

INTRODUCTION

Scores of U.S. cities, particularly those in the so-called "Rust Belt" of the Northeast and Midwest, continue to face severe economic challenges, not the least of which is depopulation and eroding economic competitiveness. Reports from the Brookings Institution's MetroMonitor, a quarterly assessment of the economic health of the nation's top 100 metropolitan areas, consistently chronicle their struggles as the recession further increases the economic gap between growing, service-oriented cities in the south and the traditional industrial cities of the north. The "strongest performing areas," their most recent report notes, "remained in the country's southern midsection, especially Texas."2 While California and Florida have been hit hard by the implosion of the housing bubble, traditional industrial metropolitan areas continue to suffer through long-term structural shifts in their economies as manufacturing employment continues to fall.

While the causes of urban decline have been studied extensively, research has yet to uncover one single cause. Numerous factors contribute to urban growth and decline, including shifting economic forces, regional migration, changing demographics, tax policy and quality of education, and many of these forces are beyond the reach of urban policymakers. The shift to a services-based economy puts cities with large legacy investments in manufacturing plants tooled toward an industrial economy at a competitive disadvantage. Cities have little influence over high labor costs that drive existing manufacturers to other lower-cost locations.

Other factors, however, are well within the control of cities and their elected officials. Local elected officials can determine what level of services will be provided and how much local cities and businesses will be asked to pay for those services (either through user fees or general taxes). Elected officials can streamline business permitting and the restrictive effects of occupational licensing. Similarly, so-called "living wage" laws directly increase business operating costs compared to alternate locations.

While some of these policies have direct impacts on a city's economic climate, still others have pervasive, broad-based and indirect effects. Zoning, land use regulations and other forms of development control fall into this category and are the subject of this report. Zoning cannot determine what types of houses or commercial *buildings* can be built. Instead it focuses on what commercial, residential, or other land uses are deemed legal, appropriate and politically acceptable, often hamstringing private parties and slowing the pace of development and redevelopment.

The role of land use regulation in encouraging or discouraging housing development is particularly problematic. Older industrial cities in particular suffer from an antiquated housing stock poorly suited to the needs and desires of modern families. To the extent that land-use regulation hampers the transition to more contemporary housing by increasing the costs and burdens of developing in older neighborhoods, traditional cities will continue to operate at a competitive disadvantage within their regions as well as on a global scale.

This report examines these issues in more depth using Cleveland, Ohio as a case study. Cleveland, in fact, exemplifies the broader land-use policy challenges facing U.S. cities. Cleveland's planning process is contrasted with the less onerous and more market-driven one in place in Houston as an example of an alternate approach to regulating land development in cities.

The Role of Housing and Land Use Policy

One of the least studied aspects of local policymaking in terms of urban economic competitiveness may be land use and housing policy. While cities have engaged in significant investments in downtown areas, often through the creation of entertainment districts or encouraging premium commercial development, neighborhood and housing development is often neglected even though these investments span the largest portions of a city, both in population and geography.

This neglect is noteworthy because many analysts have identified the search for newer and more contemporary housing as a primary motivation for the outward migration of households, particularly in the period of suburbanization during the post-World War II period.³ Much of this outward migration

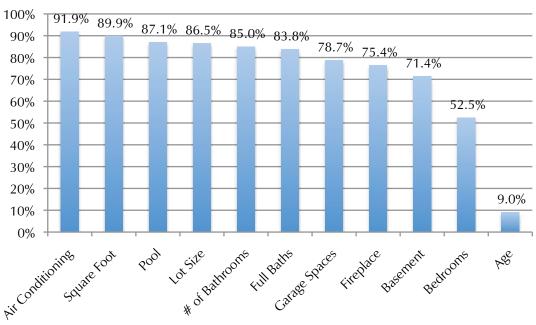
reflected households using their wealth to purchase housing that fit different preferences, opting for larger homes, more bedrooms, more bathrooms, open floor plans, garages and private yards. Many older cities simply didn't have large supplies of new housing. Housing built during the periods of the most rapid growth tended to be high density apartment and row house designs. The five and seven floor "walk ups" built during the early 20th century often housed four or more families per floor, had poor ventilation, few windows, and little access to open space. Newly developed suburban tract housing provided a meaningful alternative, and many of these characteristics are still valued in the marketplace today.

