



Meeting Summary
Michigan Land Use Leadership Council
April 14, 2003
Boji Tower, Senate Hearing Room
Lansing, Michigan

Council Members Present

William Milliken and Frank Kelley, Co-chairs; William Anderson, Jim Barrett, Jim Brooks, Keith Charters, Steve Chester, K. L. Cool (designee George Burgoyne, Department of Natural Resources for partial meeting), Dan Gilmartin, Gordon Guyer, Colin Hubbell, Gloria Jeff, Ruth Johnson, Robert Jones, Dan Kildee, Chris Kolb, Mick McGraw, Larry Merrill, James Okraszewski, Lana Pollack, Helen Taylor, Kevin Turman, Hans Voss, Brian Warner, Gil White, Wayne Wood, Dan Wyant (designee Rich Harlow, Department of Agriculture for partial meeting)

Council Members Absent

Patty Birkholz, Liz Brater, Chris MacInnes, Heaster Wheeler

Designees for State Agencies

Bob Swanson, Department of Labor, Economic Development, and Urban Growth

The meeting was convened at 10:03 A.M.

Welcome from the Co-Chairs and Introduction to the Day and Agenda

Co-chairs Frank Kelley and William Milliken

Milliken welcomed the group to the second meeting of the Michigan Land Use Leadership Council and expressed his view that the first meeting was a success; he said he appreciated an almost complete attendance at the current meeting. Milliken oriented the council to the day's activities and highlighted that the meeting begins the visioning process of the council's charge and that, after one presentation, the day would be dedicated to listening to council members.

Kelley explained that council staff will review the draft work plan and solicit feedback so that agreement can be reached and the group can move on to visioning. He stated that the visioning session would also be facilitated by council staff with a goal of reaching consensus on a common vision for Michigan land use policies and practices (the things we can agree on). This vision will be a compilation of guiding principles that the council develops, which will be considered and applied when the council develops recommendations for the governor and legislature.

What Other States Are Doing to Address Problematic Land Use Practices

Stuart Meck and Marya Morris, American Planning Association

Stuart Meck and Marya Morris reviewed what other states have done in similar processes and helped provide ideas for the day's discussion and tasks that lay ahead. They presented a brief

history of city planning, a review of other state planning programs, and an introduction to the American Planning Association's *Growing Smart*, a user manual for model land use legislation. The complete presentation may be viewed on the resources page of the council website ([Planning and Zoning Statute Reform and Growing Smart](#)).

A question and answer period followed the presentation.

Q. Is there any research that examines the impact of secondary home ownership?

A. Presenters—I don't know whether the second home phenomenon is as serious in Michigan as in other states because I haven't researched it. Urbanized areas are flattening out in various places in the United States; it is a national phenomenon.

Q. Can you describe how federal transportation requirements relate to/interact with these local planning requirements in states that have them?

A. Presenters—States are working with locals but federal requirements pre-empt state decisions. States can take the lead on context sensitive needs. State departments of transportation are shepherding their programs along with the state planning endeavors in areas that have smart growth programs. In Wisconsin, for example, their DNR and DOT put out guidelines themselves that took elements out of the ISTEA (Intermodal Surface Transportation Efficiency Act) and made sure their particular perspective was incorporated into mandatory local transportation elements of plans so they reflect state department perspectives.

Q. Can you comment on the Oregon urban growth boundary experience, especially how it focuses investment and drives the lack of affordable housing?

A. Presenters—Chapter six of *Growing Smart* addresses this. We also have some research that digests the effects of urban growth boundaries on issues such as housing. Anthony Downs's article "[Have Housing Prices Risen Faster in Portland Than Elsewhere?](#)" (*Housing Policy Debate*, vol. 13, issue 1), on the Fannie Mae Foundation's website (<http://www.fanniemaefoundation.org/programs/hpd/v13i1-downs.shtml>), examines the land pricing effects of urban growth boundaries. The impact varies over time, however. A comprehensive analysis by [Nelson, Pendall, Dawkins, and Knaap](#) from the Brookings Institution (<http://www.brookings.org/es/urban/publications/growthmanagexsum.htm>) found that the affordability issue was similar in areas of the West that did not have urban growth boundaries, but that Portland, Oregon, has pockets of affordable housing. This paper reviews the academic literature on the link between growth management and housing affordability.

Q. How do other states compare in terms of local government authority and structure?

A. Presenters—The answer depends on where you are. In Washington and Oregon, the counties are the coordinators and bring the local units of government together to talk about issues. Tennessee has a county-level committee that comes up with the plan for the county so that it is not the responsibility of any one unit. The problem in Michigan is similar to that in other states in the Midwest. In this case, counties should at least be the conveners (regions, if it is a metropolitan area).

Q. Local units of government are mandating sprawl in planning and zoning practices like requiring two-acre lots for a single development. Are other states doing the same things?

