

STEWARDSHIP FORUM

Plenary Session Notes

Charlotte, North Carolina
November 14-15, 2002

Welcome and Opening Remarks

Becky Morgan, Board Chair, Alliance for Regional Stewardship

Stewardship is the careful and responsible management of that you have been entrusted with. This is the concept we adopted back in the first meeting, at Kohler, Wisconsin.

When I was a state senator I learned first hand that you cannot do regional work top down. I tried, from Sacramento, and still bear the scars. But cities don't live in isolation and most people don't live where they work. The 21st century solutions are going to be regional.

I also had the experience of chairing one of the first regional collaboratives – Joint Venture Silicon Valley, to try the bottom up approach. When I retired from that, Doug Henton contacted me to talk about this idea that has become ARS. Our mission is about regional problem solving, growing the number of regional stewards in North America. We were led by John Gardner, who said before his death last winter: "I keep running into highly capable leaders who never gave a thought to the well being of their communities...I keep wondering who gave them permission to stand aside. I want to tell them this nation could die of comfortable indifference...."

"Freedom and responsibility, liberty and duty, that's the deal," Gardner said. He also gave us 4 principles to follow:

1. a strong private sector commitment
2. place-based leadership
3. mentors to teach the next generation
4. communicate the regional message

"No more regionalism for its own sake; we now need regionalism with a purpose."

My personal dream for ARS is nothing less than a sea-change in how people work together across all the boundaries, a flash point that shows that regions are part of the equation like Gladwell's tipping point – where little things add up to big differences.

Charlotte Case Study

Bill McCoy, UNC Charlotte Urban Institute

- Betty and I will give you an introduction to the region. Look at the map we gave you -- many of the cities around our region are as old or older than Charlotte. Many of them are becoming larger.
- This region is a recent story. Once called a "trifling place" by George Washington, our growth and development has come in the last century. The auto had a huge impact on our development. Before, our region was mostly agricultural. We became industrialized in three major areas. The primary one was textiles, which moved here from the northeast – from Lowell, New Bedford, Boston.

(You'll see they've largely left now). Look at the 1970 map with the massive number of textile plants. The Charlotte economy grew out of that business, which was close by. Second was furniture manufacturing. We also developed a huge distribution and wholesale industry. And now of course, the financial services – we have the second largest such sector in the U.S.

- Our growth has been steady but not overwhelming. At the last census, a suburban county showed the highest growth rate for the first time. We are becoming more multi-ethnic. Of the new people to this region, 60 percent are from out of the state. Mecklenburg County's population has doubled from 1970 to 2000 – with over half of that growth coming in the final five years.
- Our community survey showed, for the first time, that people say they'd pay more in taxes for measures to improve air and water quality.
- Our region participated in the Putnam social capital research. We did well on faith-based elements. We did not do well on trust issues, particularly on race-related trust. There was only one participating region out of the 40 with a lower score on this than us; that was Phoenix.
- The percent of work force engaged in manufacturing has declined. Most people think it's because of NAFTA, but the truth is we've been losing it for a long time; but we still depend on manufacturing more than most regions.
- Our transit planning is very aggressive – in 5 corridors. Also building a beltway (which we might have avoided had we been able to hold out a few more years).
- Our biggest issues today: leadership quality; air and water quality and supply, and sprawl.
- Crisis has a way of promoting cooperation. Our problem with water is producing this.

Betty Chafin Rash, former Executive Director, Voices & Choices

A Region Awakens

- Bill gave you facts. I'm going to give you some opinions. The Peirce report pointed out many strengths, but also the warts of our region. It pointed to four categories: leadership, growth, education (can't afford to be rich and dumb), and neighborhoods (preserving character of towns, and the downtown areas). It said that we had to learn to act regionally and focus on the big problems.
- Since then we've had a number of major regional initiatives. We had the Carolinas Partnership, Central Carolinas Choices (now Voice and Choices), an American Leadership Forum chapter. We approved a one-half-cent transit tax in 1998 along with a transit plan. We originated a business group as a consortium of organizations; the Carolinas Regional Partnership grew from the original business group. The Urban Institute gave birth to Carolinas Land Conservation Network.
- Curt Johnson and I worked with a group from 14 counties at our airport conference center in 1996—citizens who wanted to work on regional issues—which resulted in Central Carolinas Choices. We decided to work on an environmental summit and enlisted John Parr's group to plan this. We created three scenarios: world-class, business-as-usual, and a worst-case scenario that had a sustained drought and no regional governance. I fear that we still could be headed to the latter scene.
- The Summit was held in 1998 with over 500 people participating. The resulting vision had, as expected, clean air and water, curbing sprawl, a transit system, etc. We issued a report in early 2001 with 150 action steps and one principal recommendation: an integrated land use /

transportation plan with an open space commitment under the guidance of a regional body. The purpose was to induce fundamental change in the way we use our land and to create a regional planning alliance that integrates infrastructure needs, air and water quality, effective transportation, and open space preservation. This is now what we are discussing.