The challenges faced by older cities shouldn't be underestimated. A review of dozens of econometric studies examining the effect of different housing characteristics on home values by Florida State University economists G. Stacy Sirmans and David Macpherson found that the lot size, number of bathrooms, home square footage, and even the presence of a swimming pool significantly increased home value (Figure 1). These characteristics favor large lots in typically suburban settings. Meanwhile, the age of a home had a negative impact on home value in the real-estate market. Since older cities tend to have older homes with fewer of the characteristics contemporary buyers want—more bedrooms, bathrooms, etc.—traditional cities have trouble competing in the housing market.

Thus, a key challenge for older cities is rejuvenating their neighborhood housing market to fit the styles and preferences of contemporary families. "Developers and redevelopers in cities must respond to consumer tastes as well," writes former Milwaukee Mayor John Norquist and current president of the Congress of New Urbanism.⁴ "They can't take the attitude that people should live in the city because it's the right thing to do, nor can they pin their hopes strictly on historical appeal. City homes need the amenities people want." More importantly, perhaps, cities must encourage the creation of high-quality amenities to offset housing and neighborhood characteristics that might be considered disadvantages such as noise, pollution, lack of open space, less square footage, or less adaptable floor plans.

Developing housing and neighborhoods that

Figure 1: Frequency of Positive Impact on Housing Prices



Source: G. Stacy Sirmans and David Macpherson, "The Composition of Hedonic Pricing Models: A Review of the Literature," National Association of Realtors, December 2003, table 1.2, pp. 13-14, available at http://www.realtor.org/wps/wcm/connect/dbbb9b0048be388db600fe0c8bc1f2ed/fullrptsirmansmacpherson1.pdf?MOD=AJPERES&CACHEID=dbbb9b0048be388db600fe0c8bc1f2ed, last accessed 12 February 2010.

attract and retain modern households may be one of the more daunting challenges facing older industrial cities. Urban neighborhoods are inherently more complex because they often juggle mixed uses, multiple transportation modes and higher densities, attempting to find a combination that will satisfy fickle consumer demand. Ironically, the complexity of urban redevelopment projects and infill—development in already built-up cities—demands a nimble, flexible and expeditious regulatory process to minimize development costs and allow the market to adapt quickly to more finely grained tastes for housing. Yet, too often, cities have adopted cookie-cutter planning and zoning procedures that impose a cumbersome, uncertain and inefficient approval process on land use and redevelopment decisions.

The Case of Cleveland

Few places exemplify the decline of traditional urban America more than the city of Cleveland, Ohio. Throughout the first half of the 20th century, Cleveland

was an iconic symbol of everything that was right with America. Oil Barron John D. Rockefeller founded the Standard Oil Company in 1870, and the steady growth of his company mirrored Cleveland's emergence as a national center for steel, automobile manufacturing and oil. As early as 1920, Cleveland ranked as the fifth largest city in the United States. The 52-floor Terminal Tower stood as the tallest building outside New York City when it was built in 1930 (and held that record until 1964). As World War II ended, Cleveland's city population breached 900,000. By 1950, Cleveland's relative population rank had fallen to seventh, but many understandably expected its population to reach one million or more.

Yet, the waning decades of the 20th century were far less kind to Cleveland than the opening ones. The national economy shifted to services and light manufacturing, and hundreds of thousands of households opted to settle in suburban communities outside Cleveland and Cuyahoga County. By 2008, the city's population had plummeted to less than half the number at its peak and its national population rank

had fallen to 40th.

