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Cities: Who Decides?

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Overview

This report is about city governance. Its focus is on *who* makes decisions about our cities and *how* they are made. While governments are central to decision making, they are not the only actors. Residents, businesses, NGOs – among others – all contribute in formal and informal ways to the decisions that shape our cities. The sum of these decision making arrangements are the subject of this report.

As our cities face up to the challenges of managing growth, these decisions are becoming harder, often fraught. In this context, it is useful to ask what kinds of decision making arrangements are associated with sustained success in cities. This report investigates city-level decision making in eight cities that have significantly improved in serving a broad range of their residents' needs. It asks what governance arrangements accompanied their improvement.

Every city has a different story to tell – and our sample of successful cities revealed a variety of experiences. But among these differences, a number of common themes emerged. First, high and sustained levels of public engagement in decision-making were found in many of the cities, particularly where improvement required tough choices. Second, cities that achieved meaningful, long-term success typically demonstrated a consistent strategic direction across political cycles. Similarly, many successful cities benefited from cross-sector collaboration between government, the business community, and civic organisations. In many cases, a level of regional co-operation was in place, with efforts integrated both within and across levels of government. Finally, there was usually a trigger for improvement, which catalysed the political will required for real, sustained improvement.

Of equal significance was what we failed to find. In particular, the research suggested that success did not depend on any particular type of government structure. Nor was there an ideal 'model of development'.

What does this mean for Australian cities? Our findings have a series of implications, from the significant role that genuinely cross-sectoral organisations can play, to the importance of collaboration between different levels of government. However, two implications in particular leap out:

- Residents must be involved in decisions. Those cities that made tough choices and saw them through had early, genuine, sophisticated, and deep public engagement. This level of engagement is an order of magnitude different from what happens in Australia today.

- Changing structures does not in itself result in success. No one particular type of governance structure was associated with broad-based improvement. Changing structures has the danger of being a distraction.

1. What is governance, and why worry about it?

1.1 What do we mean by 'governance'?

This report is about urban governance. But its title, '*Cities: Who Decides?*', deliberately avoids using those words, which are often perceived as referring only to government. While it is true that governments at various levels are central actors in decision making, many others beyond government are also involved, both formally and informally. This is particularly true of cities, because of their complexity. The evolution of a city results largely from countless decisions by many, many residents.

This report understands governance as being about *who decides, and how*. It is about whether we have the capacity as a society to make hard decisions and to deal with the difficult trade-offs such decisions involve.[1]

In cities, this involves asking who is involved in making the decisions about the future, and how those decisions are taken.

'What is the city but the people?'

Shakespeare

1.2 City governance is important

Cities matter. Australia is an urban country – cities are where the majority of Australians live their lives. Grattan's report, *The Cities We Need*[2], argues that how our cities operate, and whether they meet our needs, is vitally important to the nation as a whole. As the Australian population grows, the role of cities will become even more central. Between now and 2050, roughly three quarters of Australia's projected population growth is expected to occur in state capitals.

The Cities We Need also argued that our cities face a series of challenges, brought about by population and social change, economic and environmental change, and resource constraints. These challenges will entail difficult decisions. Our capacity to make these decisions will affect how well our cities can meet our needs in the future.

City governance is also hard, and discussions about it can be fraught. On reflection, this should be unsurprising; the issues involved affect city residents – and many beyond – every day of our lives. Anyone who has to work in a city, bring up children there, commute, own a home and/or a car, has a strong interest in the decisions which may change their experience of all these things and more. As one of our overseas city experts commented: *"planning is the most political thing a society does"*. (He also recounted that he was once advised by a local law enforcement

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[1] See, for example Kearns and Paddison 2000; Tomaney 2010

[2] *The Cities We Need* is available at www.grattan.edu.au

officer to wear a bullet-proof vest to an upcoming community consultation meeting.)

1.3 What are we governing for?

Different goals can be addressed by different types of governance arrangements. For example, the Royal Commission into the Governance of Auckland was keen to ensure the city had the capacity to "compete in a global market", and so the streamlining of governance arrangements became a priority[3].

The Cities We Need argued that successful cities have to get a range of things right, for all their residents.[4] Therefore, this report examines the decision making arrangements which were associated with success in cities that, implicitly or explicitly, set out to achieve a heterogeneous set of goals – from affordable and diverse housing to effective infrastructure, public safety and a sense of belonging, among others.

Partly because governance arrangements depend on the nature of the problem requiring solution, there is no one right or 'ideal' model for governance, and no one set of governance structures or arrangements which have proved to be more effective than others. One person's efficient local government arrangement, with a minimum of local authorities, might constitute another's lack of local democratic voice.

There is, however, some agreement on the broad features of good governance. For example, the OECD suggests a set of principles for adequate metropolitan governance, including those in Box 1.

Box 1 – Selected OECD principles for metropolitan governance

- **Cities for Citizens** – governance should meet the needs and aspirations of people who live in them

- **Coherence** – 'who does what' should be clear to the electorate

- **Coordination** – local authorities and regional agencies should work together, particularly on strategy planning

- **Effective financial management** – the costs of measures should reflect the benefits received

- **Flexibility** – institutions should be able to adapt as necessary to changing economic, social, and technological change

- **Participation** – community representation should be open to a diverse range of groups

- **Social cohesion** – institutions should promote non-segregated areas, public safety, and opportunity

- **Subsidiarity** – services should be delivered by the most local level that has sufficient scale to reasonably do so

- **Sustainability** – economic, social, and environmental objectives should be integrated and reconciled[5]

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[3] Royal Commission on Auckland Governance 2009
[4] The range of needs that should be met by cities are discussed *The Cities We Need,* available at www.grattan.edu.au
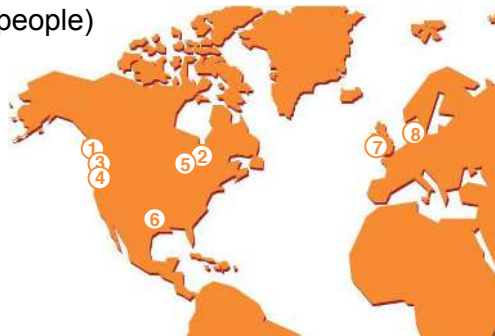
[5] OECD 2000; OECD 2001

1.4 How the research was carried out

In identifying overseas cities for closer examination, city-level data was analysed to ensure that candidate cities had improved significantly across a broad range of criteria.[6] It is also the case that useful insights about governance arrangements can be better gleaned from cities which are 'reasonably comparable' to Australian cities. So, for example, there are no Asian cities in our sample, as they generally differ from Australian cities on several important criteria including density, and also have markedly different political systems.

