Plan-it sustainably
The challenge of community ecological-economic sustainable development
By Scott T. Edmondson, AICP, and Katja Irvin, AICP

A recent UC Berkeley Conference (Sustainable Economic Development Strategies in Lean Fiscal Times, Institute for Urban and Regional Development, Nov. 17, 2011, http://bit.ly/w7FyUQ) delivered an uplifting message and inspiring cases of public-sector innovation. However, the conference did not paint a completely rosy picture. With the Great Recession of 2008 as backdrop, the conference underscored highly constrained and extremely stressed local municipalities. Conference panelists noted that the recession would be deeper and longer because it arose from financial excess instead of a standard business cycle. As a result, the economic distortion arising from the housing bubble has substantially undermined public fiscal capacity more adversely than past downturns because local government finance had become increasingly dependent on local property taxes.

In addition, anti-government citizen groups have seized the current downturn as an opportunity to mount an ideological attack on local government and governance. The attack masquerades as prudent management addressing short-term fiscal shortfalls with the bitter medicine of public service cuts. However, the suggested remedies change the scope of governance using one of five methods: municipal dissolution, extreme privatization of public services and assets, state receiverships that compromise local democracy, initiatives to permanently limit local services, and down-sizing to essential services only (police & fire). This response goes beyond structuring a fiscal solution to reducing — even eviscerating — local government itself, thereby dramatically altering local democracy and reducing public sector capacity.

In contrast, the conference’s success stories told of local governance capacity for innovation and collaboration, sometimes in partnership or at the initiative of nonprofit organizations. This point gives us pause. Is shrinking governance the only answer to the long-standing problem of local government finance? Is it the only solution to cyclical economic downturns or imprudent national financial excesses? Instead of attacking and reducing the source of public sector innovative capacity, why not empower local governance so that it works only answer to the long-standing problem of local government finance? Is it the only solution to cyclical economic downturns or imprudent national financial excesses? Instead of attacking and reducing the source of public sector innovative capacity, why not empower local governance so that it works better? The conference’s inspiring success stories support this latter approach, as seen in the following examples (see also Conference Resources below).

State of Michigan: What does a governor do when off-shoring and laissez-faire economic policies decimate the local employment base? She gets smart and competitive. After a SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis, a strategic economic development plan based on local competitive advantage (principally advance manufacturing, outdoor recreation, and tourism), and eight years of aggressive state-led economic development competition, jobs grew at the fastest rate of any state in the nation in 2010 (http://bit.ly/xxyhHy). In addition, the strategy began creating a new economic base aligned with the state’s long-term competitive advantage.

Genesee County, Michigan: What does a county treasurer do when vacant, dilapidated properties litter the community, depress surrounding property values, and undermine community recovery? He invents an alternative to the traditional model of property liquidation on the courthouse steps at high noon with an old tool — land banking. He thereby retains local control and can use it for local wealth creation strategies. This model treats local property as the

(continued on next page)
community capital asset that it is, with high strategic value in the next phase of community development.

**Advanced manufacturing:** Can manufacturing be a winning “play” for local and “green” economic development in an advanced US economy? Yes, if it is focused on local competitive advantage, advanced (high-skill) manufacturing, and partnerships with local higher education and nonprofit service organizations. Such partnerships, bundled into community development strategies, leverage the synergy of the individual components for higher local benefit. In addition, focusing economic development on advanced manufacturing jobs may be the basis for reestablishing America’s middle class.

In summary, the projects and initiatives that the conference panelists presented illuminate public sector intelligence and innovative capacity, often a hidden and unrecognized community asset. The conference suggests that public sector leadership and governance could make the difference needed for sustainable community economic development. Given the challenges of climate change and global ecosystem stress, doing so will require going beyond traditional economics. Our economy has evolved into a global industrial-environmental bubble economy. Humanity’s ecological footprint of 1.5 earths of ecosystem resources and services consumption (projected to be 2 earths by 2030) illustrates this. Shifting to an ecologically sustainable economy will create enduring economic prosperity and community well-being. Communities can achieve this by extending the innovative initiatives presented at the conference and devising highly competitive community ecological-economic development strategies (also known as strategic sustainability) that reduce and eventually eliminate environmental impacts. This is the challenge ahead, and one that the conference shows the public sector has the innovative capacity to accomplish.

**Conference resources for Sustainable Community Economic Development:**


---

**Who’s where**

**Ignacio (Nash) Gonzalez, AICP,** formerly Planning and Building Services Director for Mendocino County, is the new Director of Planning and Development for Santa Clara County. Prior to heading planning and building for Mendocino County, he held senior positions with Pacific Municipal Consultants and worked with a number of communities throughout California. Gonzalez had also worked for Mendocino County as a planner from 1986 to 1999. He holds a Bachelor of Arts in Planning from Sonoma State University.

**Alexandra (Al) Kostalas** is a senior associate in the Energy group at Environmental Science Associates (ESA), specializing in federal and state environmental compliance for energy-related projects. Al had been an environmental planner at Entrix (2007–2009), but took time to get an MA in Urban Planning from UCLA, which she completed in 2011. Kostalas also holds a BA in Peace and Conflict Studies from UC Berkeley. While at Berkeley, she served on the Northern Section board as University Liaison from December 2007. She is “so glad to be back in the Bay Area,” and looks forward to renewing friendships here.

**Matt Taecker, AICP,** has joined Dyett & Bhatia, Urban and Regional Planners, San Francisco. Taecker was principal planner for the downtown area of Berkeley from 2005–2011, and a principal at Calthorpe Associates, 1990–2001. He holds a BA from The University of Chicago (urban policy and economics) and master degrees in architecture and in city planning from UC Berkeley. Taecker is a member of the California Planning Roundtable and has taught urban design at USC, UC Davis, and UC Berkeley.

---

"You can’t collect fares off I-5.\n
You can collect fares off high-speed rail.\n
—Rachel Wall, California High-Speed rail Authority."