

ESCAPING THE HOUSING TRAP



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on this topic

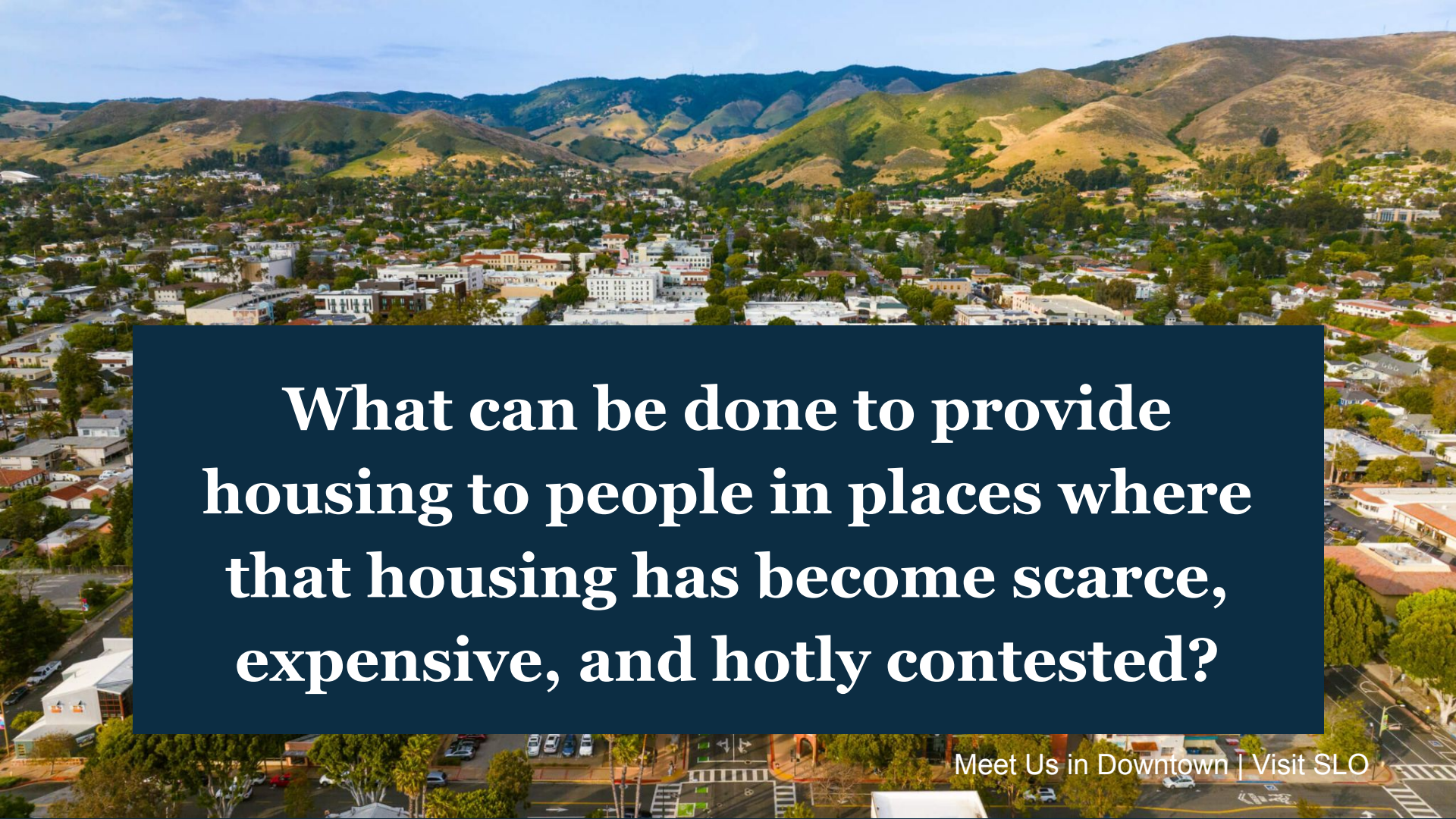
**STRONG
TOWNS**

An aerial night view of a city, showing a dense grid of lights and a major highway with light trails. The city extends far into the distance, creating a vast sea of lights.

“The prevailing pattern of development is making North American cities and towns weak and fragile.

We seek to change that.”

**STRONG
TOWNS**

An aerial photograph of a city, likely San Luis Obispo, California, showing a dense urban area with various buildings and streets, surrounded by rolling hills with patches of green and brown vegetation under a clear blue sky. A dark blue rectangular box is overlaid on the center of the image, containing white text.

What can be done to provide housing to people in places where that housing has become scarce, expensive, and hotly contested?

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NATIONAL BESTSELLER

CHARLES L.
MAROHN, JR.

DANIEL
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ESCAPING THE HOUSING TRAP