- A. Presenters—Yes. The suburbs outside of Boston and Cleveland suffer the same fate. It is happening all over. What is happening to an extent is that downzoning (lower density development) for exclusionary practices is done in the name of preservation, but it actually forces development into other, surrounding areas. The American public hates two things: sprawl and density. It is a push-pull that requires creative thinking.
- Q. Michigan has a constitutional amendment that prohibits unfunded mandates. Can you give us some more information on how other states' mandated planning processes work and how state government often ties certain types of funding to local units of government based on their plans?
- A. Presenters—Virtually every state that has revised its planning legislation has implemented some type of grant program. Florida and Rhode Island both provided monies. Wisconsin gave \$3 million to update local plans. Oversight of these granting programs is given to a state planning office like a department of community affairs or natural resources. The states require the plans and then links monies to them. In Washington, if you don't complete your plan, the governor can act to cut off the ability to levy local taxes. In the case of Tennessee, if you don't have your plan done, you are cut off from any state pass-through money from the federal government, like block grants, transportation funding, or state economic development monies. We are moving from an era in which planners had to sell that planning is a good idea to an era in which citizens believe that planning is a service of local government, much like police or fire protection services.
- Q. The council will start a visioning process today, do you have perspectives or recommendations as we head into this process?
- A. Presenters—Start wide, group ideas in areas that plans usually incorporate (transportation, natural areas, etc.), organize your thinking along those boundaries, and then think across those issues and examine connectedness. Goals should be organized by function. Follow through with a benchmark to support them. Be clear. Think about what you are going to do with the goals and what the implementation device is. Chapter four of the *Growing Smart* guidebook offers examples of what other states have done.
- Q. Can you explain the New Jersey affordable housing program?
- A. Presenters—You can take two or three different approaches. New Jersey has a fair share approach that is a percentage (10%) of a project and also includes an accelerated permitting process for affordable housing projects. The American Planning Association has a good report on regional approaches to affordable housing (regional and statewide assessments) at <http://www.planning.org/bookservice/description.htm?BCODE=P513>.

Introduction to and Discussion of Work Plan Process

Jack Bails, Public Sector Consultants Inc.

Bails outlined the overall work plan so council members could discuss the decision-making process that would be followed through August. Bails explained that council members may not see all the descriptive elements of an ideal work plan because the timeline is compressed. He walked through the work plan with members.

Concerns about the work plan process included the following:

- The timeline doesn't allow for the necessary buy-in of government and institutional decision makers and organizations, the ones who will be effecting local land use change.
- Agreement on the issues hasn't been discussed or reached.
- The work plan should be reassessed throughout the process to ensure appropriateness.

There were a few requests for further information: white papers that address how we use open space, the economic drivers of sprawl on a regional basis, and urban center revitalization. It was noted that some white papers are still pending. If these issues are not satisfactorily addressed in the coming papers, new ones that cover these concerns will be sought. In addition, council members would like the following:

- Situation (SWOT) analysis—In terms of land use in Michigan, what are our *strengths* or our best practices? What are our primary *weaknesses*? What are the *opportunities* and *threats*?
- A draft outline of the final report
- Copies of a report to be released soon authored by Myron Orfield on fiscal implications of sprawl in Michigan
- Consider asking Harvard economist [Michael Porter](http://www.isc.hbs.edu/index.html) (<http://www.isc.hbs.edu/index.html>) to speak on his research on the competitive advantage of inner cities

Other non-work-plan process suggestions included:

- Try to identify successful practices that fit Michigan and not reinvent the wheel; look to states similar to Michigan like other Midwestern states. Can we find some immediate tools to empower local units of government?
- Emphasize the barriers—like financing—to urban revitalization. Concern was also expressed that the banking community is not represented in this process and should be.

Visioning Process: Guiding Principles

Jack Bails and William Rustem, Public Sector Consultants Inc.

Bails and Rustem explained that the goal of this visioning session is to start moving toward consensus on a common vision, or set of guiding principles, for Michigan land use policies and practices that can be considered and applied when the council develops recommendations for the governor and legislature. It was clarified that as they are discussed, the principles are not being prioritized. The draft set of principles was drawn from council members' survey responses about pressing land use issues and other state examples.

Overall, comments included the need to address the most pressing problems and employ a “fix it first” approach and that the council may need to pare down the list. It was echoed many times that the principles should be kept positive. Language like “lack of” in any principle should be replaced with language like “need for improved.”

The comments below follow the outline of the Issues and Example Guiding Principles (see green handout in your binder). [Italics indicate an example guiding principle included on the handout; underline indicates an addition to a principle.]

