentrate more in exclusive towns, the poor shunted into depressed city neighborhoods or lower-value suburban areas far away from vital job markets. The results include school segregation, deep social inequities, lack of civic discourse and economic opportunity. New England leaders – political, spiritual, civic – should champion a return to the historic democratic ideal, starting with a mix of housing types (single-family homes, apartments, expensive and affordable) in every city, town and neighborhood.

Stand up for quintessential New England. From historic town green communities to mill towns, from small farms to seacoast villages, New England has a distinctive character, the region's special birthright. Proposed new developments should pass a litmus test: Do they respect the community's character and design? Do they preserve, enhance the community's sense of place? Do they increase chances for getting around – walkable growth, scaled for personal interaction? Do they create a vibrant mix of uses – homes, stores, offices? Do they increase housing options?

It's no secret – from big boxes and hotels in the middle of nowhere to tacky sign-laden arterials – lots of today's development fails those tests. To the degree New England takes on the sameness of spread-out, Generic U.S.A., it loses character, not just for tourists but the bright,

footloose knowledge workers critical to its 21st century economic success.

Democratize development – but in a regional context. Make planning – from rural roads to town centers to areawide retail facilities – less of a decision for single developers or owners, or even for a single town, but more of an issue for vigorous citizen debate on impacts and regional responsibilities. It's critical to note that roadways, transit, parks, watersheds, roadways, retailing – 90 percent of the decisions that count – impact multiple towns. Town meetings are a splendid embodiment of direct democracy, but they're insufficient to handle the emerging new issues. Regional planning agencies – to provide information and expertise, to suggest choices – must be strengthened, working both with citizens and the local governments.

Veteran town watcher Edward McMahon of the Urban Land Institute offers two rules for successful development. First, limit commercial strips – after they spread out so far, just say “no” to more, because they obliterate town identities. And second, “build to the edge,” right up to the street line, pushing seas of car-serving asphalt to the rear.

McMahon's other counsel: fight the national franchises' off-the-shelf, gaudy signs and building designs. “Don't be bluffed. If it's a profitable location, they'll do anything to get clearance.” Indeed, check around the six states, and you find many town champions anxious to repel the national chains altogether. And why not? If any U.S. region has a stake in maintaining its towns' distinctiveness – for sentiment and to stay competitive – it's New England.



Photos Courtesy of Cornish Associates

Mashpee Commons, which replaced a dead shopping center on Cape Cod, represents a pioneering effort at rethinking city and town plans. A traditional New England town center has been built that will eventually include mixed-use neighborhoods.

Encourage development in the seasoned old cities. Like today's restored Boston, plucky Providence and comeback Lowell, all of New England's older cities have immense assets – recyclable old mill buildings, wonderful parks and neighborhoods. Affordable housing? Economical places to locate businesses? There are locations in waiting: just check from Bridgeport to Bangor, or directly on commuter rail lines spread from Worcester to Lawrence to New Bedford. Indeed, old cities are perfect fits for more density and transit-oriented development – the modern idea of building homes, offices, stores near transit stops – to reduce traffic and increase convenience.

There's also a major role for states, especially in providing financial incentives for better development. Some are testing the waters but much greater leaps are sorely needed.

Some extraordinarily breakthroughs have begun – witness the now largely vacant South Weymouth Naval Air Station, just 10 miles from downtown Boston and directly connected by commuter rail. We were stunned both by its 1,432-acre size – ample space for thousands of homes. Originally it seemed impossible the three local towns could agree on using the site for anything more than a monster mall and housing for seniors only (again, no kids please!) But with counsel from outside environmental advocates and the appearance of a major national developer willing to negotiate extensively with the towns and their citizens, a vision of a rounded, full community emerged – a new village center, pedestrian-friendly streets and neighborhoods, close to 3,000 new housing units of varied prices, and generous new park and recreation areas. Confounding earlier fears, each of the local town meetings then agreed.