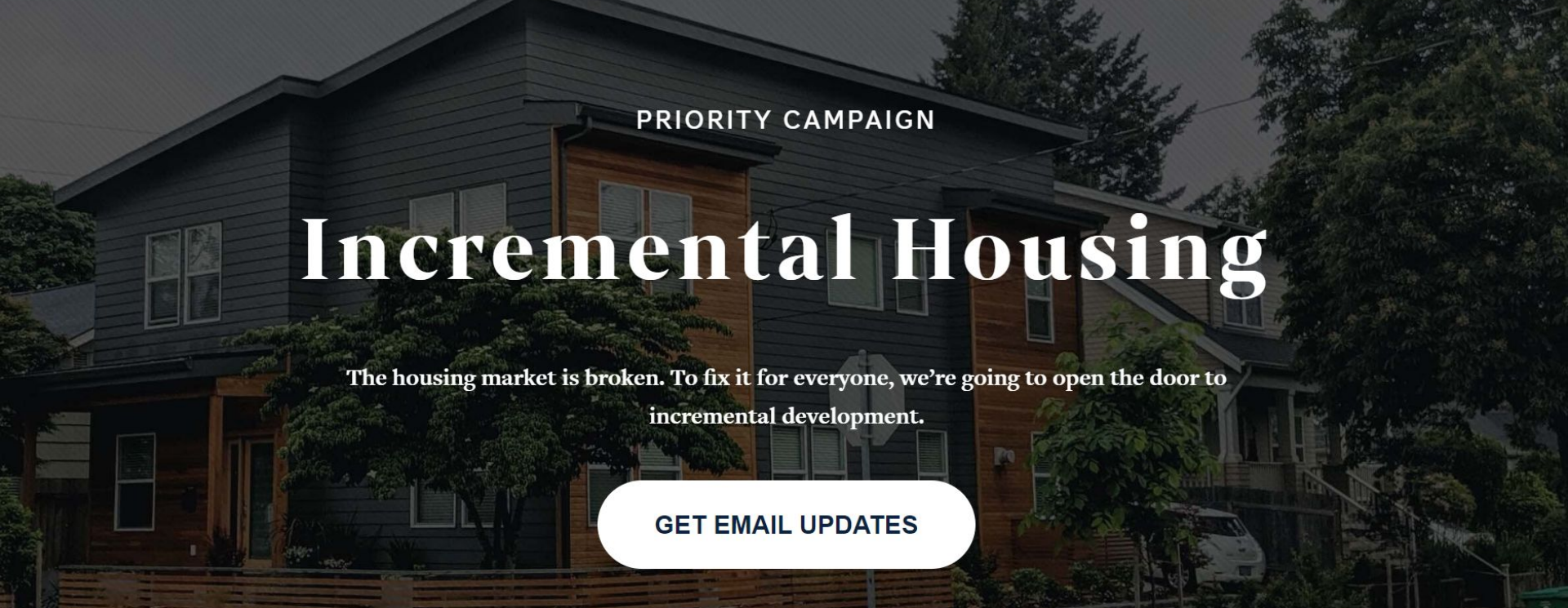
THE

STRONG TOWNS

RESPONSE TO THE
HOUSING CRISIS



WILEY



PRIORITY CAMPAIGN

Incremental Housing

The housing market is broken. To fix it for everyone, we're going to open the door to incremental development.

GET EMAIL UPDATES

The next increment of development should be allowed, by right, in every neighborhood in America.

CORE MESSAGE

Our current path, meant as a means of securing prosperity for all, has unwittingly trapped us in a system that is incapable of building lasting prosperity

An aerial photograph of a city, likely Los Angeles, showing a dense residential area with many houses and trees. The city is set against a backdrop of hills. A dark blue rectangular box is overlaid on the top half of the image, containing white text. The text is centered and reads: "CORE CONVICTION" in all caps, followed by "Local and iterative actions are the best approach to gradually create and sustain local prosperity" in a mix of bold and underlined text.

CORE CONVICTION

Local and iterative actions are the best approach to gradually create and sustain local prosperity



CORE PRINCIPLE

**No neighborhood should be
subject to radical change**

**No neighborhood should be
exempt from change**

PREDICAMENT

While we mobilize, we will seemingly be part of a worsening problem and the housing relief won't immediately materialize

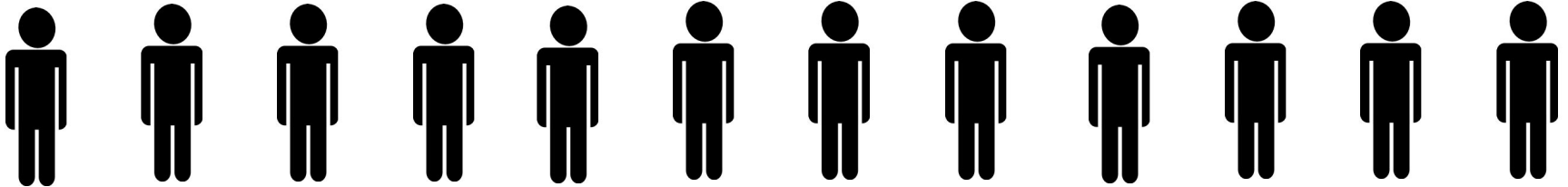
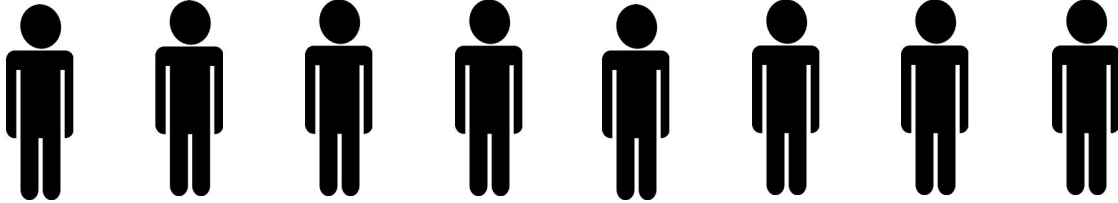
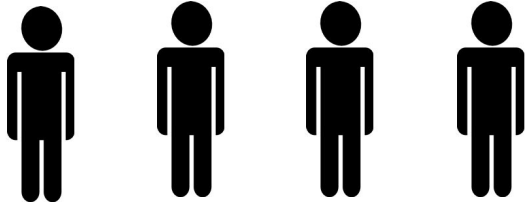



A night sky with a bright star and a comet-like streak. The star is located on the right side of the image, and the streak is a long, curved line of light that starts from the top left and ends near the star. The background is a dark blue sky with many small stars. In the bottom left corner, there are dark silhouettes of trees.