Therefore, overseas cities were selected not only on the basis of proven success, but also because they had similar characteristics to Australian cities, such as demographics, population growth rates, and political frameworks.

The following cities were selected:

1. Vancouver (2.1 million people)
2. Toronto (5.1m)
3. Seattle (3.3m)
4. Portland (2.1m)
5. Chicago (9.4m)
6. Austin (1.5m)
7. Dublin (1.9m)
8. Copenhagen (1.8m).[7]

At least three experts were interviewed from each city. They came from a range of backgrounds, and included former mayors, heads of business groups, CEOs, academics, leaders from civil society, and planners. Quantitative data about performance over time was then analysed for each city, from sources including: the US Census Bureau, the OECD, the World Bank, and city – and country-specific publications. The interviews and quantitative analysis were supplemented by a review of secondary sources (see References). The resulting city case studies were reviewed by each interviewee and, in most cases, by additional experts.

1.5 What this report doesn't do

This report is about decision making in cities. Decision making and the implementation of those decisions involves not only many actors and instruments, including advocacy and lobbying groups, planning authorities, and the courts – just to name a few. The report doesn't focus on any one of these specific aspects. It is not, for example, about planning *per se*.

It is also important to note that this report doesn't argue that governance is what *made* our sample of overseas cities successful. Indeed, we did not set out to examine *why* these cities became successful (that would require a different methodology and, probably, significantly more time), but rather to investigate which decision making arrangements were associated with success.

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[6] Unfortunately, quantitative data were not available to test how successful the cities were at meeting the full range of needs discussed in *The Cities We Need*. This was particularly the case for psychological needs.
[7] Population figures are for 2006.

The report also doesn't consider counter-examples of unsuccessful cities. Remembering Tolstoy's observation that *"All happy families resemble one another, each unhappy family is unhappy in its own way"*, we realised that the idiosyncrasy of each unsuccessful city would make it difficult to isolate whether governance arrangements were, or were not, part of the problem. This could be addressed by having a large sample, which time and resources did not allow.

1.6 Report structure

Chapter 2 of this report presents eight overseas case studies, with a focus on what happened in each city, and how. Findings relating to decision making and governance are discussed in Chapter 3, and the implications of these findings for Australian cities are explored in Chapter 4.

2. Case studies of overseas cities

2.1 Vancouver

Over the last thirty years, the Vancouver region has undergone major transformation and growth. The city's population has grown rapidly, from 1.6 million in 1991 to 2.1 million in 2006. Its economy has transitioned from one that was closely linked to resources, to a service-based 'new economy' that includes scientific, media, and higher education industries. Unemployment has also declined since the early 90s, to around 5.6% in 2009.[8]

The City of Vancouver's built form has also changed over the decades, with the proportion of medium and high-density dwellings increasing, and a drop in the proportion of detached houses. Vancouver's density increased particularly during the 1990s when it directed around 80% of its growth to already urbanised areas.[9] Outside the City of Vancouver, high-density development has focused on Regional Town Centres along transit corridors. As density has increased, car use has declined, particularly downtown, and average commute times have dropped from 35 minutes in the early 90s to 33.5 minutes in 2005.[10]

Today, the main difficulty facing the region is *"affordability… almost the flipside to the coin of success"*. Vancouver now has Canada's most expensive housing market,[11] along with increasing homelessness.

Figure 1 - Vancouver's Formal Governance

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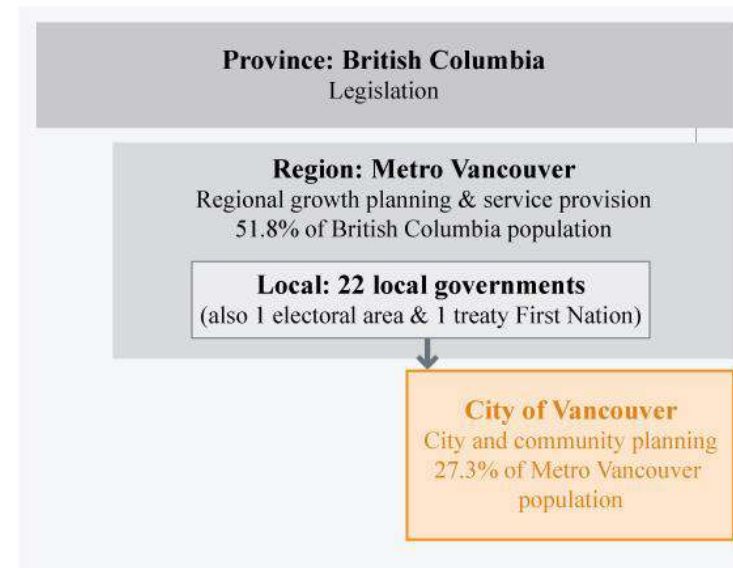
[8] Statistics Canada 2010a; Statistics Canada 2010c
[9] The Neptis Foundation 2010
[10] City of Vancouver Community Services 2002; Turcotte 2005; City of Vancouver Community Services 2007; Statistics Canada 2010c

[11] Demographia 2010; Barnes, Hutton et al. forthcoming

An enduring vision has evolved with wide public input

"The vision that was established in the late 40s has stayed consistent". Consolidation, transport choice, green areas and other elements are Vancouver's *"principles",* and endure regardless of who is in government. During the 90s the vision was articulated as *"a compact region, complete communities, transportation choice, and then all of the surroundings integrated into a green zone"*.

Public engagement has been critical to developing a well-supported vision and plan for the City and the region, and Vancouver's extensive public and stakeholder engagement in urban development has been recognised around the world. Rigorous public consultation started decades ago, when planner Harry Lash asked people *"what they wanted"* for the region and undertook to *"get back to people with answers"*.[12] More recently, the City of Vancouver's development of *CityPlan* in the mid-90s directly involved over 20,000 members of the public, with an extra 80,000 individuals feeling they had contributed in some way by the end of the process. These figures accounted for around 4 and 20% of the City population, respectively.[13]

Engagement did not promote a favoured approach, or necessarily seek consensus. Instead choices were presented, along with their pros and cons – *"there's no right or wrong answer, there's just different consequences"*. *"Without this involvement I don't think you would ever have got the same kind of agreement to build more housing choice in lower density neighbourhoods"*. The

resulting *CityPlan* process has been recognised around the world for its involvement of citizens in building a shared vision for the future.[14]

There have been decades of effective regional governance

There is a strong political culture that local governments should work together. Regional decision making presently operates through Metro Vancouver, a federation of 22 municipalities that brokers agreements and allocates responsibilities.[15] Municipalities are responsible for applying *"the regional plan in a way that they feel best meets their particular circumstances"*. The effectiveness of this cooperation was demonstrated in the 1990s in nominating land for protection in the Green Zone: *"[it was] a way more powerful way to approach it [drawing a limit to sprawl], than having one agency try to draw a girdle around the region and defend it"*.