But one finds surprisingly little New England wide dialogue – among towns and cities, developers, major businesses, tourist interests, state government leaders, regional agencies – to determine how the six states could learn from each other, harmonize their tax and development practices, work toward a compelling regional growth agenda. The growing numbers of “smart growth” organizations and the New England Association of Regional Councils might be logical catalysts – more likely to start the ball rolling than politically hesitant governors, legislators and town officials. Once launched, the agenda shaping might take on a life of its own to assure a New England that's not only lovable for its past, but a vibrant, adaptive, exciting part of 21st century America.



Photo: Lee Krohn

The heart of downtown Manchester Center, Vermont, formerly an industrial site and a car dealership, was 'undeveloped' into a Town Green.

at home; why not encourage “live-work” units and restore daytime activity to sleepy residential streets? As older strip malls succumb to competitors, plans for a radical mixed-use, townlike remake – like the pioneering Mashpee Commons that replaced a dead shopping center on Cape Cod – need to be advanced.

Towns and Taxes: Growing Dilemma

By Neal Peirce and Curtis Johnson

What's the problem with New England towns? Why are they so tempted to spurn planning and approve strip malls, big boxes, oversized houses on big lots, even when their population is static? And why are they perennially so short on money?

Three reasons stick out. Most towns are small – scaled for the 18th, not the 21st century. Their governments are often part-time, with public spirited but untrained officials, ill-equipped to face raw market pressures. Without economies of scale, they're expensive. And they're dangerously reliant on property taxes.

New England towns range from 22 square miles average in Massachusetts to 35 to 40 miles in northern New England – dramatically smaller than typical town or county sizes across most of the U.S.

Until World War II, the diminutive size was OK for townspeople to work, shop and govern themselves. But no longer, notes Evan Richert of the University of Southern Maine's Muskie School of Public Service: the old town and school district boundaries are out of whack today; they fail "to match the flow of people, energy, water, cars, wildlife, dollars, or just about anything that moves."

Supposedly, most New England towns enjoy major "home rule" powers. But in fact, there's little they can do to control waves of suburban expansion or the impacts of retailing and housing decisions in just-next-door towns. State legislatures burden them with rafts of maddening regulations. The forces rushing over towns are so strong, Richert suggests, that "home rule is increasingly an illusion."

New England's historic town meetings have immense appeal. In an age of slickly commercialized and manipulated political messaging, they stand out as beacons of self-determination, civility, frugality, accessibility.

But if the towns are so small they must rely on volunteer, untrained officials to run operations, deal with developers, negotiate with complex state bureaucracies, how well served are they in fact? Sheer numbers of local governments suggest the complexity: Massachusetts 351, Connecticut 169, Vermont 284, Rhode Island 39, New Hampshire 234, and Maine as astounding 489.

Plus, the New England governance scheme – and mindset – creates a rough setting. Hartford

economic development specialist Mark Waterhouse refers to the "swamp Yankee – the fellow who believes all decisions should be made locally, which means 'at my house.'" Yale University's preeminent expert in urban governance, Douglas Rae, describes it as "old politics, old infrastructure, fragmentation, resistance to change, and gnarly state politics in most cases."



Photo: Burlington City Hall

Despite "home rule" powers there's little towns can do to control waves of suburban expansion or the impacts of retailing and housing decisions in neighboring towns.

If the issue is joint purchasing of supplies, there are more inter-town accords, advances across New England, than most people recognize, and they are models of win-win inter-town collaboration. One example: the Boston area's Metropolitan Area Planning Commission has engaged 36

municipalities in collective purchasing, bidding out more than \$20 million in contracts in the past two years, saving participants some \$2 million.

Still, splintered local government and its property tax reliance pose real problems. The idea that the 169 communities in a state like Connecticut are independent, self-sufficient entities is "pure myth," notes business leader Richard Maine: "Based on the property tax, there's no way they can support separate school systems, fire departments or other services. Except maybe for Greenwich, they all have to run to the state to finance themselves."

And then there's the sheer cost of today's sprawling development.