NORTH STAR

**The traditional development
pattern offers a reliable path to
freedom
from the housing trap**

Agriculture Trap





Policy, subsidies, and a flurry of construction resulted in a dramatically simplified method of building out cities (the Suburban Experiment)

**WE TRADED COMPLEXITY AND
ADAPTABILITY FOR GROWTH AND
PREDICTABILITY**



Complex



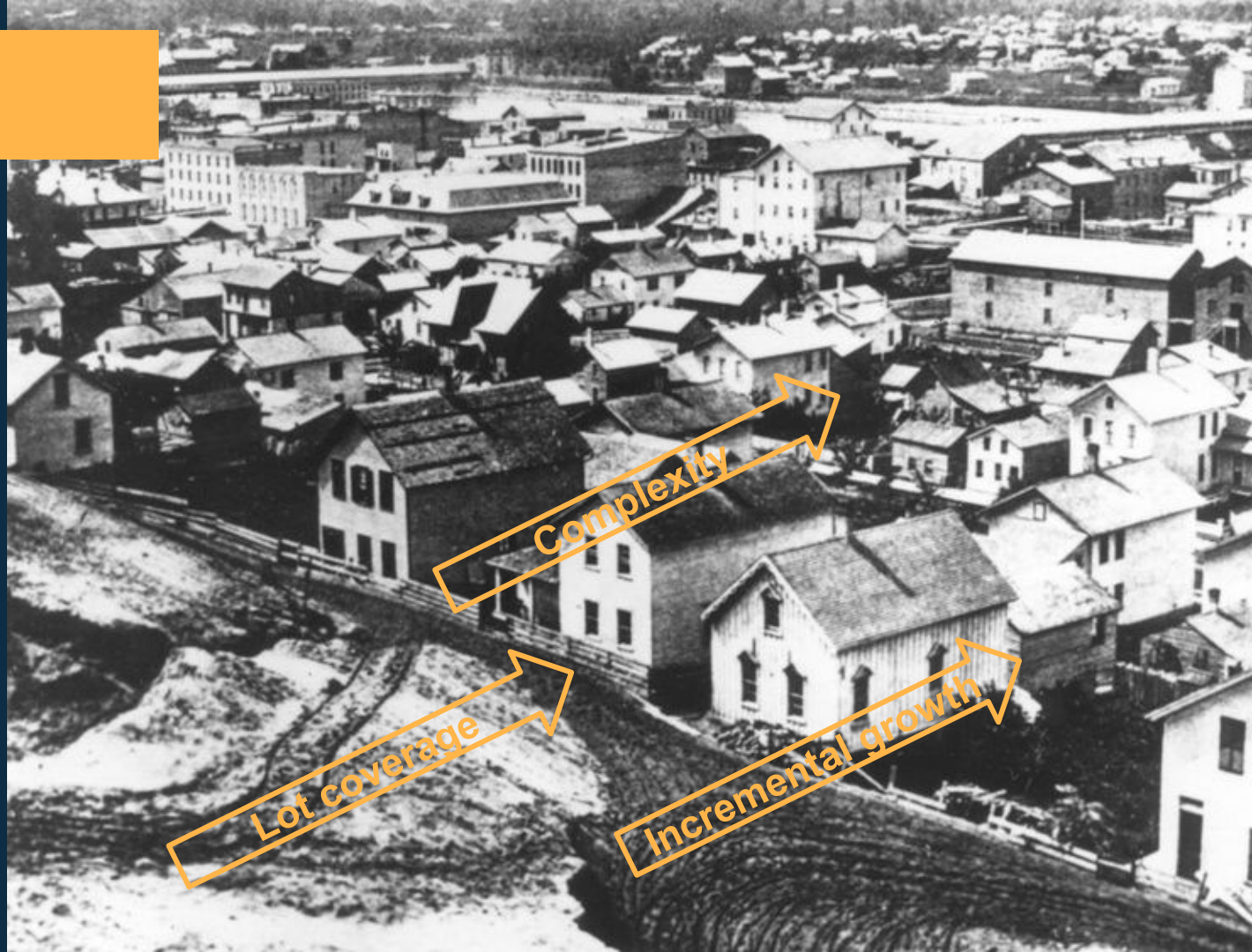
Complicated

Urbanization

1870s

Notice the mix
of sizes & uses

1. Complexity
2. Lot coverage
3. Incremental growth & adaptation



1885

Notice the mix
of sizes & uses

1. Complexity
2. Lot coverage
3. Incremental
growth &
adaptation





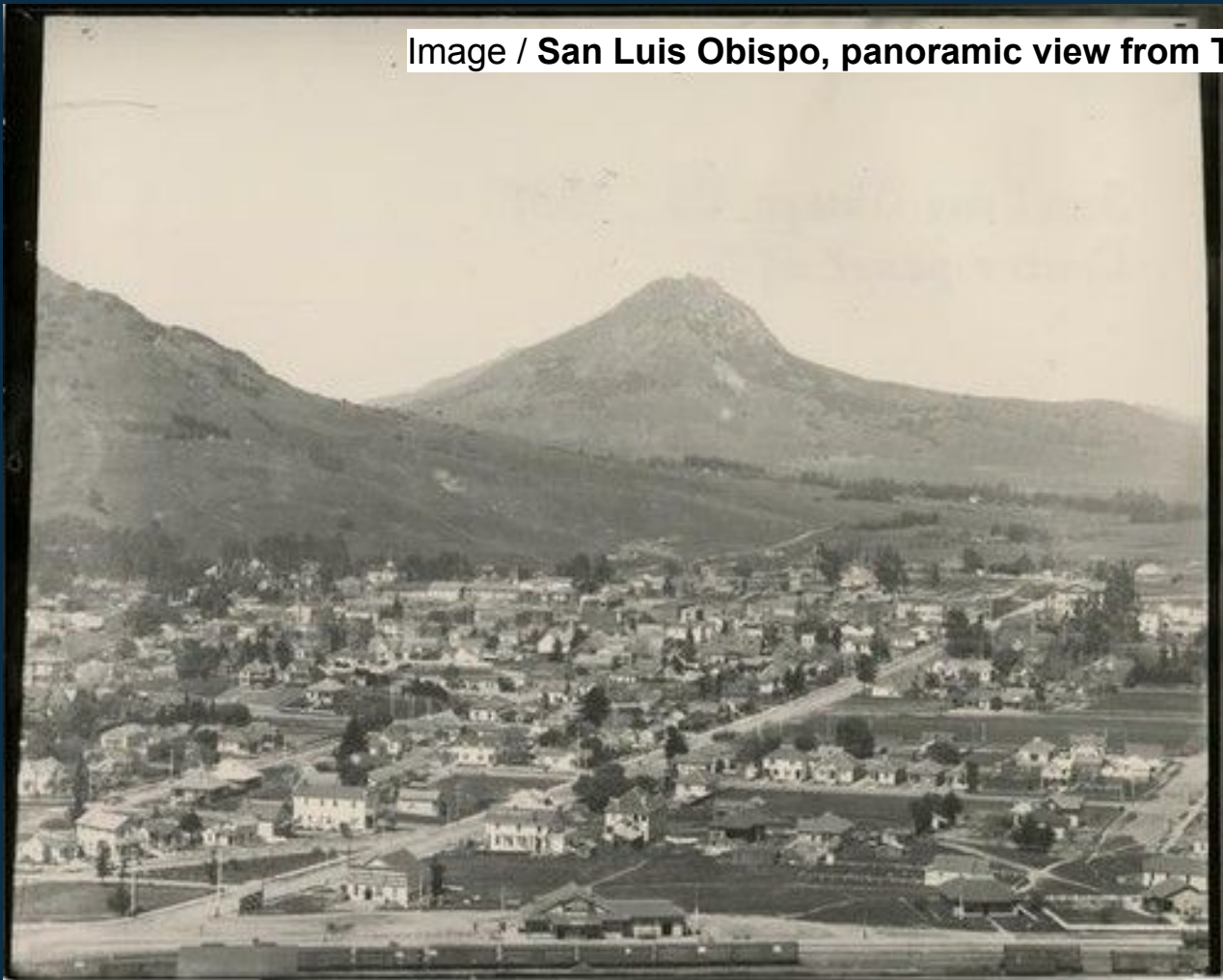
D.D. SNYDER CO.

HILL'S BA

History Center of SLO | Downtown
San Luis Obispo, CA


Swiss Celebration - Sept. 23, 1917 San Luis Obispo Cal