Transport is managed at a regional level. TransLink was formed in 1999 to oversee strategic transportation and transit planning, and to coordinate activities with regional land use planning. TransLink works *"in some ways brilliantly… [mode share] results speak for themselves"*. However, there have been difficulties: *"TransLink has been a challenge in terms of the governance models, the political models and the funding models"*.

A cooperative attitude to governance in Vancouver extends to engagement with NGOs, civic groups, and business interests.[16]

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[12] Lash 1976 in Owens 2009
[13] City of Vancouver Planning Department 2006

[14] Owens 2009
[15] For more on Metro Vancouver see Brugmann 2009; Hutton 2009; Owens 2009; Barnes, Hutton et al. forthcoming
[16] Hutton 2009; Jessa 2009

Examples include arrangements for the 2010 Winter Olympics and the revitalisation of the Downtown Eastside (DTES) via the Vancouver Agreement.

Vancouver has a tradition of having the will to make hard decisions and see them through

Observers comment that Vancouver has broken many of the traditional rules of North American urban planning. *"There's a different attitude here [in Vancouver], there's a different will, to be progressive and counter-intuitive and take risks"*.

Physical restrictions on regional expansion – oceans, mountains, and the U.S. border – have also helped, ensuring *"focus on the significance of the land base that we have"*. It has made "*liveable density work"* and showed that "*you could take the opposite approach to other cities and achieve a higher quality of life"*.

This does not mean that consolidation has not been controversial. It has been especially challenging in the established, lower density suburbs.[17] The City of Vancouver's *CityPlan* achieved some support for increasing density and housing choice in the City's suburbs. However, in 2007, when the Mayor *"thought he knew better"* how to achieve more density in single-family neighbourhoods, he lost the next election. The *EcoDensity* program, rolled out from 2008, has been more favourably received. It applies principles of *"sensitive density"*: *"gentle"* and *"hidden"* (for example off laneways). Social Bonus Zoning allows higher density development while requiring public amenities such as parks, schools, and social housing. *"We've been able to show*

that the level of population growth is not the problem, it's how you manage the growth…you need to have high quality amenity and high quality public spaces…". People need to be able to *"see a benefit to the new growth coming in"*. *"At the end of the day it's about will, and choice, and attitude, because those things can overcome regulatory deficiencies"*.

The City of Vancouver's experience with cars underscores the importance of making the hard decisions. The ban on freeways in the City was critical: *"the most important thing that never happened to Vancouver…a staggeringly important turning point"*. *"You have to pick your [transport mode] priorities. Vancouver did that many years ago"*.

Finally, there is limited opportunity to appeal against planning decisions. In Ontario, municipal land use decisions can be appealed to the Provincial Government. By contrast, in Vancouver's province of British Columbia there is no provincial appeal process. This makes it much easier in Vancouver to *"set a direction and follow it through"*.

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[17] Tomalty 2002; Tomalty and Alexander 2002

Vancouver Canada

A consistent vision for Vancouver region: *'Cities in a sea of green'*

1972 First extensive public engagement in the Vancouver region

1974 Vancouver Downtown Plan

Boom in office-based services led growth of the tertiary economy sector

1990s Vision for a compact region, complete communities, transportation choice surrounded by a green zone

City of Vancouver's CityPlan developed with the involvement of up to 1000,000 residents

Growth in specialised services and other 'new economy' industries

1995 *Growth Strategies Act* passed by province

1999 TransLink established

2010 Vancouver hosted Winter Olympics

2008 EcoDensity program introduced

| 1970 | 1975 | 1980 | 1985 | 1990 | 1995 | 2000 | 2005 | 2010 |

Unemployment rate — 8.5% — 5.6%

Population — 1.6 million — 2.1 million

2.2 Toronto

Toronto's population has grown more rapidly than most Australian cities, rising from 4.3 million to 5.1 million in the decade to 2006. In the process, Toronto has successfully absorbed large numbers of ethnically diverse immigrants – around 43% of Toronto's residents' mother tongue is a non-official language – partly because of the city's "*tradition of...inclusiveness*".[18]

The city's economy has changed; manufacturing has been displaced, but the city has kept its major service industries and has managed to *"organically develop new industries"*. Although Toronto's unemployment rate has remained relatively steady since 1991, at around 8-9%, crime rates – property, car theft and murder – are lower than those in Vancouver, and far below those of the U.S. cities examined.[19]

Growth has brought some challenges. Freeways are increasingly congested, with average commute times climbing to 40 minutes, the longest of any city considered. Encouragingly, there has been a small trend away from cars and toward public transport (a 3% change for the mode share of each) in the decade since the mid-90s.[20] Though housing prices have increased in recent years, housing remains more affordable than in Vancouver and many Australian cities.[21]

[18] Statistics Canada 2010b
[19] Statistics Canada 2006
[20] Statistics Canada 2010b
[21] Demographia 2010

Local government amalgamation has transformed the city's governance

By the late 1990s, there was a strong view that Toronto's local governance arrangements needed to change.[22] *"There was….a somewhat defective planning and governance regime…most would not disagree there was a need to reorganise the governance system in Toronto, and in this region"*.

Figure 2 - Toronto's Formal Governance
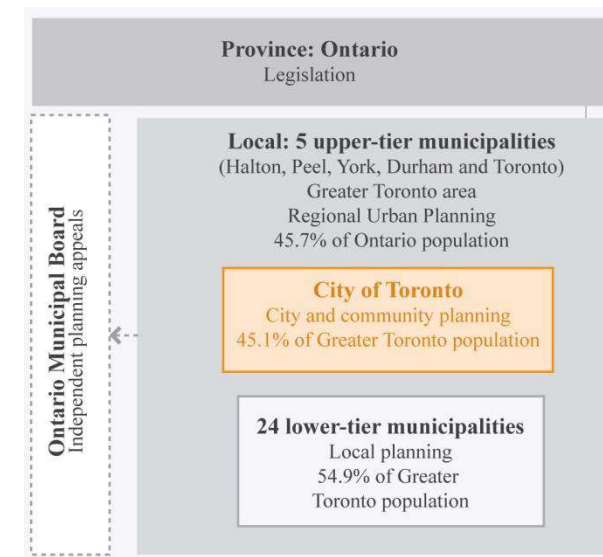
[22] Sancton 1999; Williams 1999; White 2007

In 1998 the Harris Government, which had come into power *"ready to really alter the province"*, amalgamated six city governments into one. Despite acknowledging some justification for the amalgamation, there is criticism of the manner in which it was imposed, including its sudden implementation.[23] There was enormous opposition to the amalgamation, except by developers and some service providers. *"[No-one] wanted this particular solution…it was too big as a local government, but too small…to solve the regional problem"*. Major changes to fiscal arrangements accompanied the amalgamation. Costs were shifted – for example, education to the Province, and social services to the municipalities.[24] One interviewee commented *"some of the fiscal problems that were screwed up"* are still being *"rebalanced"*. Implementation has taken almost ten years, and one interviewee described the amalgamation as: *"a trauma that some say we still haven't recovered from…"*.

