

First Suburbs: The CLEVELAND Consortium vs. the DETROIT Alliance

Detroit has no economic or geographic reason to exist.

At least according to Harvard economist Edward Glaeser. He believes the prospect is too dim for any city to rebound from the hard hits delivered by a declining auto industry.¹ As reported by the Toronto Star, apparently even from an outside perspective both Detroit and Cleveland are “cities whose inner suburbs face the greatest decline.”² As seems to be the case around many cities by the Great Lakes and Midwest, there are population decreases around their urban core. Signs of distress can be seen clearly around metropolitan Minneapolis and Chicago as well.³ According to the Brookings Institution, a prominent group which has done extensive research on this mounting crisis, the best way to help these places is through “organized coalitions”.⁴

The problems ‘surrounding’ older suburbs are many. First of all, they are just that, old. The buildings are old, the infrastructure, and even the people are getting up there. Also, the citizens who could meet the expenses of being farther away from the city, and afford a place in the exurbs suddenly did so. This left a much higher percentage of poverty in the inner suburbs, with abandoned buildings and a lower tax base. All of Cleveland’s first suburbs have at least 60% of their housing built before 1960, a density of over 1000 housing units per square mile, less than 1 percent growth of housing stock, and below average real estate appreciation.⁵

In the late seventies / early eighties, many companies wanted to move their offices closer to the work force, and planted them in these early suburbs.⁶ Joel Garreau, a senior writer for the Washington Post labeled them ‘Edge Cities’.⁷ Eventually however, these businesses would pull out to be either in the actual main city, or to an even cheaper area further out. Detroit has two of the top ten edge cities of any metropolitan area.

According to Brookings Institute scholar and author Robert Lang, edge cities are ‘losing their edge’, as they become edgeless cities: even more dispersed - requiring more land, and more gasoline to get it.⁸

The first suburbs have gotten stuck in the middle of two other big problems. First of all, we have had urban blight in the city cores themselves, which are just recently receiving an overdue, renewed spotlight. Then there are the developments on the fringes which have to be attended to because of their boost to their state’s economy; so they receive a bulk share of the attention as well. The ‘first suburbs’ seem to have been caught in a political “blind spot.”⁹ But since the “smart growth” movement over the last couple decades – far out suburbs - only accessible by car and which take over what used to be beautiful nature and arable farmland - have finally started becoming vilified. As inner cities are in-filled due to brownfield remediation and urban renewal programs, new focus is finally being given to the ‘forgotten’ suburbs. These are the places people went when the cities’ populations became too dense and not everyone had cars yet. Even industries had moved to these convenient places just outside the city to take advantage of cheaper land. Ford, General Motors and Chrysler all had factories or corporate offices - in what are now part of the Suburbs Alliance – Dearborn, Hamtramck, and Highland Park.¹⁰

Although I used to hear Cleveland called “the mistake by the lake,” the First Suburbs Consortium has worked hard to stop this mindset. According to their website, “The First Suburbs Consortium is the largest government-led advocacy organization in the country working to revitalize mature, developed communities and raise public and political awareness of the problems and inequities associated with urban sprawl and urban disinvestment.”¹¹ Since 2005, when the four Ohio ‘consortiums’ joined forces to create the Ohio First Suburbs Consortium (OFSC), the group surpassed Wisconsin in the number of people represented by such an organization. The Detroit metro area, perhaps predicting its importance throughout the state, began in 2002 as the Michigan Suburbs Alliance.¹² The question remains however, what can the Detroit, Michigan’s suburban assembly learn from the history of its predecessor on the ‘other side’ of Lake Erie. Not only do the two regions compare geographically, but both grew out of the main city’s

industrial past, and emptied out when residents were tempted by the sprawl of the outer suburbs. I find it ironic, one of the main reasons for the emptying of Detroit's core, and urban sprawl in general, is the automobile - which is the central icon of the Motor City! And, we just "celebrated" the 100th anniversary of the first Model T Ford.¹³

OFSC started with seven communities in Greater Cleveland in 1996 with an agenda to identify federal, state and regional practices that promoted divestment from older suburbs. Its first big fight against urban sprawl occurred the next year when they opposed the expansion of interstate highways and the Ohio's DOT policies favoring new construction rather than maintaining existing infrastructure. The newfound alliance was successful in reversing ODOT's announcement which would have reduced funding for the maintenance of the routes already within their municipalities.¹⁴ Their next big success, in 1999, established HELP. The Home Enhancement Loan Program, is a program offering low interest loans to improve residential property in old communities.¹⁵ In 2000, while still just the Northeast Ohio consortium, the group was officially organized as an official Council of Governments. An additional spin-off was created in 2002-2003, called the First Suburbs Development Council (FSDC), to administer actual development tools and present marketing data and design concepts to developers and homebuilders. During the same time, the newly formed entity financed and acquired property for a Housing Initiative demonstration project, which they constructed and marketed in 2004. Smartly, they also publicized their efforts in Crain's Cleveland Business and Cleveland Magazine hoping to both promote, and provoke development in the first suburbs.