Image / **San Luis Obispo, panoramic view from Terrace Hill, 1907**



1929-1939





THIS · 135 ACRE /

— **FARM** —

Will Be Sold at

PUBLIC AUCTION

ON PREMISES JULY 30 1 P.M.

DR. M. C. MOSES, OWNER,

New Carlisle Ohio

1933



“We have taken another important step toward the ending of deflation which was rapidly depriving many millions of farm and home owners from the title and equity to their property.”

- Franklin D. Roosevelt

Home Owners Loan Act of 1933

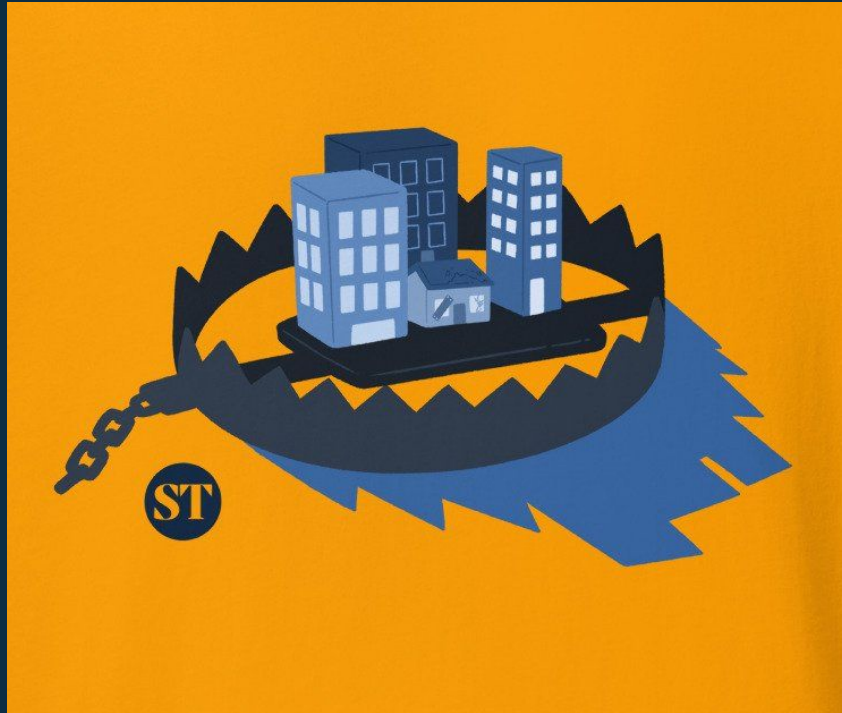
WORLD WAR II



“Were the war to end suddenly....there would be ushered in the greatest period of unemployment and industrial dislocation which any economy has ever faced.”

Paul Samuelson (1943)

Make it easier for more people to borrow more money to pay more for housing.