More recently, the 2006 *City of Toronto Act* has given the City greater revenue raising powers, as well as the ability to change council composition and ward boundaries.[25]

Progress towards a regional approach to further growth

Over the last decade, the Province of Ontario has become *"a little bit more serious…and started…smart growth initiatives"*. The Province's *Places to Grow* is the first regional approach to land use for thirty years. This *"brave"* and *"ambitious"* plan establishes a legal framework for the province to coordinate planning and decision making for long-term growth and infrastructure renewal in

Ontario, and requires municipalities to make their official plans consistent with *Places to Grow*. *"There is a very clear sense now that, you know, a substantial proportion of growth-related development of the city will have to be infill…"*. The related *Growth Plan for the Greater Golden Horseshoe Region* is *"quite a brave political move, to say 'now we're going to limit development', in a growing urban region which has really been able to sprawl pretty much in an unfettered manner…"* There is widespread support for the intent of such policies – *"it looks quite promising"*.[26]

Over the same period, the Province created Metrolinx to manage transport on a regional scale, with an aim of overcoming the difficulties of reaching agreement on transport investment between three tiers of government.

Public engagement has been patchy, but is growing

Extensive consultation is *"…the kind of [thing] that...Southern Ontarians…had really come to expect"*. *"Things are talked through and people are consulted, and even if you don't get your own way there has been a conversation and…at least you've been heard"*.

"If we were all honest, the real civic engagement largely comes around planning approvals and planning decisions, because people feel very directly affected…about their own property, their own sets of interests…". However, the interviewee continued, *"…the discussion around priority neighbourhoods and priority services has stimulated a lot more engagement [of] community*

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[23] Jackson 2009
[24] City of Toronto 2010
[25] City of Toronto 2007; Cities Centre 2010
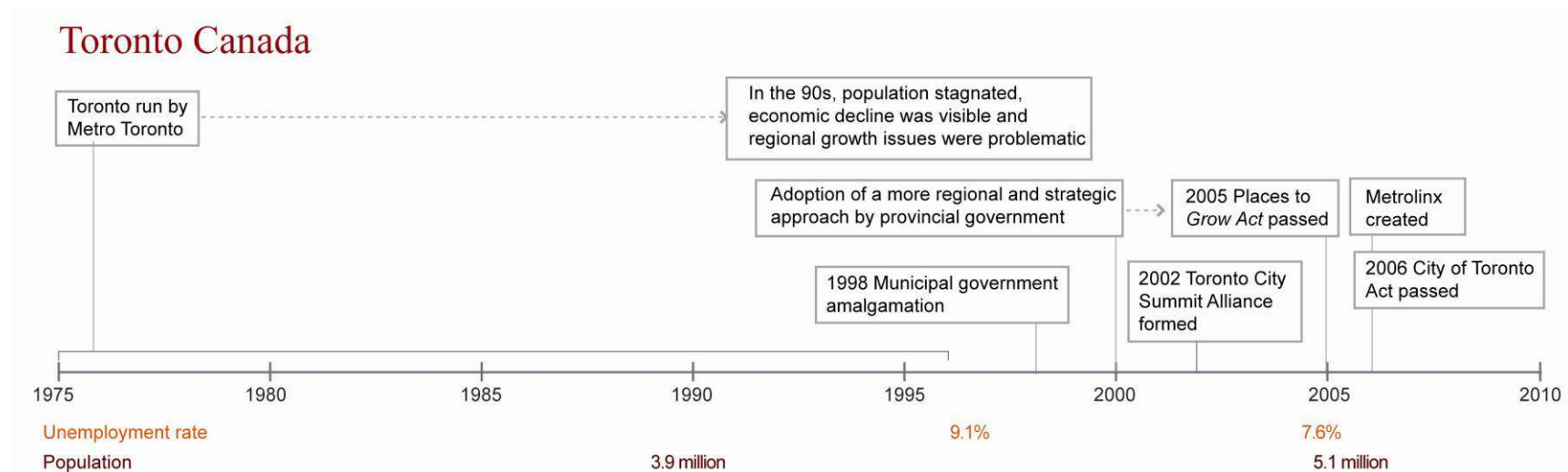
[26] White 2007

based groups…to start fighting for things like better parks, better services; things that go beyond property discussions".

There is influential cross-sectoral activity

Since the late 1990s amalgamation, civic engagement in local issues has grown, with the business community, neighbourhood associations, and universities all becoming more involved. The Toronto City Summit Alliance *"stands out"* as a *"pure civic movement, born out of...leadership that was interested in bringing together conversation between business, labour, public governments and community-based groups… finding collective strategies to address the most pressing issues facing Toronto"*. The Summit's areas of focus have included employment access for immigrants, transportation infrastructure, and economic

outcomes for low-income households. (See Box 3, page 41 for more on the City Summit Alliance.)

Toronto Canada

Toronto run by Metro Toronto				In the 90s, population stagnated, economic decline was visible and regional growth issues were problematic			
			Adoption of a more regional and strategic approach by provincial government		2005 Places to *Grow Act* passed	Metrolinx created	
					2002 Toronto City Summit Alliance formed	2006 City of Toronto Act passed	
			1998 Municipal government amalgamation				

	1975	1980	1985	1990	1995	2000	2005	2010
Unemployment rate					9.1%		7.6%	
Population				3.9 million			5.1 million	

2.3 Seattle

Seattle, home to 3.3 million people, is vibrant and prosperous, with average incomes 20% higher than the national average.[27] It wasn't always this way: in earlier decades, Seattle's performance seemed strongly correlated with that of its most significant corporation – Boeing – whose near-bankruptcy in the early 1970s contributed to high unemployment and depopulation of the metro area. Today, Seattle's diverse economy spans industries from aerospace to healthcare, 'green jobs' are growing and the city is home to a number of Fortune 500 companies. Unemployment rates improved dramatically, from a high of around 14% in the early 70s, to 4.5% in 2006.[28]