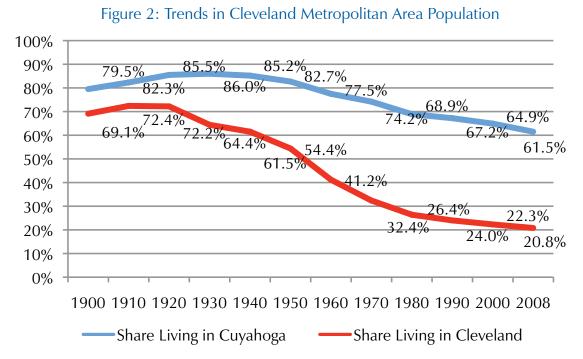
Along with population decline, the city of Cleveland's influence within the metropolitan area fell dramatically. At the beginning of the 20th century, nearly three quarters of the metropolitan area's population (as defined by the U.S. Bureau of the Census) lived in the city of Cleveland (Figure 2). Notably, the share of the metropolitan area's population living in the city declined throughout the 20th century even as the city's population increased. By 1980, less than one quarter of the metropolitan area population lived in the city of Cleveland, reflecting the absolute and relative growth of outlying cities in Cuyahoga County as well as suburban counties such as Lake, Geauga, Lorain, and Medina.

As the end of the 1960s approached, riots scarred inner-city neighborhoods, encouraging even more families to leave the city and forcing neighborhood businesses already operating on the economic margins to close. Industrial pollution squelched life on the Cuyahoga River, igniting periodic fires (most infamously in 1969). The city's population plummeted as residents and businesses fled to the suburbs as higher incomes gave more and more families options.

By 1978, Cleveland became the first major city since the Great Depression to default on its debt. Public school enrollment plummeted, falling to less than half the level of 1950 by 2008. Soon, Cleveland became popularly derided as the "mistake on the lake."

The effects were palpable in the city's neighborhoods (Table 1). In 1960, near the city's peak, 26 of Cleveland's 36 neighborhoods had population densities exceeding 10,000 people per square mile (about three to four times the density of a typical American suburb). Six neighborhoods had populations near or exceeding 20,000 people per square mile (the density of Queens, New York today), and nine neighborhoods were more dense than San Francisco County. In short, people fled a city that was no longer "working" for them and moved to places, even creating new cities, that had better housing, transportation, schools, lower taxes and other lifestyle benefits.

As people and families fled the city, neighborhood populations plummeted as well. Many of the neighborhoods that experienced the greatest declines were also ground zero in some of the city's most turbulent times. By 2000, none of Cleveland's neighborhoods had population densities exceeding 15,000 people per square mile.



Source: Calculated by author from county population estimates from the U.S. Bureau of the Census for the five-county Cleveland MSA, Source: US Census, http://www.census.gov/population/cencounts/oh190090.txt, last accessed February 12, 2010.

Table 1: Population Density in Cleveland (1960 vs 2000)				
	Cleveland	People/	People/	Percent
	Neighborhood	Square	Square	Change
		Mile 1960	Mile 2000	
1	Brooklyn-Centre	34,941	13,674	-60.9%
2	Buckeye-Shaker	24,340	12,262	-49.6%
3	Central	23,345	11,611	-50.3%
4	Clark-Fulton	22,527	10,520	-53.3%
5	Corlett	19,466	10,302	-47.1%
6	Cudell	19,247	10,186	-47.1%
7	Detroit-Shoreway	17,564	9,997	-43.1%
8	Downtown	16,857	9,656	-42.7%
9	Edgewater	16,231	9,391	-42.1%
10	Euclid-Green	14,940	9,257	-38.0%
11	Fairfax	14,856	8,073	-45.7%
12	Forest Hills	14,399	8,036	-44.2%
13	Glenville	14,164	7,986	-43.6%
14	Goodrich-Kirtland Park	13,311	7,874	-40.8%
15	Hough	12,836	7,724	-39.8%

Source: Author's calculations based on data provided in neighborhood profiles created by City of Cleveland, Department of Community Development

Moreover, these declines in density were consistent across the vast majority of neighborhoods (Figure 3). Put another way, the densest neighborhood in

Cleveland in 2000, Brooklyn-Centre, consisted of 3,440 housing units. If each unit were rented or owned by one household (no overcrowding) and the size of these households were typical of Cleveland (2.44 persons per household), this neighborhood would include about 6,100 housing units per square mile, or less than 10 *gross* dwelling units per acre.⁵ While dense by contemporary suburban standards, this density falls below the rule of thumb used by transit advocates to justify reliable and convenient bus transit service in transit-oriented developments.⁶ Cleveland policymakers need to consider this constraint as it determines what investments make the most sense to rebuild the amenities necessary to rejuvenate the city.