Lending term increased

Land opened up with assurances of services and deterrence of alternatives

Highway spending unlinked from local budgets

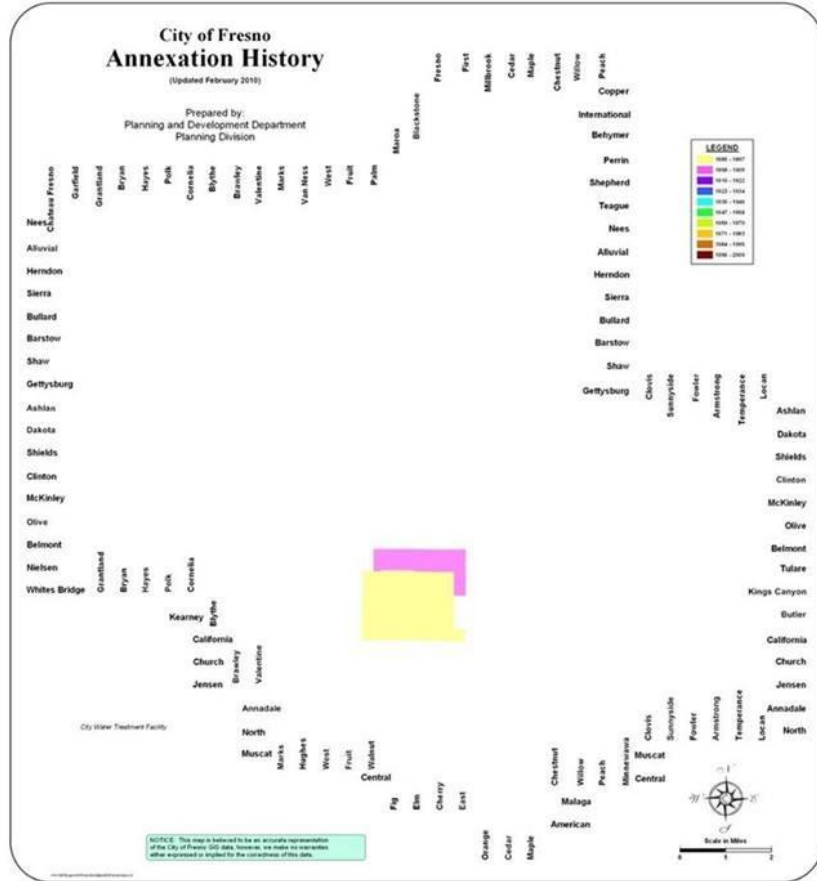
LEVITTON, NY

1947-1951

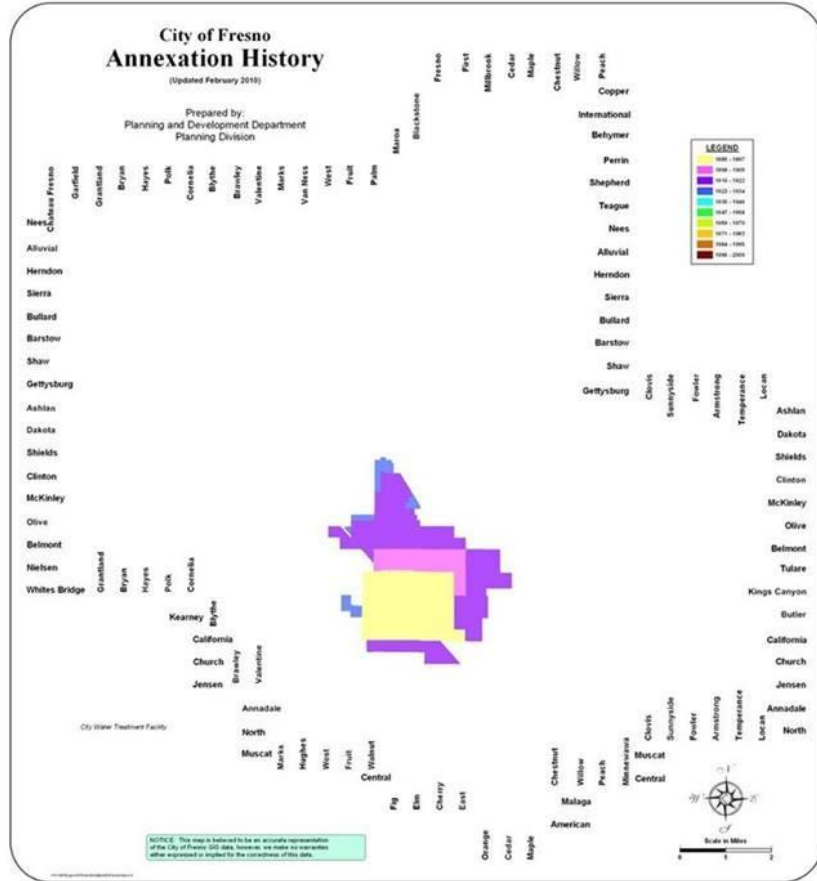
**AN EXCEPTIONAL
GROWTH MACHINE**



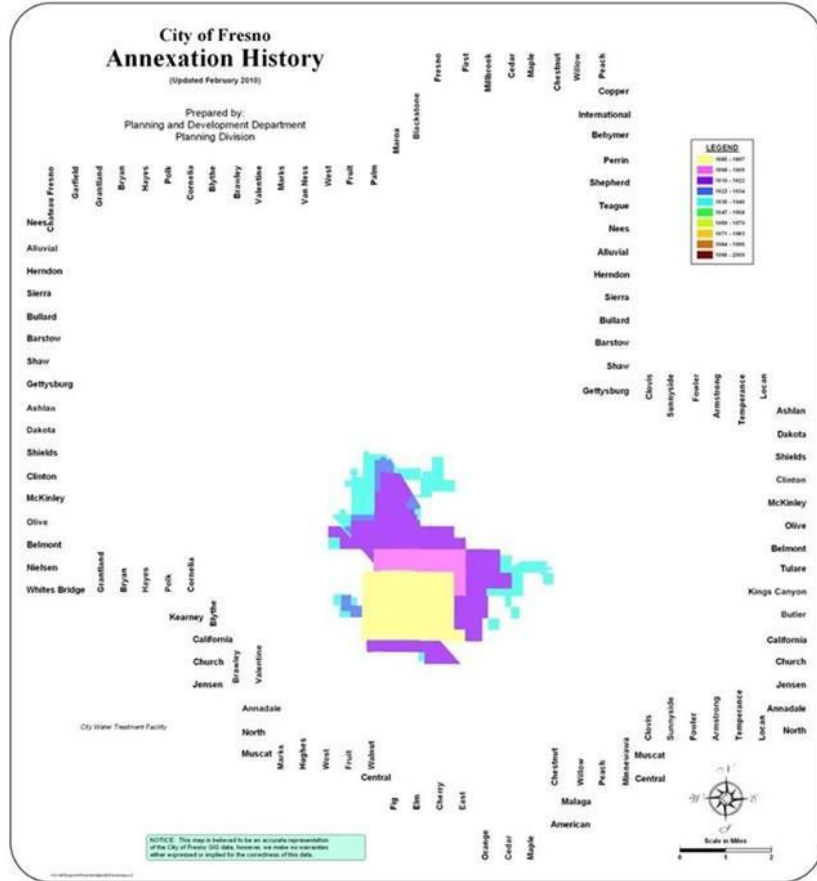
1909



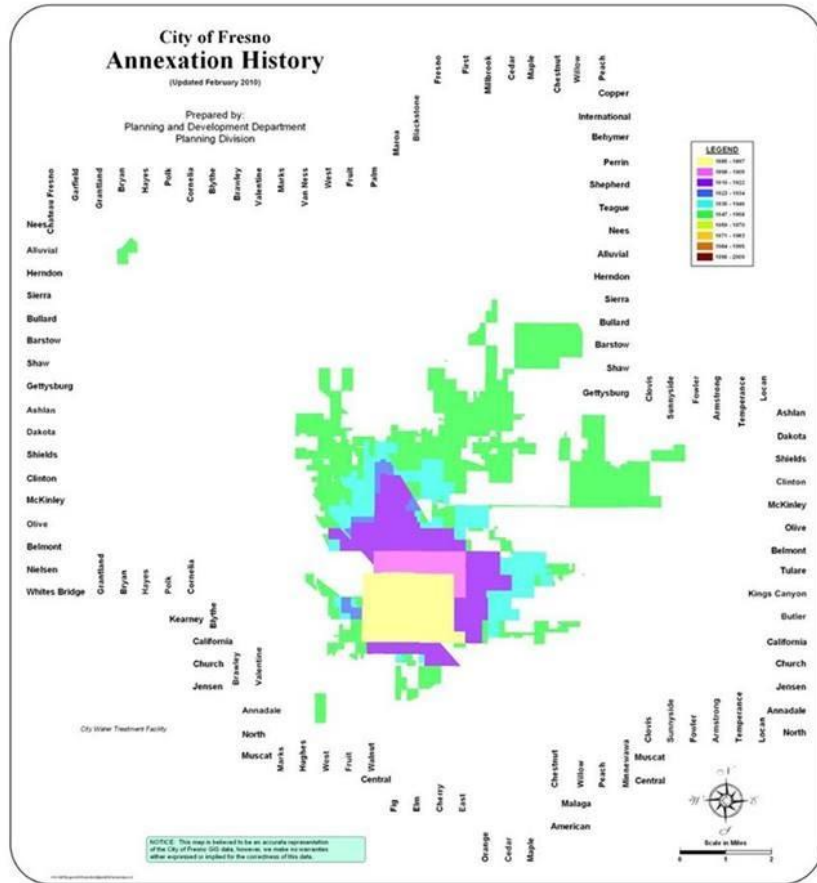
1934



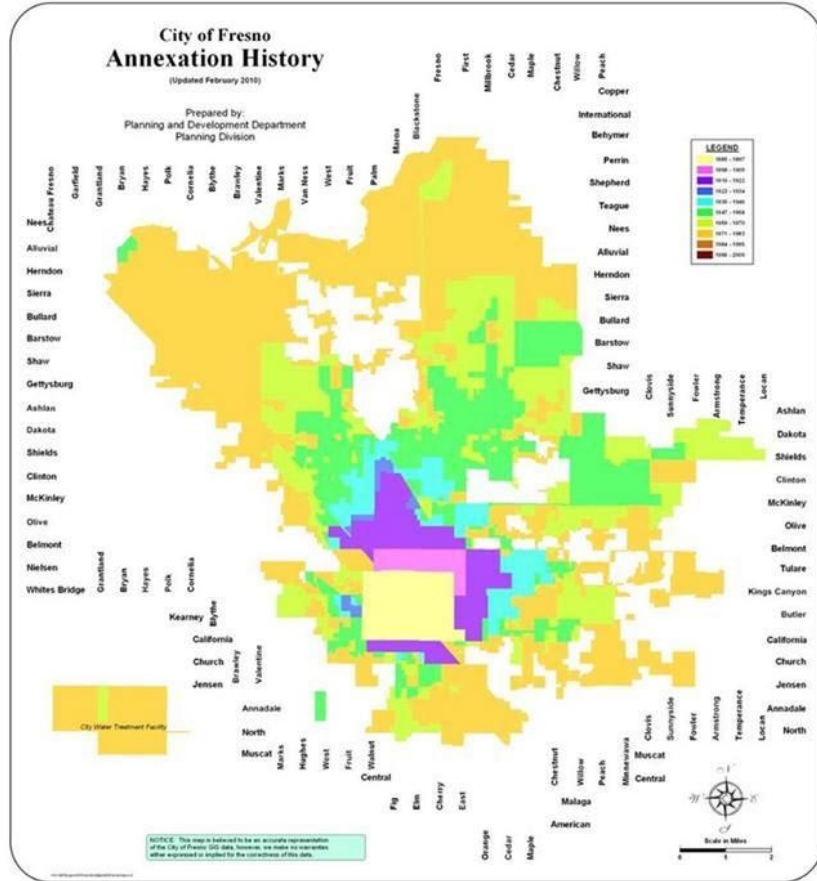
1946



1958



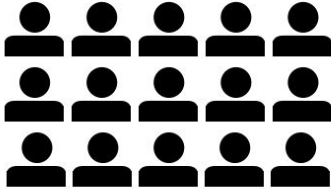





1983




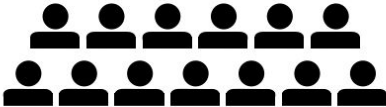



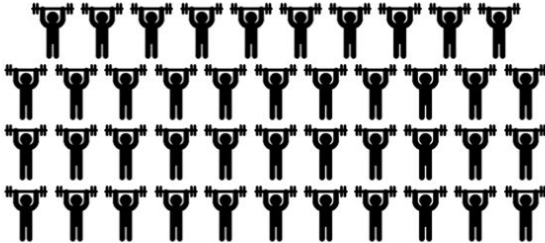


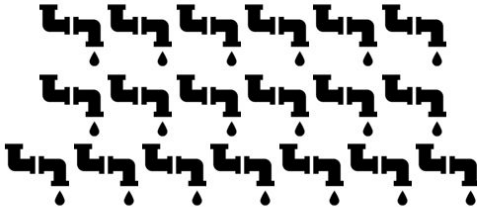
Sewer System Change Over Time

Kansas City, KS

| | 1910 | 2010 | Change |
|--|---|--|--------|
| Population  | 82,331  | 145,786  | 1.8x |
| Feet of Sewer Per Person  | 1.1  | 30.1  | 27x |

Sewer System Change Over Time

South Bend, IN

| | 1960 | 2020 | % Change |
|---|--|--|---------------|
| Population  | 132,445  | 103,453  | -22% |
| Lift Stations  | 3  | 43  | 1,333% |
| Miles of Force Main  | 0.3  | 19  | 6,452% |



Cash Reserves ↓ → **Bonds** ↓ →

Insolvency

“We have lost sight of what it takes to build lasting prosperity”