New residents in once quiet, outlying towns typically start demanding a town manager, more police and professionalized services. They want new facilities, from public safety buildings to expanded water and sewer systems to new roads to serve the spread-out development. So do people in the next town or city over. So what's the result? Immense duplication, dramatically rising maintenance costs, inflated cost of

government, and little accountability for the full regional costs. Example: When Maine officials under former Gov. Angus King drew a 20-mile circle around Augusta, they found 91 fire trucks serving 95,000 people. Not one of the monster

trucks – priced from \$100,000-\$500,000 and up – was jointly owned.

Hit by rising costs, the towns end up competing furiously for property taxes and commercial development. "We pay due respect to local control but it comes at a high cost," says King, citing not just costs of town governments, but schools as well: "We have 198,000 school kids in 265 school districts, each with its own superintendent, curriculum, purchasing office – about one superintendent for each 750 kids."

The competing values of fiercely guarded home rule and Yankee love of frugal government are rubbing together like tectonic plates – in "full collision," says John Baldacci, Maine's present governor.

Pressures are building in all New England states. But Maine, with the nation's highest state-local tax burden related to personal income, seems a step ahead. It's not only begun to put caps on local spending but inaugurated a "regionalization" program of cash incentives for localities that agree to curb local tax rates through systems of shared services between towns or school districts. "It's going to be collaborate or collapse," says University of Southern Maine economist Charles Colgan.

Can cost constraint, accountability, a generation of shared services, flourish across New England's cities and towns? Without state government leadership, the answer's almost surely "no." State governments need to pierce the veil of each town or school district's bookkeeping and then make a serious demand: "We need to know how you're spending money – precise details, service by service, year by year. Understandable and comparable numbers – real transparency – that's our price for continued support."



Photo: Dan Habib/The Concord Monitor

New England's historic town meetings have immense appeal but are insufficient to handle the emerging new issues. Picture shows officials being sworn in at a town meeting in Sutton, N.H.

With that data, citizens, the media, governors and legislators will be able to make accurate comparisons of performance for individual town and school districts. The costs of inefficiently scaled services, the potential benefits of service mergers, will become apparent – helped along by analyses by state agencies, the media, universities and public policy groups. It will become much easier

to press for radically increased collaboration and budget economies.

Fortuitously, data comparison has been made infinitely easier by recent years' rapid advances

in digitized data processing and Internet dissemination. And New England has all the information technology expertise it needs to make it work.

Patrick McGuigan is one of the major advocates. He heads the Providence Plan, a joint city-state-academic effort that's built up a "data warehouse" on people, public education, health and property to help government and citizens discuss ideas and develop new strategies one every front from crime control to housing. His kind of tools, applied New England-wide, could open eyes to new ways to provide and combine services.

A particularly powerful tool, says McGuigan, is GIS (geographic information services). Through it, he says, one can show the impacts, town-by-town and regionally, of different development and land use decisions: "Seeing is believing. And we're completely in a visual age. GIS is all about telling stories through pictures, maps, data. It can show scenarios, choices."

Take for example the kind of small-town growth dilemma described to us by Pat Moulton Powden, chair of the Vermont Environmental Board. The issue: how to balance the preservation of forest canopy and open space against the pressure of newcomers who want to build big on multi-acre parcels. Is there an alternative in more community-centered development? GIS-based analysis – especially software like the CommunityViz program developed by the Orton Family Foundation – can compare impacts of the varying scenarios on the build-out of the town, open spaces, public utilities, roads and taxes. Disagreements may persevere, but decisions can be far better informed.

If better fiscal and land use information systems can develop, what's still missing for New England? Two essential steps, we'd suggest: finding ways for towns to coalesce regionally, and clipping the wings of the property tax.

Coalescing regionally. New England town government is still relevant – "Anyone who plows your street, collects your trash, puts out your fires, teaches your children, patrols your neighborhood and taxes your home is relevant," notes Evan Richert. But, he adds, "relevant" is not the same thing as "control" – bigger-than-the-town forces with dramatic impacts on taxes, the local economy, and critical regional land use decisions.