- That half cent tax aimed at five corridors – 3 rail (north, south, and to University); 2 busway corridors both of which were very controversial; and finally, unexpectedly, 2 streetcar lines – one to an African American neighborhood and the other to a Latino neighborhood, connecting Uptown. \$2.9 billion dollars in capital costs for all this. Half comes from federal funds; one fourth from the state; the rest through our transit tax. The first corridor will be completed in 2005 – the south corridor.
- Our Leadership Forum was also a recommendation of the Peirce Report. It is creating a pool of regional leaders who are becoming skilled in collaboration and boundary-crossing. We have some recruiting and funding challenges. Perhaps it is time for us to look at other models.
- The Business Committee for Regional Transportation Solutions did a ULI study, focusing on land use and transportation corridors. Now in the implementation stage of the ULI recommendations, they are supporting the creation of a Regional Planning Alliance and the notion of a true regional transportation authority (maybe the first move toward a regional government). Also have about \$400 million in road construction under way.
- Foundation for the Carolinas is a major convener and catalyst. They funded the Peirce Report, the Voices and Choices, the creation of the conservation network, etc. This board now has the former chairmen of Bank of America, First Union, and Wachovia.

Our regional personality:

- Strong corporate culture – business leaders are drivers of our reputation for public/private cooperation; they have supported everything from our stadium, arts district, and now new arena, and many educational programs
- Explosive growth – influx of newcomers and rise of influential non-profits, including new ones like the Lee Institute and Voices and Choices.
- Rich Florida put Charlotte at 42nd on his creative cities scale. We lack the large research university, the spunky street life, the pedestrian-oriented downtown, and trails for bikes and hikes.

Continuing Challenges:

- Leadership transition: we still don't know who is leading. Still problems with work force, with decline of textiles.
- While Charlotte schools recognized for desegregation, we are now returning to neighborhood schools.
- The state has major budget crisis.
- The Catawba River, our primary source of drinking water, is now on endangered list. The unthinkable occurred this summer when the majority of our region's counties had to impose mandatory water restrictions.
- 75 percent of our freeways are heavily congested. Our air quality is cited by the American Lung Association as 8th worst in the nation. Christie Whitman was here last week with a major grant to help us work on this.

- I would add to this list political upheaval – we lost the governor from this region and a state senator in this region who were strong advocates. Favorite son (Bowles) lost for US Senate; Ms. Dole is from this region though she has not lived here in a long time.
- So we are at a real crossroads. We have many emerging regional organizations. But we still have to learn the arts of collaboration and decide who convenes and takes us in a different direction.