America's Growth Ponzi Scheme

Charles Marohn · May 18, 2020

The North American pattern of development is an [unprecedented experiment](#). For thousands of years, humans around the world built their habitat in similar ways, at similar scales, in patterns still familiar. In the wake of the Great Depression and World War II, settlement patterns across the North American continent were completely reimagined. From the top-down, we transformed everything about how we live, discarding [centuries of accumulated wisdom](#) in the metaphorical blink of an eye.

It's difficult for us to think about the modern American city as a massive experiment because, for most of us, this collection of frontage roads, big box stores, strip malls, cul-de-sacs, franchise restaurants, and single-family homes are all we've ever experienced. Yet, take an ancient Roman and drop them into an American city of 1920 and they'd likely be impressed with the grand, yet familiar, setting. Set them loose in a typical American city of 2020 and they'd be completely disoriented.



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on this topic

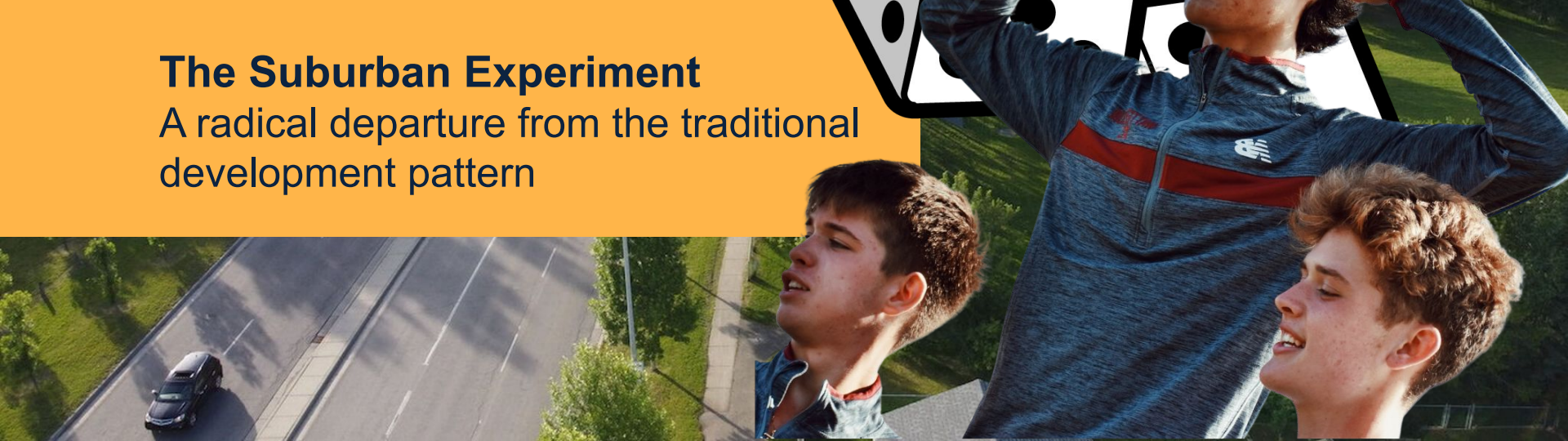


Perpetual adolescence



The Suburban Experiment

A radical departure from the traditional development pattern



A photograph of a suburban street. On the left, a portion of a house with light-colored siding and a chimney is visible. In the center, a utility pole stands with several bare trees. On the right, a two-story house with a dark roof and several windows is visible. A paved road with a white line runs across the foreground. The sky is overcast.

The Suburban Experiment

Entire neighbourhoods built all at once
to a finished state



Traditional Development Pattern
Assemblies of (increasingly)
independent neighbourhoods

FIRE
DEPARTMENT
CONNECTION





Traditional Development Pattern
Incremental responses to local
pressure capitalizing on proximity



The Traditional Development Pattern

Concentration of activity and
prosperity-building opportunities

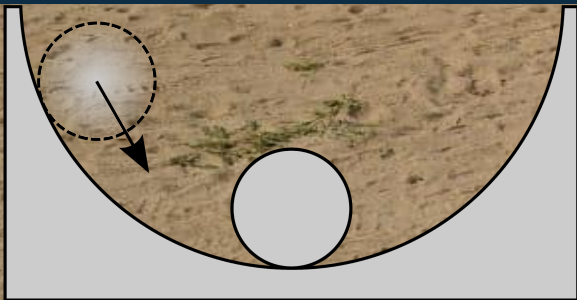


The Traditional Development Pattern
Ongoing adaptation to local pressure –
accepting incremental change and ensuring
greater financial opportunity through proximity