Seattle's economic success has been argued to be the result of *"attracting people, rather than direct intervention… people don't necessarily come to Seattle with a job – young people in particular come because they want to live in Seattle"*. After a population decline between 1960 and 1980, the population has grown steadily,[29] with around 31% of the population having lived in the city for less than five years.[30]

In a perhaps related phenomenon, lone person households have been the fastest growing house type accounting for 52% of new households over the past few decades. In 2000, 41% of

households were lone person households, the second highest proportion among the 25 largest US cities.[31]

Environmental improvement has featured prominently in Seattle's development, having reduced carbon emissions from 1990 levels despite a population increase.[32]

Figure 3 - Seattle's Formal Governance

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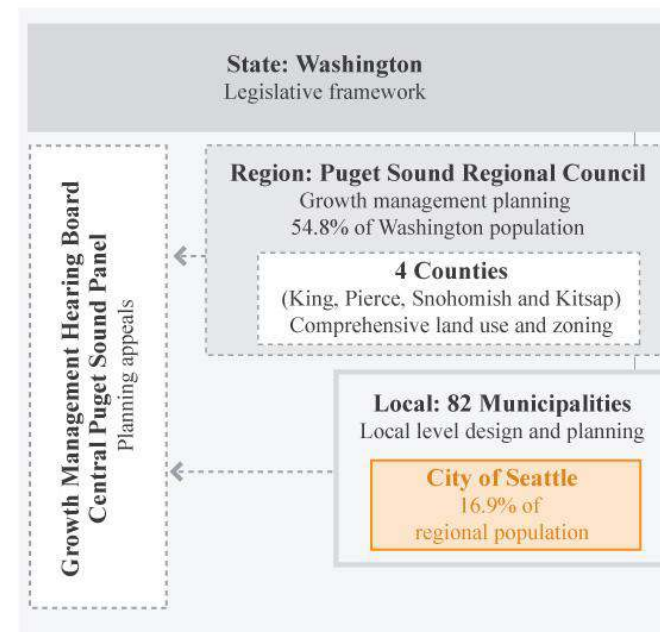
[27] U.S. Census Bureau 2008c; U.S. Bureau of Economic Analysis 2010a
[28] Blackford 2007; U.S. Bureau of Economic Analysis 2010b
[29] City of Seattle Department of Planning and Development 2005b
[30] Brewster 2010

[31] City of Seattle Department of Planning and Development 2005a
[32] City of Seattle Office of Sustainability and Environment 2009

As with other cities considered, growth has also brought challenges. Transport is a major area of focus, with efforts to expand public transport aimed at reducing the level of car-dependency in the city. Housing affordability is also a challenge.

There is a cohesive legislative framework for managing growth

Prior to the adoption of the Washington *Growth Management Act* (GMA), passed in the early 1990s, Seattle's planning framework *"lacked coherence"*[33], with government departments able to *"find a policy document that suited them"*.

The GMA created an integrated framework for the management of population growth, creating *"great accountability for land-use laws"* with *"the weight of law"*. The GMA set targets for growth management but allowed local governments to meet the targets in ways that best fit local needs, rather than mandating one method. Failure to comply with the process was punishable by sanctions and financial penalties.[34]

The GMA – a piece of state legislation – has had major impacts on the plans of other levels of government. For example, comprehensive plans aimed at managing growth were developed at both regional and municipal levels within the framework of the GMA.

Change has been successfully driven from the local level

Seattle has a strong culture of civic engagement through community groups and NGOs. The state-wide GMA, for example, *"was started as a local citizens initiative"*. *"The legislators did not dream that one up"*. Subsequent initiatives, such as the City of Seattle's neighbourhood-based plan, strongly emphasised community involvement. The process *"engaged 20,000 people directly with the future of their neighbourhoods"*. This was around 4% of City households.[35] High levels of community engagement, and effective communication between the public and City council, resulted in a plan for Seattle that was well regarded, and had broad support.[36]

The interaction between civic groups and elected officials has been identified as central to Seattle's development. In fact, according to one former council member this culture of advocacy groups, and the way they interact with, support, and motivate elected officials has been *"more important than anything"*. Voters in the city have *"repeatedly refused"* to change to a ward system, preferring the current political structure of electing *"at-large"* city officials, as opposed to ones representing specific districts.

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[33] Kirchheim 1999-2000
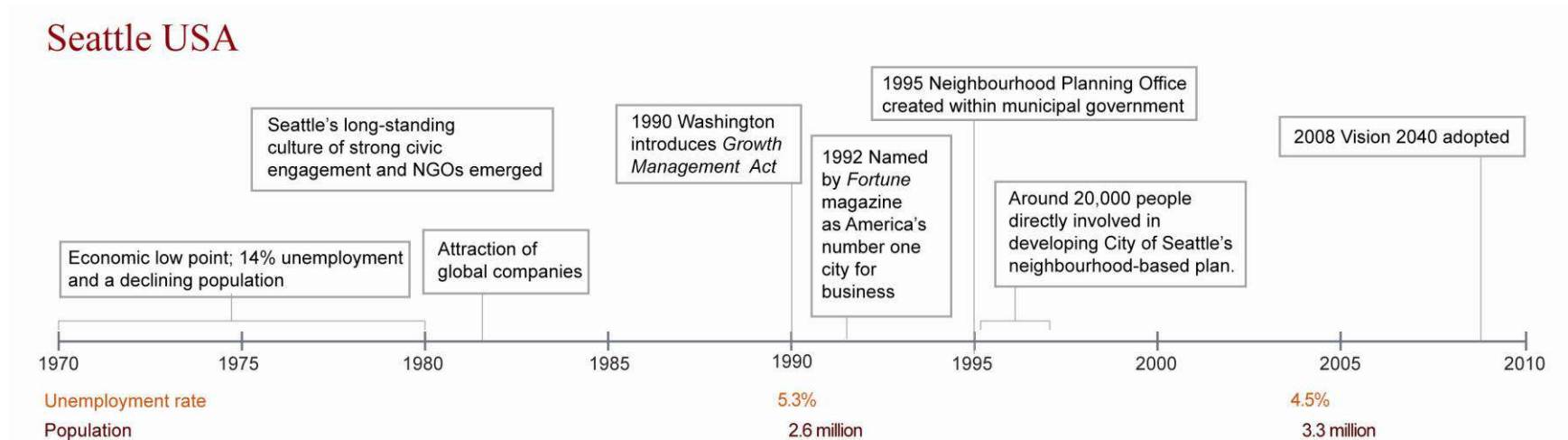[34] State of Washington Department of Commerce n.d.