So how do the citizens of a region gain some control – control of the big land use issues, power to allocate taxes and services, ability to make government more efficient – while leaving New England's icon, their towns, intact?

Maine's Gov. Baldacci favors a "municipal service district" model developed by Richert at the University of Southern Maine's Environmental Science Center. Towns would be encouraged to gather, voluntarily, into groups of five or more that contain two or school districts, a population of at least 20,000, and an area of at least 250 square miles. They'd be offered a big carrot for making the leap: the state assuming their town and school district general obligation debt, and a 10 percent bonus in school aid.

Perhaps some variant of the Maine idea, precisely because it maintains the town identity and allows regional governance by democratic choice from the bottom up, will catch on. Business groups tend to like it; the lobbying organizations for towns object strenuously. But if any idea's time has come, this is it.

Clip the property tax. High property taxes – the burdens and perverse incentives they create, the rage they generate, the town-to-town school funding inequities they proliferate, the barrier to affordable housing they pose – represent an endless New England nightmare, even if somewhat relieved by state action (especially in Massachusetts and Vermont) to take over more school funding responsibility.

Anxious to up their property tax receipts, towns typically zone for an acre or more per house, expecting higher valued homes with less children, rather than encouraging higher density projects. Middle income workers – teachers, fire-fighters, police officers and others – are increasingly locked out of the housing market. The crux of the problem, says demographer Peter Francese: "All the costs of building affordable housing fall on small municipalities while all the benefits accrue to the entire region."

Or in the words of New Hampshire broadcaster Arne Arneson: "All six states rank in the top 10 nationally in per capita property taxes. That's your source of dollars. Why share those dollars? Why give them up? The dependence on local taxes has made us unwilling to embrace a state approach, let alone a regional approach."

No one claims there's a quick solution, and all revenue alternatives have their own warts. But just check the U.S. Census figures: on average nationally, property taxes represent just 20 percent of total state and local government revenues. So by what reasoning do they and their pain need to constitute 26 percent of state-local revenues in Massachusetts, 30 percent in Vermont and Rhode Island, 31 percent in Maine, 32 percent in Connecticut, 42 percent in New Hampshire?

To outsiders looking in, the smart New England move would be to move all states' average to the 20 percent national figure. Increased income taxes and sales taxes (especially on the fast-growing, lightly taxed service sector) could fill the gap. New Englanders may need to be reminded: change is legal.

New England: America's Property Tax Champion		
	Property tax as % of all state/local revenues from own sources	Local property tax as % of all locally raised revenues
U.S. Average	20%	45%
Massachusetts	26%	74%
Connecticut	42%	79%
New Hampshire	32%	89%
Vermont	30%	70%
Rhode Island	30%	83%
Maine	31%	54%

Source: U.S. Census Bureau for 2001-02 (http://www.census.gov/govs/estimate/0200ussl_1.html)

Measure property tax per capita and a similar story emerges: in the U.S., Connecticut is #2, New Hampshire #3, Maine #3, Rhode Island #7, Massachusetts #8, Vermont #9.

There'd be a corresponding stick for towns that say no: a parallel 10 reduction in their school aid, and no help on debt.

With those big financial inducements, municipalities would be able – but not forced – to come together, preparing a charter for adoption in a referendum. Their new district would exercise, through an elected council, three basic powers: setting a budget, setting the tax rate, and development planning. There'd also be a popularly elected school board. The towns would continue as legal entities, submit yearly budget requests to the service district, be free to keep their town meetings, and run such local services as traffic control and animal control. But the major fiscal and land use decisions would get the more regional approach they demand.

In Vermont, former State Sen. John McLaughry of the Ethan Allen Institute advanced a parallel idea: merging the state's 244 towns into 40 "shire republics" of roughly 15,000 people each. Why? To return more decision-making from the state to local hands. But the idea, says McLaughry, has proven "too big a leap" for his fellow conservatives, because they're still wed to the idea of the town, however small.

