

# Opportunities and Challenges of the North Carolina Planning Crisis

## Why Housing Affordability and Regional Equity are Critical to Success

Chris Estes

*For much of its modern history, North Carolina and its localities have resisted a planned approach to development for fear this would conflict with economic expansion fueling the state's growth. However, with recent economic decline in certain parts of the state and population and employment growth in others, several major deficiencies, including a shortage of affordable housing, have become utterly apparent. These conditions serve only to further highlight the need for a more integrated approach to planning. In this article, Chris Estes exposes a history of planning shortcomings regarding sustainable development practices, affordable housing, and economic equity within this state. In response, he explores the concept of Regional Equity as an effective strategy for confronting North Carolina's impending planning crisis and dire affordable housing needs.*

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When thinking about the work I do with the North Carolina Housing Coalition, I am constantly referring to two central themes: that planning is key for our state's future in both its urban and rural communities, and that housing and housing affordability is central to that future because of its interconnected impact on so many social and infrastructure issues.

While our state has many positives going for it with its growing population and better than average economy, there is much to be concerned about in terms of our future. As a state, we have rarely planned far ahead for our future in terms of forecasting change; we have relied more on the status quo or "the way we have always done it" and embraced the overarching belief that any development is good development.

This philosophy is certainly understandable given the state's history as a mostly poor agrarian economy that relied on cheap land and cheap labor to lure manufacturing jobs from the northeast here throughout the 20<sup>th</sup> century.

While it is clear to most that this strategy of exploiting our natural resources and labor has run its course as far as viable economic development goes, old habits still die hard. One important by-product of this strategy was that any attempt to plan or direct development was seen as an impediment to growth and progress because it might limit

where development could occur. With a large amount of undeveloped land available, the planning-related issues most local governments focused on were road expansion to encourage economic development and, to much lesser degree, school funding to meet the community's education needs. While having a good road system was critical for a manufacturing economy, it certainly exacerbated the sprawling development pattern of every North Carolina town and city that by the 1980s left every town/city center in our state largely empty of residents and retail options. Similarly, school planning and development focused on trying to keep up with demand in growing areas. There was little acknowledgement of either its impact on added sprawl or its lack of socioeconomic diversity, as new school construction encouraged even

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more gentrifying development that rarely if ever included affordable housing.

In our current decade we are witnessing a continued in-migration of population, a significant transition from manufacturing to service sector and tourism in our mountain and coastal regions, and a significant influx of development into the downtown areas of almost all of North Carolina's major cities. It is interesting to note that Durham and High Point still lag behind Raleigh, Charlotte, Wilmington, and Asheville in growth and development, while Winston-Salem and Greensboro continue to see modest returns to the urban core but with continued sprawl in outlying areas.

This has created multiple planning-related crises for these MSAs. Local governments struggle with congested roadways as workers from outer ring developments commute in to work, and overcrowded schools constantly face re-assignment or re-segregation pressures. Downtown employment centers need lots of lower-wage employees to support their service-sector economies (hotels, restaurants, bars, galleries, etc.), as well as economic development and revitalization in those areas left behind by the demise of the state's traditional industries.

### Planning Crisis

Despite the positives that growth can bring in terms of new construction, new consumers, and more dollars circulating in local economies, there are many difficult economic challenges facing our state. As the ever-changing economy has shifted manufacturing, textile, and furniture jobs away from many areas of the state, rural areas have little hope of a tax base that can secure a high quality education for their students. The result is that while our overall unemployment has not increased substantially, a significant portion of North Carolina's middle class has moved downward economically to the service sector that largely serves the upper income segment of the work force and the large numbers of wealthy retirees that are moving to our state (especially in the mountain and coastal regions).

While a discussion of the implications for education policy and economic development is better left for another venue, it is important to acknowledge their impact on housing and community development. Meanwhile, the growth of metro areas has led to significant traffic congestion, school overcrowding, and rising housing prices. What we face is a planning crisis that will require implementation of the best practices of infrastructure and community development planning if we are to manage the projected growth and maintain a sustainable future.

When leaders have dared to push ahead, the results have been important in North Carolina's development. Investments in our road system earned the state the title of the "good roads state" in the 1930's. Investments in public education and the UNC and community college

systems have been critical parts of our recent economic development. In the best-known example of prescient regional leadership, the vision to create the Research Triangle Park continues to spur major economic development many years after it was initiated.