[35] Based on data from City of Seattle Strategic Planning Office 2001
[36] City of Seattle Office of City Auditor 2007; Page 2010

Decision making is hindered by a lack of regional oversight

Like many cities, a substantial portion of Seattle's population lives outside the boundaries of the formal metropolitan area. *"If there's one thing we suffer from it's a lack of a formalised regional governance structure"*. Though a regional council exists for the Puget Sound Region, which includes metro Seattle, it *"lacks teeth"* and *"falls short of a strong and coordinated regional approach to planning"*.

Seattle USA

Seattle's long-standing culture of strong civic engagement and NGOs emerged

1990 Washington introduces *Growth Management Act*

1995 Neighbourhood Planning Office created within municipal government

2008 Vision 2040 adopted

1992 Named by *Fortune* magazine as America's number one city for business

Around 20,000 people directly involved in developing City of Seattle's neighbourhood-based plan.

Economic low point; 14% unemployment and a declining population

Attraction of global companies

	1970	1975	1980	1985	1990	1995	2000	2005	2010
Unemployment rate					5.3%			4.5%	
Population					2.6 million			3.3 million	

2.4 Portland

Portland's motto is 'the city that works'. This was not always the case. From the 1930s to the 1960s Portland experienced relatively "uncontrolled suburbanisation and environmental degradation".[37] The city's downtown was decaying, and suburbs sprawling. Portland's change from this point, has been the result of several factors: *"the biggest mistake … is to try to put it down to one thing"*.

Home to around 2 million people,[38] the number of people in Portland's metropolitan area has doubled since 1970, a faster growth rate than any of Australia's capital cities. From 1990 to 2000 the majority of this growth (62%) was internal, with migrants arriving in Portland from other parts of the United States.[39]

During the 1990s, Portland focused more on consolidation. Over the decade, an estimated 10 acres of rural or 'fringe' land per 100 new residents was used – compared to 22 acres in Seattle, and 26 in Austin.[40]

Portland's economy has expanded from a traditional base of forestry, agriculture, and heavy manufacturing to include high tech R&D, creative industries, and specialised foods. Along with diversification of the economy, Portland's ongoing focus on improving quality of life has come to function as the city's *"stealth economic development policy"*.

Portland had a car mode share of 76% in 2006[41], the lowest of the U.S. cities examined in this study. Portland has achieved significant improvement in environmental sustainability, managing to stabilise greenhouse gas emissions between 1988 and 2000 and rehabilitate its main river.[42]

Figure 4 - Portland's Formal Governance

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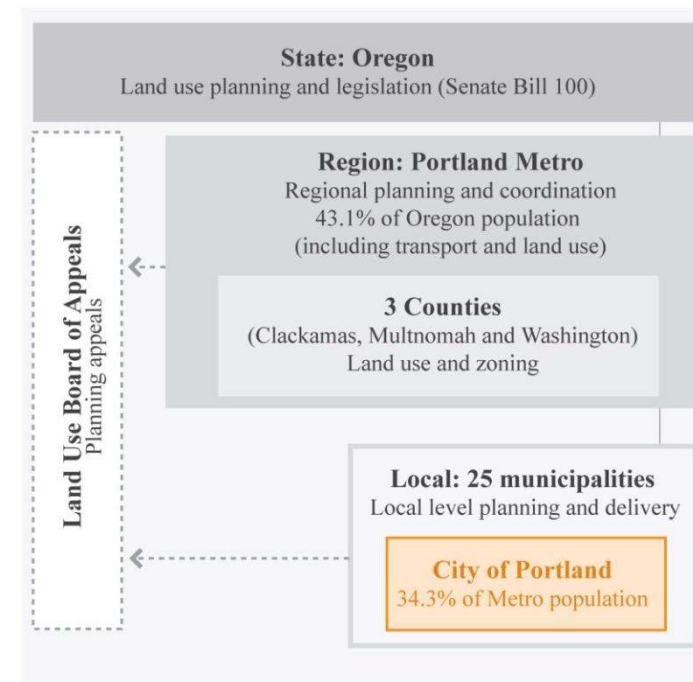
[37] Irazabal 2005
[38] U.S. Census Bureau 2009
[39] Irazabal 2005
[40] North West Environment Watch 2004

[41] City of Portland 2010
[42] Brugmann 2009

Finally, Portland has achieved notable success in terms of social capital and civic engagement. For example, up to the mid-70s, 21% of Portlanders attended at least one public meeting on school or town issues, compared to 22% for comparable cities. By the 1990s participation in Portland had risen to 35%, but dropped to 11% in the rest of the country.[43]

There has been a clear and consistent vision

In the early 1970s, a Democratic Mayor and a Republican Governor formed an unusual alliance, articulating a set of values for the city in *"clear and charismatic terms"*. This created a *"comprehensive vision for where we wanted to go"*. This vision for the city has been maintained across political generations: *"a mayor leaves office, a new one comes in – [but] the agenda doesn't change dramatically"*.

Portland has benefited from a regional approach

Portland has had *"a metropolitan consciousness for quite a long time"*... *"people understand that we're in the same water even if we're not in the same boat"*.

State-level growth management legislation was central to the implementation of the vision for Portland. Senate Bill 100 established land use goals, including setting urban growth boundaries, and required cities and counties to formulate plans in accordance with state-wide guidelines.[44]

Encouraged by such legislation and the linking of Federal Government funding to good planning, a regional government was endorsed by Portland's voters in the early 1970s. Portland's Metro is the nation's only directly elected regional government. It is responsible for three counties and 25 municipalities. Its charter gives it jurisdiction *"over all matters of 'metropolitan concern'"*, with long-range planning of transport and land use its *"primary"* function.[45] Metro develops and maintains the Urban Growth Boundary, and has increasingly developed *"backbone and resolve about keeping the boundary tight"*. Though Metro does not have the authority to zone or regulate land use, it can require local governments to ensure their plans and regulations serve regional goals.[46]

There has been extensive and consistent involvement of residents in decision-making

Portland is well known for its high quality public engagement including *"all kinds of citizens' involvement: public hearings, workshops, open houses and citizen events"*.[47] The public is *"very involved in policy making, which means that they are not going to let it go very far off course"*. One interviewee emphasised that Portland had benefited from *"taking planning back a step and asking people what they want"* rather than *"telling people what the planners have decided"*.