Despite this decline, Cleveland made an important commitment to banishing the moniker "mistake on the lake" in the 1980s and 1990s. Sound fiscal management under then-mayors George Voinovich and Michael White kept Cleveland from falling too far off the cliff. The city invested hundreds of millions of dollars into its downtown Flats Entertainment District, Historic Warehouse District, the Historic Gateway District, building a professional basketball

Figure 3: Population Densities for Cleveland Neighborhoods: Ranked from Highest to Lowest by Decade 40,000 35,000 People Per Square Mile 30,000 25,000 20,000 15,000 10,000 5,000 0. 17 19 21 23 25 27 29 31 33 13 15 Neighborhoods **-**1940 **--**1960 **--**2000

Source: Author's calculations based on data provided in neighborhood profiles created by City of Cleveland, Department of Community Development

arena, a new stadium for the Indians baseball team and a new stadium on the shores of Lake Erie for the Cleveland Browns. The city also encouraged some housing redevelopment, approving traditional upper middle income housing in the Hough neighborhood as well as several projects considered "new urbanist" because of their density and urban character.

The city also boosted its commercial appeal as it encouraged the construction of two major office towers and complexes: the 57-floor Key Tower (1990) and the 31-floor One Cleveland Center & Galleria (1992). The Flats Entertainment District seemed to resuscitate downtown night life-for a while-and the city received a comforting psychological boost when it won the bidding to locate the Rock and Roll Hall of Fame. A new investment in light rail along the waterfront linking the football stadium, the Flats, and downtown was expected to dramatically boost livability. A current plan for a \$225 million mixed use development called the Flats East Bank is expected to add 331 housing units in the downtown area. Most of the new housing, however, has been located in the higher end downtown district.

These efforts to turn the "mistake on the lake" into a "comeback city" were too little, too late, and too far off the mark to bring the city back in the 21st century. The downtown, for example, includes just 2 percent of the city's total population and 3.8 percent of the city's land area in 2000.

The Need for Policy Reform

Cleveland, like other American cities, will continue to fall even further behind unless it begins to take a more realistic and pragmatic view of its place in metropolitan America and the global economy. Cleveland is no longer the flagship of the regional economy. Rather, it is a competitor, and needs to put policies in place that recognize this competitive relationship. Indeed, it is a competitor on a global scale, attempting to draw investment from nearby suburbs as well as far-flung locations such as Singapore, Shanghai or Toulouse, France.

The nature of this competition has changed significantly over the past four decades. The city and regional economy are driven by service industries that are much more fickle and nimble than the industrial companies of the mid-20th century. While the Cleveland Clinic boasts a large concentration of employees—37,000 at last count—health care workers can be moved relatively easily, and commercial office buildings are easier to construct (and abandon) than steel foundries, oil refineries and automobile assembly plants.

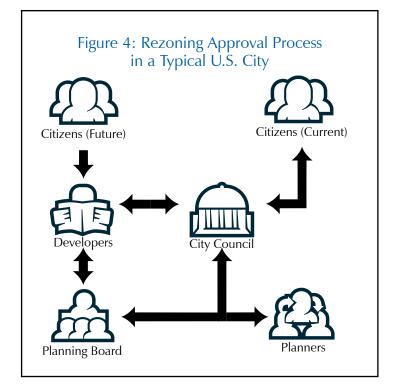
The key to Cleveland's revival will be its ability to adapt to changing social and economic needs and preferences. Land use policy, and development regulation in particular, is an important component of the policy environment that can either encourage or interfere with this process of adaptation. In fact, urban redevelopment and infill is more complex than conventional suburban development because the infrastructure and land-use patterns support more complex development patterns. Neighborhood services and retail are often within walking distance, and commercial uses mix with residential uses along busy thoroughfares. Development regulation, then, must be nimble, flexible and adaptable, responding to changing tastes rather than attempting to shape or determine them.