Six States' Growth, Hope and Despair

By Neal Peirce and Curtis Johnson

Our meadows, fields and forests are in peril. Houses are going up all over the place. Rich river bottom land is getting used up. We're sacrificing two centuries of rural tradition for suburban speculation. Affluent people from "down country" come in and buy land and everyone's assessment goes up. Even in poor towns, big houses are all that's coming in. Property taxes are driving people to sell farms, cut more timber when they don't want to. A chain convenience store opens on an open field beside the general store in town, which then goes out of business. The less traveled road is getting harder and harder to come by.

We gleaned those words from interviews with Vermonters and the sound track of films produced by the Orton Family Foundation. But parallel sentiments of near-despair are heard all across New England.

The more positive news: spirited efforts are underway to preserve New England townscapes, protect open countryside against sprawl, create more affordable housing.

There's the Vermont Forum on Sprawl, a lead partner in Vermont's Smart Growth Collaborative, an alliance of advocacy groups for better growth practices, historic preservation, affordable housing and downtown development. It keeps score on state government outlays (sewer, water, school and roads, for example), to see whether state actions help towns grow compactly and provide housing, or actually aid and abet sprawl. Meanwhile, Vermont's Housing and Conservation Board works on affordable housing, land conservation and historic preservation in building sustainable communities.

Grow Smart Rhode Island, founded by the CEO of a local utility, is fighting hard to stop the onslaught of strip malls and big boxes in a state consuming land nine times as fast as its population grows. The group trains members of local councils, planning and zoning boards to manage growth more effectively. One major accomplishment: adoption of an historic preservation tax credit, which has stimulated development of old structures, many of them former mills, in such cities as Woonsocket, Central Falls and Providence.

In Massachusetts, Republican Gov. Mitt Romney appointed Doug Foy, a Democrat and articulate advocate of smart growth, to head a super-cabinet encompassing the departments of

transportation, energy, the environment and housing. The idea: to get these agencies and state investments working in tandem for better growth – an echo of a development cabinet Gov.

Michael Dukakis set up to support cities like Lowell in the '70s.

With its hyper-housing inflation, eastern Massachusetts faces some of America's toughest obstacles to affordability and smart growth. Inventive legislation, giving towns extra school aid if they agree to create "overlay districts" for dense development and new housing in their downtowns, commercial and transit hub areas, is helping in a few – but

not enough – communities. An active Bay State smart growth alliance, akin to Vermont's, has been a strong advocate.

New Hampshire's "Live Free or Die" and low-tax political culture opened the doors to decades of undistinguished suburban expansion, covering the state's southern section, now impacting Concord and starting to push northward into the state's lakes district. But vast tracts of land, especially in the north, have been protected through groups such as the Society for New Hampshire Forests.

Now New Hampshire Audubon is trying to get ahead of the familiar growth paradigm by helping towns in its path decide in advance how to shape and guide the growth to maintain their character and quality. An ally, the Concord-based Jordan Institute, has a planning tool kit for communities "to make sure there's some functional ecosystem,

recharged aquifers and green infrastructure, after the bulldozers are finished."

Maine is witnessing dual phenomena – depopulation of its rural stretches, even while "the market is burning" along the state's picturesque coastal corridor, where, in the words of Mark Lapping of University of Southern Maine, "People 'from away' come, buy, tear down, and put up huge mansions." Native Mainers, in the process, must then commute from miles away to jobs along the coast.

Significant lands have been saved by the Nature Conservancy and Maine Coast Heritage Trust. The newest hope is intensive, town-by-town grassroots listening and engagement, to build support for land-conserving town plans with real teeth, inaugurated this year by GrowSmart Maine. Critical counsel is coming from the Brookings Institution's Metropolitan Policy Programs.