James Woodward, Chancellor, University of North Carolina at Charlotte

- We are challenged here to maintain the optimism that has been so prevalent in the past. There is a basis for it. But as we see our challenges, this region has become even more united.
- We have a budgetary, fiscal crisis that is likely to remain for a while. I do not think that an economy turning around delivers easy money again. This is not a short-term financial problem; we have to find ways to make more efficient use of the resources we have. Danger lies in hunkering down. Universities are notorious for doing this. Legislatures believe in what we are doing, but they are not able to support us to the degree that we'd like. There is also, during such times, a tendency for blaming.
- There can be a good future. Bond issues that we have passed suggest people believe in our future. The decision to build an arena in downtown Charlotte and securing another NBA team is a reflection of our optimism.
- A challenge we face is the changes in economic pattern. The decline in manufacturing sectors will likely continue. Maintaining good-paying jobs remains a high priority for us. Maybe the most important event for us in the late 1990s: TIAA-CREF made this region its eastern location. They are building a campus of over a million square feet, which further solidifies this region as a financial powerhouse. An announcement this morning from Wells Fargo will add to broadening of the base. But increasingly, we have to take charge of creating our own jobs.
- An important report: Advantage Carolina. Leadership came from Charlotte Chamber to answer the question – since we are doing well now, what investments should we make to ensure our future? The report came out in April of 1999, and involved hundreds of people across all our sectors. It led to our “flagship initiatives”—ways to strengthen infrastructure that is critical to current businesses; and second, what to do to broaden our base.
- One of the recommendations was for UNC Charlotte to accelerate its graduate program. UNCC sits on 1000 acres. We took about a hundred acres next to where the light rail is going, to build a research center of more than 1 million square feet around nanoelectronics, information technology (especially for financial services), etc. So we are investing about \$50 million right now toward having a research-oriented campus. This is about a half-mile from University Research Park (24,000 jobs there); the reason you don't know about it is because the largest such park (Research Triangle) is also in North Carolina. Ours is already the fourth largest in the country and second in the South. We are concentrating in areas where we have some advantage and where there is a strong affiliation with our mission. About 40 recent patents and more than a dozen companies came out of UNCC in recent years.
- Our state is looking at a major biotech investment. Our region must be careful to see that this investment doesn't go just into a single part of the state. This region must participate. The big challenge now is in informatics. Security information? Guess what industry has moved further along this chain than any other? It's the financial services.
- We have to improve the numbers going on to postsecondary education. I believe this region still believes that public education is the best way to educate its citizens. We are still making

investments. One of the most important things done here was the county/city consolidation of schools in the early 1970s. But we still have gaps in achievements, the worst ones by race. Now we have urban schools where more than 80 languages are spoken and we don't have the teachers suited for this. The Charlotte Area Education Consortium, where community colleges, private colleges, and the two large public institutions are involved. We have articulated agreements across these institutions.

- We have an undercapitalized transportation system. But on the new I-485 beltway, some communities have embraced implied growth; others, such as Mint Hill, declined to have an interchange. The forthcoming transit has great potential, even the trolleys. Some say they are toys, but since the trolley line was announced to the south, we've seen growth and property value increase. The price tag for this one was only \$19 million.
- Local officials are elected by their constituencies; that's why they have trouble dealing with regional realities. That is the natural state. We have to get better information to all people about these challenges so that people will support regional action.
- I really appreciate the monographs that the Alliance has published. The university should be the neutral but interested party who can help develop the models. We have a public policy degree at the university, and its focus is local and regional, not national. We can, while avoiding any particular policy agenda, play a critical support role.

Charlotte Panel

Moderated by Ed Williams, Editorial Page Editor of the Charlotte Observer

Polly Jackson – Lancaster South Carolina commissioner

Dan Clodfelter – North Carolina state senator

David Walters – UNCC – architect, urban designer, professor

Lisa Renstrom – environmental leader, former interim director of Voice and Choices, national board of Sierra Club

Jerry Helms – Vice President of Operations at Paramount's Carowinds

Williams: I came here 30 years ago, thinking I'd be here awhile and then move to a city; lo and behold, one started growing up around us. Of course, I'd grown up in the south, where the idea of a city was a place with a JC Penney's store. Charlotte was a big town. Some nights now you can go out on the streets of Uptown and see people, who are not under arrest. We wonder how so many have come and more are coming – and we're still able to get around. It's getting harder. And despite a river running right alongside us, we had a serious drought and the water level continues to drop.

Q: What are we dealing with pretty well and what things are we not doing well with?

Walters: We are doing many things right, but a short list comparatively. We are learning to collaborate; learning to write smarter zoning ordinances that support transit development. We are beginning to build bridges across communities. We can now take people to places and say: see, like this.

But the closer we get to smart growth results, the more opposition we encounter. Smart growth yes, but not here. Seems we had the best achievements in greenfields, more difficulty when it comes to infill. I know, after urban renewal, experts shouldn't be trusted. But we really do have the answer this time. We're finding that we don't yet have a shared value system.

Clodfelter: We're getting the core of the region right. This state has polynucleated urban areas. This forced some regional thinking early. In the Charlotte area we didn't have to do that; but we have now leapt past our colleagues on this, compared to Piedmont Triad or the Research Triangle.

This region is in a competition with the state(s) for governance. The state is our regional government, dating back to the depression days. State took over many functions, centralizing them. So the question now is who wins the competition on the next round of restructuring in how we deliver services? We will either do this regionally or it will become a new round of centralization by the state.