For decades, there has been ongoing feedback between grassroots activists and responsive public institutions. A growth in neighbourhood power in Portland in the late 60s and early 70s
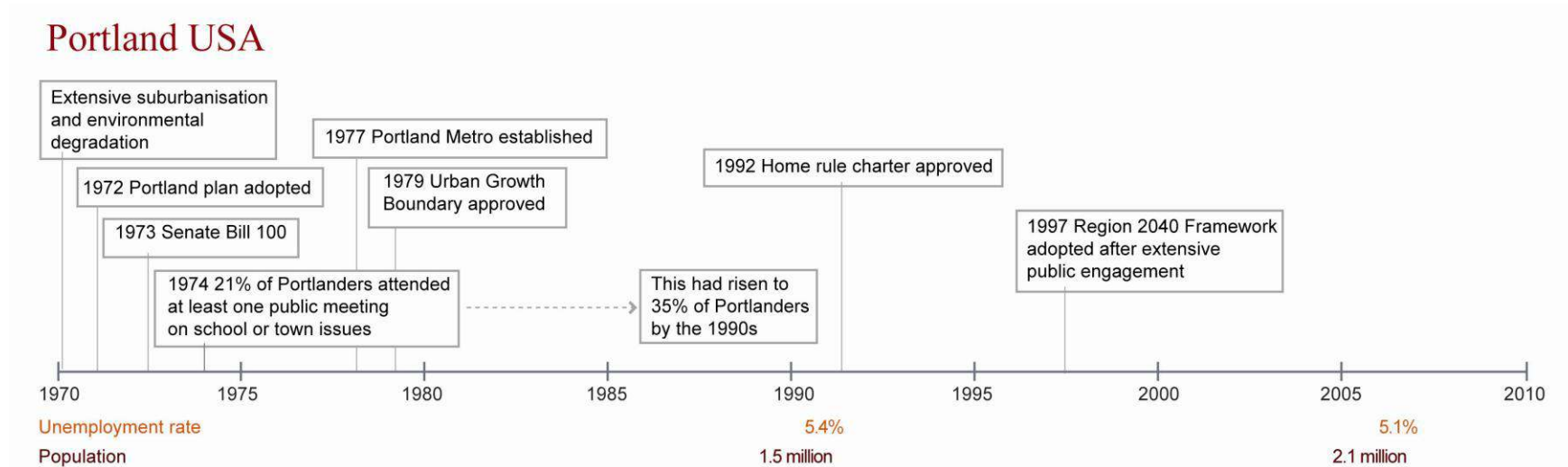
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[43] Johnson 2004
[44] Bianco 2001

[45] Rusk 2000; Bianco 2001
[46] Song and Knaap 2004
[47] Rusk 2000; Hovey 2003

"set things on a course which was reinforcing". It created a permanent structure of community participation on issues of land use, transport and crime prevention, particularly through Neighbourhood Associations (NAs). There are around 95 NAs, which engage actively with the Portland City Council through the Office of Neighbourhood Involvement.[48] Another prominent example of the activist culture of Portland residents is a partnership between environmentalists and farmers – the 1,000 Friends of Oregon.

Portland USA

Extensive suburbanisation and environmental degradation

1972 Portland plan adopted

1973 Senate Bill 100

1974 21% of Portlanders attended at least one public meeting on school or town issues

1977 Portland Metro established

1979 Urban Growth Boundary approved

This had risen to 35% of Portlanders by the 1990s

1992 Home rule charter approved

1997 Region 2040 Framework adopted after extensive public engagement

	1970	1975	1980	1985	1990	1995	2000	2005	2010
Unemployment rate					5.4%			5.1%	
Population					1.5 million			2.1 million	

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[48] Abbot 1997; Witt 2004

2.5   Chicago

In the decades to the early 1990s, Chicago was a city in decline. Residents were leaving, crime rates were high, and the city threatened to become the *"capital of the rustbelt".*

Since then the city has *"succeeded in regenerating itself economically, socially and politically"*. This turnaround has attracted investment, while diversification of the manufacturing-based economy[49] has led to steady falls in unemployment (down to 4.8% in 2006, from 7.5% in 1991).[50] It is now generally considered as "*a city that works well*".

The population of the greater Chicago area increased from around 8.2 million in 1991 to almost 9.5 million today, with a dramatic increase in population in the city core, increasing by 51% between 1990 and 2000 after decades of serious loss.[51] Chicago has also grown outwards. Residents enjoy relatively affordable housing, and Chicago has a home ownership rate of 68%, but the private property market is now suffering from the global financial crisis. Despite this growth, and a relatively high car mode share (around 80%), Chicago's commute times have not risen drastically since the early 90s.[52]

The city has an ambitious environmental agenda. In a 2008 study of the 50 most populous U.S. cities, Chicago ranked fourth.[53]

Chicago is a diverse city with 36% of the central city population speaking a language other than English at home.[54] While relationships between ethnic and racial groups have improved in recent decades, the city continues to be segregated by race and income, and faces serious problems of socio-economic inequality.

Figure 5 - Chicago's Formal Governance

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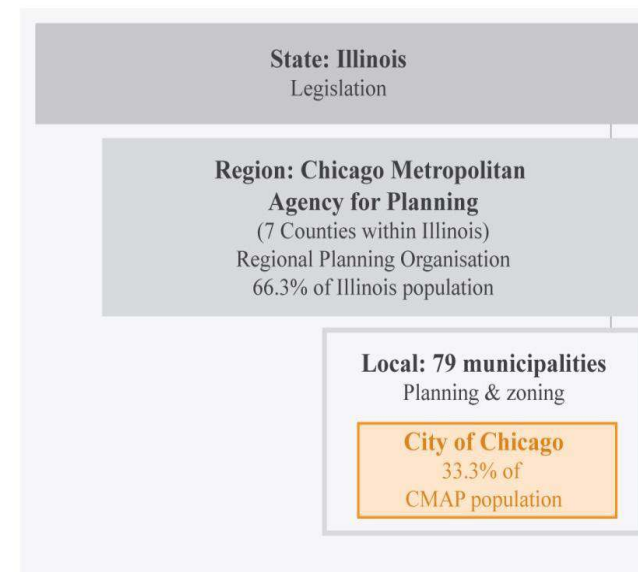
[49] See, for example, Sassen 2009
[50] U.S. Bureau of Economic Analysis 2010b
[51] Spirou and Loftman 2004
[52] U.S. Census Bureau 1990
[53] Sustain Lane 2008

[54] U.S. Census Bureau 2008b

The Mayor and City Council are often given significant credit, though their governing style has been criticised

Under Illinois legislation, Chicago has 'home rule' status,[55] making its Mayor (Richard M. Daley, first elected in 1989) and Council relatively powerful. In particular, the Mayor is credited with having *"opened the way for business, made it a good business city"*. The Daley administration has also made major strides in acting on neighbourhood concerns, and facilitating cooperation between government and community and civic groups. Beyond policies, *"the force of [the Mayor's] personality has made change happen"* and by fostering relationships with aldermen, his proposals to Council are *"unanimously or close to unanimously supported. That's his way in running the City"*.