Unfortunately, contemporary planning is not nimble, flexible or responsive to changing market needs. Current planning attempts to prescribe land uses so that the "right" land use is in the "right" place at the "right" time. The process of development regulation is a "closed system" where an appointed planning commission negotiates site and building development with developers and builders. Cleveland follows a typical process with its planning commission. The city has adopted a citywide plan and a zoning code that specifies what land uses are permitted on what parcels and in what district. The City Council has the legal authority to make a change to the zoning code, but refers to the Planning Commission any potential change to the plan (see Figure 4). The Planning Commission seeks input from professional planning staff as well as general citizens through (usually) mandatory public hearings on the proposal.

In Cleveland's case, the Planning Commission and City Council have the authority (Municipal Code Section 333.02) to require proposed site plans to accompany the rezoning request so they can evaluate the types of uses, buildings and configurations before making a recommendation to the Council. Once the Planning Commission makes a recommendation, the

City Council deliberates and subjects the rezoning request to another public hearing for citizen input. Notably, planning commissions rarely consider (and are sometimes barred from considering) economic justifications for rezoning requests such as market trends or financial viability. The development regulation process is open and inclusive of public input from existing residents within the municipality's boundaries. In fact, "standing" in public hearings is typically interpreted broadly enough to include any resident or business owner with a personal interest—no matter how tenuous—regardless of their knowledge or understanding of the application or project.

Like other cities, Cleveland's experience bears testimony to the increasing impracticality of zoningbased land use regulation. Cities have been unable to effectively determine what land uses need to be where using a long-range comprehensive plan (and many municipal zoning codes go decades without meaningful



updates). Moreover, some argue that this no longer is the intent. Rather, the goal of the development regulation is to create a negotiated approval process that limits initiative and entrepreneurial uses of land.

Not surprisingly, zoning maps have become increasingly detailed and prescriptive, broadening the discretionary authority of the Planning Commission in approving ever more specific types of land uses. The number of zoning districts in Austin, Texas, for example, expanded from just 22 when the code was adopted in 1938 to 53 in the current version. Cleveland's land development regulations include 13 general chapters of the land-use and planning code, 30 chapters of the zoning code and 17 chapters describing various use districts (including nine separate residential districts such as single family, "limited" single family, two family, townhouse, multifamily, "limited" multifamily, residence-office).

Unfortunately, the effect is to create a highly uncertain, process-driven approval process that limits innovation and adaptation in the housing market.⁸ A bias toward the status quo is implicit in the process because investments in *anticipation* of future market demand are inherently less certain and presumably more risky than maintaining what already exists (and protecting "community character"). By allowing any persons or interest group to object to a proposed new land use (and often business), the process allows NIMBYism (Not In My Back Yard) to drive the approval process.

Is there an alternative?

Toward A Market-Driven Alternative

Unfortunately, the vast majority of cities in the U.S. have adopted some form of zoning. A notable exception is Houston, Texas, a city of 2.2 million. As housing markets across the nation have imploded, Houston's real-estate market has been remarkably resilient. This resilience has been evident in both the market for single family housing as well as multifamily housing. Rather than control land use, Houston regulates based on the impact the proposed development has on public infrastructure such as roads, water and sewer. Specific land uses are regulated through private deed restrictions, and many parcels have no restrictions at all. The effect of this approach has been to allow land to be redeveloped at paces consistent with the growth of the city. While in theory single family housing could be developed for high-rise residential or commercial development purposes, in practice this rarely happens for two reasons. First, property owners must be willing to sell their property,

and many choose to keep their property in their current use. Second, redevelopment occurs only when market trends support the project. Thus, single family homes are redeveloped into higher density residential, commercial or mixed use when market demand rises to the level these projects become profitable.