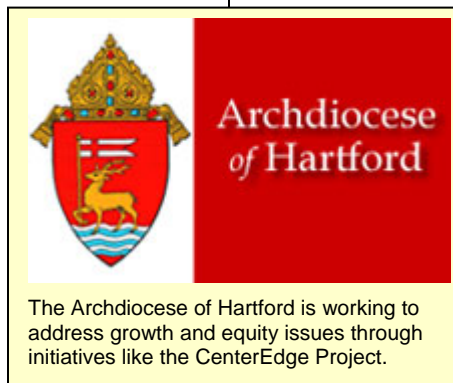
Connecticut has severe growth problems; as Hartford architect and planner Patrick Pinnell put it: "Local fragmentation and development causes constant disputes, and outrage at the sheer damned ugliness of the sprawl. I think the Connecticut Department of Transportation would gladly slice 64 feet off every town green in the state to improve the traffic 'throughput.'" As for affordable housing, a foundation executive told us: "Racism underlies much of the opposition."

The better news: Connecticut's faith community is becoming engaged in the growth and equity issues; the Catholic Archdiocese of Hartford commissioned Minnesota demographer Myron Orfield's 2003 study, "CT Metropatterns." And a new 1,000 Friends of Connecticut organization, focused on growth issues with a special eye on the ties to transportation, has just been formed.



Photo: Vermont Countryside

Spirited efforts are underway by smart growth and land trust organizations to preserve New England townscapes, protect open countryside against sprawl, and create more affordable housing.



The Archdiocese of Hartford is working to address growth and equity issues through initiatives like the CenterEdge Project.

Growing Apart?

By Neal Peirce and Curtis Johnson

High schools with thousands of students. Poverty in paradise? Visiting the “Upper Valley” of communities centered around Dartmouth College and the famed Dartmouth-Hitchcock Medical Center on the New Hampshire-Vermont border, and you don’t expect to hear this view from a knowledgeable observer:

“We’re witnessing a widening gap between the haves and have-nots. Some people come here and buy \$700,000 hillside estates, cash. But across the town line people struggle to find any place to live. Towns like Hanover and Norwich are like gated communities, while next-door Hartford and White River Junction struggle to keep anything in the storefronts.”



Photo Courtesy of www.designadvisor.org

Waterfront Housing, located on Lake Champlain in Burlington, Vermont, provides 40 units of LEED certified mixed income housing in a location surrounded by luxury properties.

Tom Kittridge, who runs The Haven homeless shelter in White River Junction, strikes a similar chord: “It’s amazing to me that in this very rich region, lots of good jobs here, there’s so much poverty. Drive around and see the beautiful mountains but so many people living on the margin, coming into our food shelves – more than 1,200 families a year. Many of these people have physical health problems, some mental health problems, but overall just really poor educational levels.”

Across New England, we heard similar stories. In New Bedford, Mass., workers from Third World countries struggle to get minimum wage jobs. In Providence, R.I., Mayor David Cicilline notes that 80 percent of public school children are living in poverty. In Holyoke, Mass., Mayor Michael Sullivan comments unhappily that his city’s principal business is “the industry of the poor” – social services for residents. In Brunswick, Maine, we are told of “a big squeeze on the working poor.”

From Boston, MassINC reports that New England has one of America’s greatest levels of income inequality. People with bachelor’s or higher degrees have seen their incomes rise dramatically – especially in two-income families – while loss of manufacturing jobs has left fewer well-paid job options for less educated people.

Nationwide Census data showed that in 2004, for the fifth year in a row, inflation-adjusted median income decreased. That means even families in the middle are seeing their actual incomes and standard of living go down.

States and cities have a tough time correcting such trends on their own. But it’s fair to ask: do New England’s time-encrusted city and town boundaries magnify inequity?

Consider Connecticut, tops in America in personal income. Bridgeport, Hartford and New Haven are among the country’s very poorest central cities; some of their suburbs are among the nation’s wealthiest. The Census reports 10.5 percent of Connecticut children are living in poverty, their families – even with a full-time bread-earner – unable to afford decent housing, adequate child care or health care.

Huge city-suburban racial disparities are often diagnosed as an overriding issue separating poor and affluent communities, and no one doubts they play a major role. But Michael Bangser, former president of the Hartford Foundation

for Public Giving, notes that “as crucial as race is, class is becoming the larger issue. Lots of inner-ring suburbs are becoming dramatically more diverse, attracting city residents with motivation and some education. But that doesn’t change the concentration of poverty in the city.”