Downtown San Luis Obispo | Visit
Downtown SLO | Visit SLO

Complex systems have means of correction that bring you up and down through the equilibrium zone with quite a bit of frequency

The suburban experiment is marked by resistance to change, exclusion by class, and mandatory car ownership

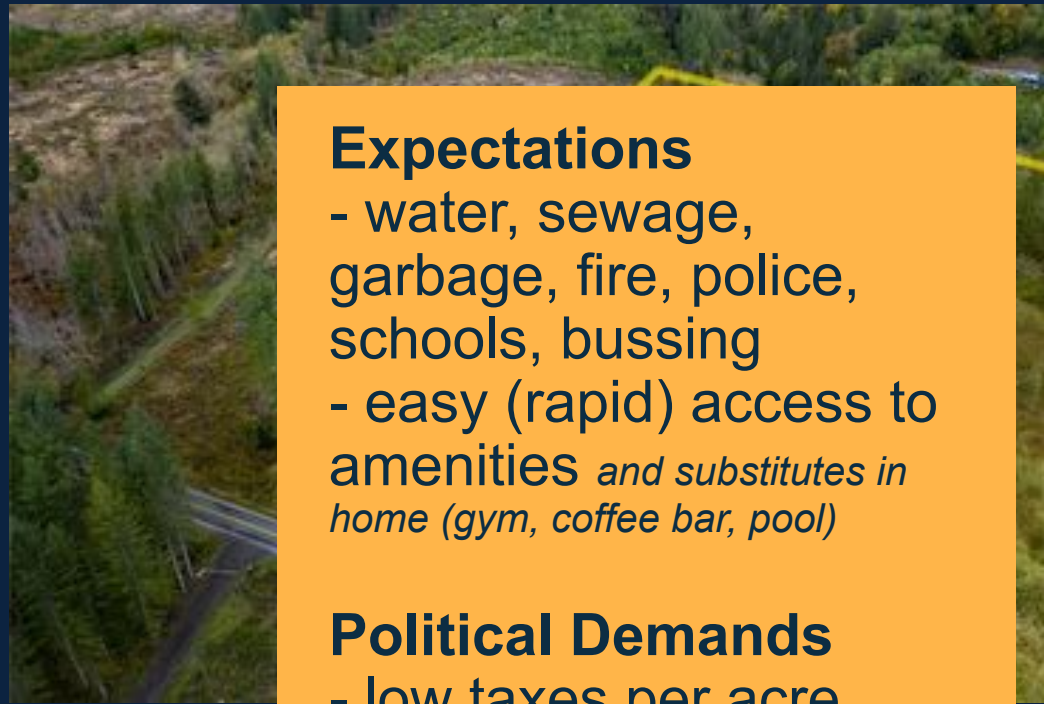
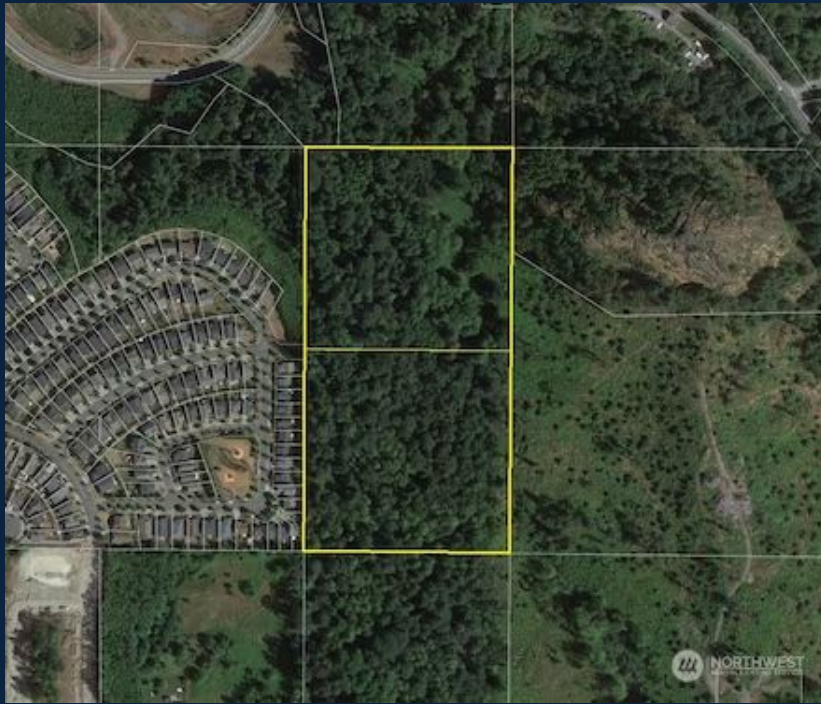




Strangling Exclusion & Rolling Blight

Our neighbourhoods are changing: will they become more exclusive and expensive or inclusive and diverse?


JW MARRIOTT LAS VEGAS
RESORT-SPA & GOLF



Expectations

- water, sewage, garbage, fire, police, schools, bussing
- easy (rapid) access to amenities *and substitutes in home (gym, coffee bar, pool)*

Political Demands

- low taxes per acre
- “equal” services

We have traded a robust incremental approach for a complicated and fragile pattern of suburban-style development

1329 State St

(0.1 acres)

\$25.3 million/acre

(\$2,533,374)



Annual Property Tax:

\$287k/acre

(\$28,732.80)



← 20 W Figueroa St

20 W Figueroa St
(0.12 acres)

\$22.6 million/acre
(\$2,709,131)



Annual Property Tax:
\$258k/acre
(\$31,020.52)



1311 State St
(0.05 acres)

\$43.5 million/acre
(\$2,174,314)



Annual Property Tax:
\$484k/acre
(\$24,218.94)