North Carolina is truly at a crossroads in terms of planning. Despite having strong planning departments at several of the UNC system campuses, the legacy of progressive planning in our state is still relatively weak. As a state we have largely followed the mantra of "all development is good" and invested in the belief that building more roads is central to our economic development and transportation challenges. With the exception of the mountains region, our topography allowed for a sprawling expansion pattern, and with an economy heavy on production and natural resources, expanding our roadways was a logical development strategy. We are not unique in this strategy--as the rest of our southern states can attest -- but now we must change this paradigm before it is too late.

There is no avoiding the planning crisis faced by the state. Nor can it be solved with technical expertise, ArcView, charrettes, or ride-share projections alone. It will require planners to battle in the policy arena with a broad coalition of community and state advocates.

### Solutions

The solutions that our communities need are already familiar to all planners: higher density development with a transit-oriented priority, inclusionary housing policies to provide affordability in growing areas, and green development planning for open space, water management, flood plain protection, etc.

These initiatives might sound like the standard Smart Growth canon that was being pushed at the start of the decade at the state level. However, this philosophy was mostly embraced by environmental groups who saw the benefits for open space and air quality from a slow down in development. What was not prioritized (at least not in North Carolina) was the critical importance of housing and in particular the fact that inclusionary housing is critical to linking economic equity issues with the environmental benefits of higher density/lower sprawl development. When housing advocates took on this issue they were unable to form a strong broad coalition of supporters and were easily defeated by the homebuilders' lobbying group, and Smart Growth has hardly been uttered in the North Carolina General Assembly since.

I sense a new opportunity today with the planning crisis more evident than ever before for the North Carolina public. The discussions of growth and inequality now include both environmental groups and economic justice/housing interests. Disparate groups like AARP, United Way, Arc of NC, and NC Bankers Association have come together to advocate with the usual housing

and community development groups for significantly more resources for the NC Housing Trust Fund. We now need to broaden the group to include school/education and environmental organizations to form powerful local coalitions to advocate for comprehensive planning that links land use, affordable housing, transportation, school construction, mixed-use development, and open space preservation. This is happening at the state level around transportation advocacy and locally in North Carolina's two largest cities, Charlotte and Raleigh, as well as more rural areas like Chatham and Henderson counties.

### **How Do We Do This?**

As planners we have the ability to bring many groups together into the advocacy effort through the concept of Regional Equity. Put forward by PolicyLink, a national research and action institute in Oakland, CA, regional equity expands on the principles of smart growth by emphasizing the social costs of unplanned sprawling development – both for the green space areas targeted by this growth and for the areas left behind which predominately include low- to moderate-income households.

While some planners may argue that this is nothing new for them either, what PolicyLink is doing is actively bringing social justice groups into the advocacy effort so they can understand how to fight for better planning. What is critical in the dialogue with these groups is to understand how every land use decision needs to be viewed from the concept of regional equity. How can transit-oriented development work in low to moderate income communities? How do communities manage gentrification successfully? How do they preserve affordable housing as part of that process? How can community members be a part of shaping what they want their community to look like? And most importantly, how can we insure the investments in highly desirable areas of our community do not lock out low- to moderate-income households?

These questions and their answers point to the need for planners to engage with a wider array of community groups in pushing for more planning advocacy. Politically speaking, planners are often very limited in what they can do directly, but they can play a vital role in bringing groups together to discuss the issues in communities and increase the public understanding of how these issues fit together. Most importantly they can emphasize how central a place housing affordability holds in successful community development.

How do we frame this message? Where you live and what you live in have a major impact on your ability to be successful in society. Where you can afford to live determines where your children go to school (as well as how far they are bussed to school in order to achieve a socio-economic balance), who your neighbors are, how much crime and violence you may experience

daily (directly impacting your physical and emotional well-being), and how far you have to commute to employment, goods, and services (as well as whether public transportation is a viable option). The quality of the housing you can afford directly impacts the health of every member of your household, especially if you have to choose housing that is substandard but affordable. The availability of landlords that will accept housing assistance vouchers or offer accessible housing determines whether people with disabilities and fixed-income seniors can live independently or will be restricted to group homes, adult care homes, or homeless shelters. Finally, your ability to purchase a home that will appreciate in value and that you can afford to maintain has a significant impact on your ability to build wealth.

Taking these messages to the public through public forums, listening sessions, and other gatherings that bring interested citizens together can go a long way in opening the public's eyes on how these issues fit together and why more comprehensive planning is the key for improving the quality of life in their community.

By bringing the right groups to the table in these planning sessions and working with state-level advocacy organizations, planners can significantly improve the local planning process. Communicating the importance of housing affordability in this work can broaden the categories of stakeholders and increase the political support planners need to develop documents that will have long lasting impact, and the broad-based support that is needed to change the course of development in our state towards a more sustainable model.