The hallmarks of development regulation in Houston are the following:

- 1. A market-driven approach that looks to the real-estate market for guidance on what types of development are most likely to be successful. As one of the fastest growing cities in the U.S., Houston has needed to add new and affordable housing quickly to accommodate in-migration as well as entry-level workers. The market-oriented approach is imbedded in Houston's political culture as well as land-use policy.
- 2. **Extensive private planning.** Contrary to popular belief, land development is not unregulated. On the contrary, land use is regulated through the profit and loss system of the real-estate market,

Conventional Development Regulation

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- through private deed restrictions on land use (covenants) that run with the land (not the owners), and a platting process that triggers minimal public review to ensure new developments are built to public infrastructure performance standards.
- 3. **Performance-based public regulation** that is administrative in application, minimizing unnecessary delays through public hearings or bureaucratic red tape. Approvals are streamlined with a high degree of certainty in the process, so builders and developers learn quickly whether their site plans will meet performance criteria or fall short.
- 4. **No public regulation of land use**, leaving these decisions up to the real-estate market, land owners and developers.

This market-driven approach has expedited redevelopment and infill. The lack of land use regulation combined with the ability to simultaneously submit permits for various phases of construction allow complex developments (e.g., high-rise, mixed-use projects) to go from the purchase of property to

Houston

omprehensive plan/master plan	■ No zoning or master land-use plan		
Prescriptive	■ Land platted		
Applied citywide	■ Administrative review		
Zoning map approved by city council	 30-day review period 		
Reviewed periodically	 Cannot violate private deed restrictions 		
Extensive public involvement & comment	Development entitled		
ezoning	■ Site Work Review		
Entitles land development for specific	• Land		
purposes	Structure		
Land purchased contingent on zoning	Parking garages		
Public hearings on rezoning	■ Permits Issued		
eliminary site plan review	■ Simultaneous submissions allows construction		
Post-zoning	to begin <u>on complex projects</u> in 3-4 months		
Subject to public hearing & comment	, , ,		

Conventional Development Regulation Versus Market-Driven Regulation in Houston

Subject to public hearing & comment

Final Site Plan Review

Building permits issuedZoning certificateAdministrative

construction within three or four months, about the time it would take to get a rezoning approved in a typical use city *if the project were non-controversial*.

While not the only factor, the relatively swift approval times that allow real-estate markets to adapt quickly and innovatively to changing urban demand has likely contributed to the resilience of the city's housing market during the recent housing downturn.

Notably, this framework does not imply a complete laissez-faire approach to land development. On the contrary, performance criteria would limit impacts on neighboring properties and require the mitigation of legitimate externalities, or spillover effects that would harm neighbors and the community. Moreover, the experience of Houston also demonstrates that markets tend to locate businesses and homes in an orderly way. Convenience stores are located on parcels with easy transportation access and near a large consumer base, not in the middle of single family homes or subdivisions. (The demand simply does not exist to sustain commercial businesses at these low densities.)

CONCLUSION

Traditional cities in the U.S. suffer from an older, less desirable housing stock. Redeveloping housing will be central to their revitalization and rejuvenation. Unfortunately, the very policies adopted to enhance the quality of life of neighborhoods-planning and zoning regulation—interfere with the spontaneous market forces capable of transforming the housing stock and allowing neighborhoods to become more competitive. Cleveland provides a case in point, losing more than half its population in less than 50 years. Cities should take a cue from Houston, one of the nation's fastest growing cities, and think about ways to deregulate the housing market to accommodate changing housing preferences and land uses based on shifts in the economy and city demographics. By adopting market-driven regulatory process, Houston substantially reduces uncertainty and approval times for new infill development projects. As a result, its real-estate market has been resilient even in the face of the housing downturn.

ABOUT THE AUTHOR

Samuel Staley, Ph.D., is director of urban growth and land use policy at Reason Foundation, a nonprofit think tank advancing free minds and free markets. He speaks regularly throughout the U.S. and abroad, giving speeches on urban policy and transportation, testifying before federal and state legislative committees, and providing expert perspective to the news media. He blogs regularly on Reason Foundation's Out of Control Policy Blog and on Interchange hosted by the professional planning web portal Planetizen.com.