Additionally, to cut costs, they are on track with a regional purchasing network for the participating communities. Important items they will save money on are fuel costs, vehicle parts, and road resurfacing services.¹⁶ Furthermore, they partnered with the Urban Land Institute to seek funding to provide gap financing through a financial intermediary. Also, as well as sending listings to developers, retailers and brokers, they developed the FSDC website to include a searchable database of developable properties in member neighborhoods. In addition they paired up with a local organization to provide credit counseling to current and prospective property owners. Besides member

dues, the FSDC has received funding from the Cleveland Foundation and George Gund Foundation. The Consortium was also successful in reducing the backlog of foreclosure cases in their area, by expediting tax foreclosures and addressing predatory lending practices. Moreover, they entered into an agreement with Cuyahoga (county) Metropolitan Housing Authority to monitor property conditions, landlord responsibilities and tenant conduct. Last year the OFSC/FSDC completed the sales of their rehabbed units and began exploring a comprehensive development fund initiative.¹⁷

While the Ohio First Suburbs Consortium seems to try to work *in addition to* other governmental bodies, the five-year old Michigan Suburbs Alliance (MSA) focuses mainly on working on research and policy issues inside the current establishment. The MSA was founded by Jim Townsend, who, (of course,) has ties to Ford as well - as the former project manager for the Windstar minivan.¹⁸ With a mission to essentially “undo” what Ford had started, both with the actual automobile, and the location of his factories, the MSA provides numerous workshops, forums, classroom projects, summits, conferences and roundtables. Their main push in lobbying the government, is to re-organize Michigan’s revenue sharing agreements.¹⁹ As it stands now, the first suburbs are a significant share of the tax base, but receive a disproportionate amount of the returned revenue.

The grassroots programs the Michigan Alliance works with are the Redevelopment Ready Communities program (RRC) and the Golden Spike. The Golden Spike is a project that aims to enhance transit-oriented development in the Ann Arbor-Detroit area. RRC is a nationally recognized program that certifies cities for incorporating best practices into their redevelopment process, thereby granting funds for redevelopment. By participating in the program, distressed cities strategize their streamlining of municipal procedures, involve the community in the planning stages, and create an inviting redevelopment climate.²⁰

MSA’s push for a revised revenue-sharing plan seems to be influencing Governor Granholm.²¹ And the alliance did just receive \$48,000 to develop a regional energy office.²² Yet I think Michigan’s suburb group could learn a little more from the proactive

approach of Ohio's initiatives. The Michigan Alliance is pushing for greener energy choices, while Northeast Ohio has already created a Public Energy Council. Through the members' combined purchasing power and regional cooperation the council has been able to negotiate lower rates for both electricity and natural gas services. Not only would such an effort make Southeastern Michigan a cleaner and healthier place to live, but the image of a modern, 21st century metropolitan region could go a long way in terms of tourism and bringing people back to the area.²³ Other lessons learned from Ohio, which I did not find in Michigan, is actively opposing the expansion of interstate highways while maintaining the existing roads in their towns. Also, more money needs to be available for loans and/or grants to do some actual rebuilding, rather than just having meetings about it. Also, they could market themselves better, like the OFSC, to get favorable recognition from developers, government officials, and people who are looking for a place to move to. Sending materials to developers and real estate buyers, as to what is available in their markets would also be extremely helpful, as well as having it posted and searchable on their website. Furthermore, assuming they have a good amount of foreclosure cases like the rest of the country, it would be a good idea to get these cases settled, and the properties out on the market and ready for development.

Another way to push growth in older, transit-oriented suburbs, is to utilize the Location Efficient mortgage, which has been introduced in some similar cities. This is a unique opportunity from Fannie Mae, for prospective home-buyers in such neighborhoods who use their transportation savings and help them afford to buy a home.²⁴ The Cleveland-area and many more 'first suburbs' could use such a program as well, to insure their lights never dim...

ENDNOTES

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- ³ Pugh, Tony (August 30, 1999). *As older suburbs decline, officials band together to stave off chaos.* Knight Ridder Tribune Washington Bureau (DC).
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- ⁵ Miller, Jay (May 2005). *Suburb looks to lure new businesses, young families but faces hurdles of many inner-ring communities.* Crain's Cleveland Business, pA-88.
- ⁶ Kenyon, Amy M. (2004). *Dreaming Suburbia: Detroit and the Production of Postwar Space and Culture.* Detroit: Wayne State University Press, p129.
- ⁷ Garreau, Joel (1988). *Edge Cities.* New York: Doubleday Publishing, p112.
- ⁸ Lang, Robert E. (2003). *Edgeless Cities.* Washington D.C.: Brookings Institution Press.
- ⁹ Puentes, Robert and David Warren (Feb 2006). *One-Fifth of America: A Comprehensive Guide to America's First Suburbs.* The Brookings Institution: Washington, D.C., p2.
- ¹⁰ Lewis, Robert (2004). *Manufacturing Suburbs.* Philadelphia: Temple University Press, p209.
- ¹¹ First Suburbs Consortium. Retrieved September 16, 2008, from www.firstsuburbs.org.
- ¹² Michigan Suburbs Alliance. Retrieved September 16, 2008, from www.michigansuburbsalliance.org.
- ¹³ Heitmann, John (July 26, 2008). *Time for T.* The Advertiser (Australia).
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- ¹⁵ Benfield, Terris, Vorsanger (2001). *Solving Sprawl: Models of smart growth across America.* p108.
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- ²⁰ Fluker, Anjali (June 2006). *Briefly.* Crain's Detroit Business, p7.
- ²¹ Lane, Amy (Jan 2007). *Granholt to propose new revenue-sharing plan.* Crain's Detroit Business, p32.
- ²² Lane, Amy (May 2008). *This just in.* Crain's Detroit Business.
- ²³ Yale Center for Environmental Law and Policy. "Survey on American Attitudes on the Environment." 2007.
- ²⁴ Schor, Juliet B. and Betsy Taylor (2002). *Sustainable Planet.* Boston: Beacon Press, p119.