In the words of a Hartford city department head: “Our city is very good at importing poor people and exporting the middle class.”

At the same time, notes Jan Eastman, director of Vermont’s Snelling Center, rural New England is starting to emulate the gross income disparities of the major cities. In earlier decades, poverty tended to be spread across many rural towns; “today our demographics have shifted totally.” Over 70 percent of its school students in a regional center such as St. Johnsbury qualify for free or reduced luncheons, while the figures drop in surrounding towns. “We’re pushing our poverty to the center.”

The story in Maine is similar. The state, explains Laurie LaChance of the Maine Development Foundation, has 64 service center communities, all providing banking, medical, and library

services to their regions. “But people are moving out to surrounding communities, further and further away – sometimes for more land, sometimes for lower tax rates.” The poor are left in the town centers, in older schools, even while the state from 1970 to 1995 was obliged to

invest \$750 million on new school construction, mostly in the suburban towns.

Can New England, where America’s first civil society and democratic values blossomed in towns of mixed incomes and mutual concern, take steps to assure a future of shared futures? Richard Godfrey, Executive Director of the Rhode Island Housing and Mortgage Finance Corporation, says yes: “Municipal planning must accommodate housing for all incomes and family styles. Reliance on local property taxes and localized zoning decisions often favors commerce over community, and large houses over smaller ones.” A statewide or regional approach, he suggested, could “bring low- and moderate-wage earners, essential for economic growth and community vitality, back from the margins.”

But how to get there? Such solutions as regional tax-base sharing might relieve some of the inequities in schooling and services – but politicians clearly lack the will to address them, notes Jeff Blodgett of the Connecticut Economic Resource Center. Plus, with lower tax rates in suburban towns, businesses need only to move out of the center city to cut their taxes dramatically.

One hears, across the region, growing calls to expand supplies of workforce housing, not just in cities but suburban towns, partly through reform of local zoning laws or land use regulations to encourage mixed-use development. The housing non-profits in all six states are pushing to boost production, even though state appropriations to back up their efforts clearly lag far behind need.

Perhaps more targeted advocacy is needed. Julie Eades, president of New Hampshire’s Community Loan Fund, tells how her group has saved trailer parks, a prime source of lower

income housing, from being sold for development with their occupants evicted. The formula: organize the tenants into a cooperative to collect rents and maintain the property, then require (as the state agreed to do) that they have first right of refusal on buying the property. The approach has proven remarkably successful: there are now 69 such coops in New Hampshire. The Loan Fund champions



Photo Courtesy of Rhode Island Housing

Rhode Island Housing helps low- and moderate-income Rhode Islanders find housing, such as these Newport Heights homes, a mixed income Hope VI project.

their cause, helps with the financing and legal steps, and advertises the energy saving qualities of the new generation of manufactured homes.

The stakes aren’t small: a balanced economy, reducing isolation, restoring New England’s historic social fabric.

About the Writers and the Project

Journalists Neal Peirce and Curtis Johnson have reported for newspapers on the unique strategic issues facing two dozen metropolitan regions nationwide. Peirce is a syndicated columnist (Washington Post Writers Group) who has also written two books on New England. Johnson is a public policy analyst and a former community college president and Minnesota government official. They co-authored the book *Citistates*.

These articles are the kickoff of a New England Futures Project aimed at identifying key 21st century challenges facing the six-state region. Citizen reaction and participation, leading to a shared regional agenda, are key to the project. Your input is welcome at www.newenglandfutures.org.

The sponsoring Partnership for New England includes the Vermont-based Institute for Sustainable Communities (which will coordinate follow-up public debates across the region), the New England Council, the New England Initiative at UMass Lowell, Mt. Auburn Associates, the New England Association of Regional Councils, and the Orton Family Foundation. Financial backing comes from community foundations in all six states, the Bank of America Foundation and others (full list at the web site).