Renstrom: We are optimists, boosters, glass half-full people. So we invest in ourselves. We bring in expertise. We listen and react. What we're not doing...well, we believe our boosterism a bit too much. Headed for non-attainment on air and big problems on water quality and quantity. The hope on the horizon: we've brought in the EPA to give us incentives to get at this.

Jackson: We are at least talking to one another. We know that what affects NC also affects us in SC. But, we have so many groups addressing the same issues, which is good, but no umbrella exists; the same people are leading the same people over and over again.

Helms: I spent my life here. We've learned that a county line or a state line is something somebody put on a map. We've finally started to get to know each other. As we get exercised over water now, we see it's all about vision, one we can share, all over the region. It takes crisis to see this. We're all in it together; the wind blows from the south. The rivers flow downstream. We're affected by what the rest of us do.

Q: What's the best way to overcome skepticism about regional governance?

Clodfelter: Regional governance is coming; it's on its way. Because we can't afford today's arrangements in Raleigh. Much of the talk this morning has been about the physical side of the question; at the state level, we are more focused on the soft side. We did a mental health reform and found we were looking at service areas, not counties. We're already saying we'll set a limit on the number of schools districts the state will provide administrative support for. What's likely is that for us to get to the change situation, we'll have to take the Atlanta path: non-attainment.

The choice is not whether to surrender authority, but to whom to surrender it. The local and regional governments can decide to share it, or the federal and state governments are going to take it.

Walters: Because I'm not originally from here (English), I have consistently failed my Southern entrance exam. In England, after WWII, land development was nationalized (1947 act) and in a way where nobody made money on it. Even when the conservatives changed it, the principle remained intact: the authority is with the community not with individuals. This does not play well, this idea, around here. In England, the locals are forced to be collaborative. In the U.S., local government is set up to be competitive. So this makes me believe in the crisis theory, as the only way to get there. The irony: the experts have some good ideas, don't we, but we don't have much of the enabling legislation and we don't have buy-in for implementation. The real tasks for experts is not so much to build the vision, but to build the implementation. The architecture and planning professions have been very guilty of doing the wrong things for most of the last of the 20th century. But it's OK. We've got it right now.

Q: what process for changing local and regional structures?

Clodfelter: Unlike California, we don't have a lot of special districts. Most conventional wisdom is false – you don't need state permission to do most of what you should do. There is a statute on the books that is sweeping in authorizing local authorities to do anything they can do locally with any number of other willing jurisdictions. There is a county-city consolidation act on the books which goes largely unused. Maybe you're holding yourselves back.

Q: We've heard about civic initiatives. Is there a regional council of governments and if so, is it effective?

Renstrom: we have five COGs in our region. Two of them have come together recently with a \$100,000 pilot project – mayors and county commissioners are developing a plan they can agree on for transportation and air quality. They've completed the first phase, with a \$270,000 grant to assist the

Charlotte region. Leadership of COGs has changed in the past few years. The new group is doing a good job of bringing governments together.

Q: Are there too many organizations and overlapping ones working on this?

Renstrom: Polly already pointed out the need for some umbrella. But the real problem is that business, civic, and government are not yet coming together as much as they should. But they will – likely around some crisis such as non-attainment.

Clodfelter: Sure there is competition among these groups. But it is far less than places like Raleigh-Durham or Greensboro-High Point.

Walters: I was a consultant to a group in Raleigh region. Somewhere in this mess there is a COG. We were to do a 60 miles square plan. Only way to get any consensus was to do the plan in a very detailed manner – showing the transit oriented development in detail – with drawing, 3-D computer modeling. Once we got there, we found people were more willing to engage in collaborative work because they could see what we were talking about it with the information bridge, the simulations. People don't trust diagrammatic plans.

Q: What is one thing you would like to see happen next?

Renstrom: The Lee Institute plans to bring the America Speaks process here and have a back-to-democracy event here on some issue such as regional land use planning.

Walters: I'd actually reclaim Charlotte-Mecklenburg for the crown. Seriously, I'd like to take the process and show them on the ground. I had this experience with the Mayor's Institute process. We showed them the actual stuff, how to distinguish good development from bad. One guy said "I'm going back to redesign our town."

Clodfelter: We should combine our MPOs and get an interstate compact for the Catawba River.

Jackson: We need more memoranda of understanding across state lines on our issues. People are more committed when they've signed something.