Staley is the author of several books, most recently co-authoring *Mobility First: A New Vision for Transportation in a Globally Competitive 21st Century* (Rowman & Littlefield, 2008). Texas Gov. Rick Perry said Staley and Moore "get it right" and World Bank urban planner Alain Bartaud called it "a must read for urban managers of large cities in the United States and around the world."

He is also co-author, with Ted Balaker, of *The Road More Traveled: Why The Congestion Crisis Matters More Than You Think, and What We Can Do About It* (Rowman and Littlefield, September, 2006). Author Joel Kotkin said, "*The Road More Traveled* should be required reading not only for planners and their students, but anyone who loves cities and wants them to thrive as real places, not merely as museums, in the 21st Century." Former U.S. Secretary of Transportation Mary Peters said, "Balaker and Staley clearly debunk the myth that there is nothing we can do about congestion."

Staley's previous book, *Smarter Growth: Market-based Strategies for Land-use Planning in the 21st Century* (Greenwood Press, 2001), was called the "most thorough challenge yet to regional land-use plans" by *Planning* magazine.

In addition to these books, he is the author of *Drug Policy and the Decline of American Cities* (Transaction Publishers, 1992) and *Planning Rules and Urban Economic Performance: The Case of Hong Kong* (Chinese University Press, 1994).

His more than 100 professional articles, studies, and reports have appeared in publications such as The Wall Street Journal, The New York Times, Washington Post, Los Angeles Times, Investor's Business Daily, Journal of the American Planning Association,

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Staley's approach to urban development, transportation and public policy blends more than 20 years of experience as an economic development consultant, academic researcher, urban policy analyst and community leader.

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Staley formerly chaired his local planning board in his hometown of Bellbrook, Ohio. He is also a former member of its Board of Zoning Appeals and Property Review Commission, vice chair of his local park district's open space master plan committee, and chair of its Charter Review Commission.

Staley received his B.A. in Economics and Public Policy from Colby College, M.S. in Social and Applied Economics from Wright State University, and Ph.D. in Public Administration, with concentrations in urban planning and public finance from Ohio State University.

ENDNOTES

- See "MetroMonitor: 3rd Quarter 2009," Metropolitan Policy Program, Brookings Institution, December 2009.
- 2 Ibid.
- This trend is well established in the urban literature, but useful summaries can be found in Robert Bruegmann, Sprawl: A Compact History (Chicago: University of Chicago Press, 2005); Joel Kotkin, City: A Global History (Modern Library, 2005); William T. Bogart, Don't Call It Sprawl: Metropolitan Structure in the Twenty-First Century (New York: Cambridge University Press, 2006).
- 4 John Norquist, The Wealth of Cities: Revitalizing the Centers of American Life (Reading, Mass.: Addison-Wesley, 1998), p. 196.
- 5 Housing densities are typically reported as either net or gross land areas. Net densities exclude land for public utilities and infrastructure such as roads. Gross densities include all land in the neighborhood as the base.
- 6 The rule of thumb is a population density of about 10,000 people per square mile for reliable bus and

15,000 and higher for various types of rail service. Employment densities are also important, complicating the application of any rule of thumb. In terms of dwelling units, planning for "neighborhood" (rather than downtown) transit-oriented developments, or TODs, usually recommend densities of ten dwelling units per *net* acre. For more extensive and nuanced discussions, see Peter Calthorpe, *The Next American Metropolis: Ecology. Community, and the American Dream* (New York: Princeton Architectural Press, 1993), pp. 83; Todd Litman, TDM Encyclopedia, Chapter on Transit Oriented Development, Victoria Transport Policy Institute, available http://www.vtpi.org/tdm/tdm45.htm, last accessed 14 February 2010.

- 7 Author's calculation based on a review of the Austin, Texas municipal zoning code.
- 8 Samuel R. Staley and Eric R. Claeys, "Is the Future of Development Regulation Based in the Past? Toward a Market-Oriented, Innovation Friendly Framework," *Journal of Urban Planning and Development*, Vol. 131, No. 4 (December 2005), pp. 202-213.

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