I. Urban Revitalization

- Add a bullet stating that we don't want to take away the right of people who live in inner cities to leave (environmental justice and social equity elements).
- Addressing how laws and regulations that create disincentives to developing in our urban cores should be considered. Examples include the extreme costs of cleaning brownfields and the state's lack of authority to incorporate local planning into clean-up efforts.
- *Vibrant downtowns are recognized as essential to the economic health of regions and their importance is recognized by state and local policies* should not exclude small/medium downtown areas as negative migration patterns are happening in all our communities.
- All land has value. We should find policies that unlock the value of lands that are disenfranchised and have a zero or negative value.
- Add a bullet that references community character and how historic preservation helps make where we live unique.
- Change *Affordable housing* to *Increasing housing stock options at all levels*.
- Cities that are thriving and growing have good transportation options including public and mass transit and "walkability." We should consider transportation options as an economic development tool for our urban revitalization strategies.
- Incorporate green infrastructure as a heading and another tool for urban revitalization.
- Change third bullet to read: *Government redevelopment tools and incentives are available to encourage private reinvestment and new investment*.
- Incorporate arts and culture as specific quality-of-life amenities in the second example bullet.
- Add a bullet on the need to fix the land tax reversion process.
- Add a bullet to address safety of urban and rural areas and the promotion/creation of healthy communities (schools, safety, etc.).

II. Land-based Industries

Some of the issues that drive urban issues are different from those that threaten land-based industries. We need to think about and incorporate overall ecological health of the land base across the whole state. Decisions on the public land base are important, too. How land is sold has an impact on tourism and forestry.

There was consensus that while protection of open space and habitat have a place within this category, it should also be placed under a general, overarching "natural environment" heading with its own set of principles, including statements on water quality, biodiversity, and ecological integrity.

- Change the language of the bullets from simply "protecting" to "enhancing" and/or "improving."
- Housing may need its own section.

III. Lack of Strategic, Long-Term, Coordinated Planning at the Local, Regional, and State Level

- Consensus was reached around the removal of the words "lack of" in any vision statement.

- Add a bullet that speaks to the need for the council and the statewide goals to coordinate public policy and investment.
- Add a bullet that would encourage state agencies to coordinate efforts. Georgia ([Georgia Regional Transportation Authority](http://www.grta.org/) at <http://www.grta.org/>) has established a statewide agency in which transportation and land use responsibilities are combined. It may be a useful model.

IV. Economic Policies Related to Infrastructure and Community Services

- Add another bullet that encourages the better utilization of infrastructure to support higher density development.
- The group was encouraged to remember that the more we depend on population-based methods to fund infrastructure (revenue sharing, Act 51 dollars, sewer infrastructure dollars), the more we move away from sustainability.
- Infrastructure growth should weave in public transportation as well as public institutions (libraries, etc.). It should also address infrastructure redundancy.
- Public health should be added as a bullet under this section. We will need to think about and promote public health safety in infrastructure decisions.

V. Policies and Practices that Inhibit Positive Land Use Change

- Change the first bullet—*Lack of land use planning and tools*—to reflect that “current information” is a tool.
- Include a statement on how federal policies affect land use planning, but it cannot be addressed beyond this.
- Include a statement about housing.

Some discussion centered on the need to support local planning officials.

- Local planning officials need us to address democratic values such as the right of referendum and recall.
- Local governments are told to be mindful of their contribution to the economic growth of the state. Jobs are inherently important and Michigan competes with other states for them. There can be conflicts of interest.
- Property rights may inhibit local officials from making changes recommended by the council.
- We need to support local officials’ planning efforts. Examples include working with the development community to follow the plans that are in place; regional planning coordination; educating the public and private sectors on options and alternatives to traditional land use planning tools; technical support like GIS; and working to address property rights every step of the way.
- Local officials could benefit from greater flexibility to levy local taxes and more options for creating funding mechanisms.

VI. General Issues

Issues discussed include:

- A bullet on private property rights is needed. It was suggested that a bullet on private property rights from the State of Washington might be useful: “The property rights of land owners shall be protected from arbitrary and discriminatory actions. Private property shall not be taken for public use without just compensation having been made” [see page 5 of the yellow handout on Sample State Planning Goals]. It was also suggested that a statement might be gleaned from the [Michigan Farm Bureau’s policy](#) on this issue.
- A natural environment section should be added that includes making the connection between land use and water, emphasizing the environment’s intrinsic value as more than an economic resource, and addressing the enhancement of open space and habitat.
- There was much discussion of the need for some future “preamble” or overarching statements to set the tone for the principles. Ideas for inclusion include:
 - Encourage the state to redefine its roles and responsibilities and to push beyond traditional boundaries.
 - Enhance the value of all property for posterity’s sake.
 - Provide a major focus on moving forward and educating constituents on the issues. Education is important and needs to be included; public participation also needs a place. Local decision makers need to be involved from the very beginning to the very end.
 - Address the concepts of sustainability, social justice, and balance between economic prosperity and the environment.

Comment Period

Chaired by Council Member Keith Charters

The public comment was taped and will be transcribed and summarized by the Michigan Department of Environmental Quality for council review and consideration.

The meeting was adjourned at 3:49 P.M.