Others gave less credit to the aldermen and the current long-serving Mayor. The Mayor has been described as having *"ridden this wave of growth within the Chicago area"*. Chicago's development approach is *"deals, projects, deals. That's how the city does plans"*. There is also lingering concern about the integrity of city government operations, with numerous references made to scandals over the past two decades. Some associate the city government with *"incompetence, cheating, lying…it's pretty sleazy"*. The political culture may be changing, however, with a growing number of *"reform politicians"* and former leaders of citizens' groups among the younger generation of aldermen.[56]

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55 Teaford 2005; City of Chicago 2010
56 Brugmann 2009

Non-government groups are very active

Chicago has improved through the efforts of many beyond government. Non-government organisations have been essential to change and improvement – more so than in many North American cities. Because of the political system *"non-profit and for-profit sectors often team up and form organisations, and have done this since the Second World War, to do the planning for the region"*.

Prominent organisations include the Centre for Neighbourhood Technology, which has been awarded for its work on equitable urban strategies, and Metropolis 2020, a business civic organisation formed in 1999, which has developed and funded regional planning initiatives. The city is *"thick with these kinds of intermediaries"*, which have *"flourished under the Daley administration…they have greater influence and more people are engaged with them"*. One interviewee observed that Chicago works well because of the Mayor's inclusive style, *"plus all of these institutions that are interested in civic life that aren't part of government"*.

Neighbourhood groups are particularly significant

Hundreds of smaller, neighbourhood-based citizens' groups are scattered throughout the city. From the late 1960s, these groups *"took back control"* and redeveloped their communities. Jeb Brugmann writes: *"in commercial terms, their job was to undermine the business viability of gangs, slumlords, block-busters, corrupt officials, criminals, arsonists and redlining banks… and recover the city's remaining assets, building by building"*. These groups, and the 'self-help' culture they created,

have been credited with catalysing the citywide recovery, and are the *"foundation upon which the powerful regime of [the Mayor] now rests".*[57]

Regional collaboration is improving, though action is lagging

One interviewee commented that *"The Greater Chicago region [Cooke County + 5 councils] is less functional as a region than Chicago is functional as a city."* In particular, "*a lot of infrastructure*

is falling in disrepair. It's…politically impossible to get a stable, long-term funding stream for supporting transportation investments." In 2005, the establishment of Chicago Metropolitan Authority (CMAP) brought together responsibilities for regional land use and transport planning. However, doubts linger about the ability for CMAP to effect change: the organisation has *"no political authority…no budget, no sticks"* and *"no power to implement"*.

Chicago USA

- 1970 Home Rule provisions introduced to Illinois Constitution
- Rise of influential citizens' groups; still active today
- 1999 Chicago Metropolis 2020 created. Metropolitan Mayors Caucus established
- 2000 World Business Chicago established
- 1990 Chicago attracts business and economy diversifies from manufacturing
- 2004 Millennium Park opened
- Economic downturn, serious social and crime issues
- 1989 Mayor Richard Daley elected
- Tax Increment Financing Districts increased from 12 to more than 75
- 2003 Redevelop't of Soldier Field
- 2005 Regional land use and transport planning combined in CMAP

| 1970 | 1975 | 1980 | 1985 | 1990 | 1995 | 2000 | 2005 | 2010 |

Unemployment rate   >11%   7.5%   4.8%

Population   8.0 million   8.2 million   9.4 million

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[57] Brugmann 2009

2.6 Austin

Austin has doubled in population in the last twenty years, and, every twenty years since its founding. Indeed, Austin has not had a year without significant growth due to internal migration and natural increase.[58] Projected future growth is on a par with the highest estimates for any of Australia's cities.
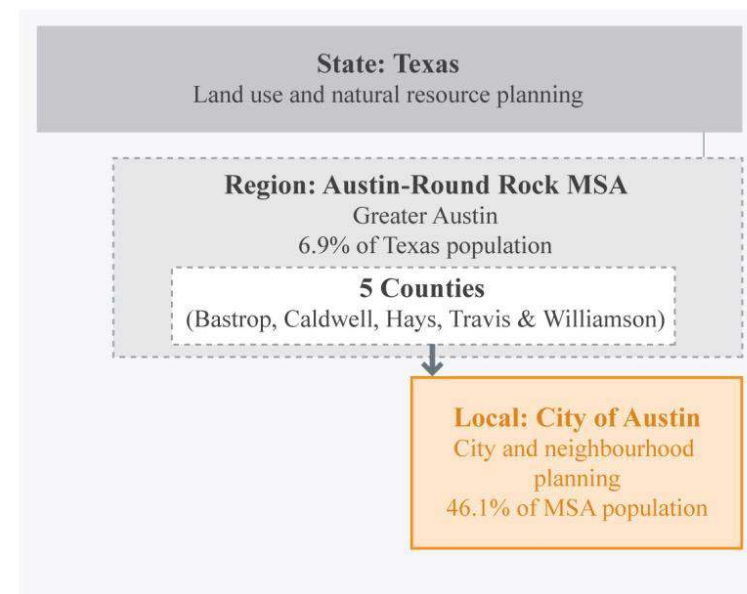
Over the last couple of decades, Austin's economy has also grown rapidly. In 1977 Austin's income was 85 per cent that of the national average, but by 2007 this had risen to 104 per cent.[59] Its unemployment rate is also well below the national average, despite the recent financial crisis.

Austin's population boom followed the economic growth as people were attracted to the employment opportunities and high quality of life the city offered. Many talented incomers were also attracted by the creative opportunities in the city, for example, *"the entertainment industry has changed from local bands in colourful funky venues to an internationally recognised location for all aspects of the music industry, and for a smaller, although significant, multimedia and film industry".*

Austin is now a relatively 'young' city, with over 90% of its population under the age of 65[60]. It is also highly educated – with 31% of residents in possession of an Associate or Bachelor's

degree.[61] Austin has been described as "*the number one coolest place on the planet for young people to live".*

Figure 6 - Austin's Formal Governance

State: Texas
Land use and natural resource planning

Region: Austin-Round Rock MSA
Greater Austin
6.9% of Texas population

5 Counties
(Bastrop, Caldwell, Hays, Travis & Williamson)

Local: City of Austin
City and neighbourhood planning
46.1% of MSA population

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[58] City of Austin 2010
[59] U.S. Bureau of Economic Analysis 2010a
[60] OECD 2008; U.S. Census Bureau 2008a

[61] U.S. Census Bureau 2008a

Improvement was catalysed by cross-sector collaboration

There was a *"conscious effort"* by local government, the community, and the University of Texas at Austin to draw business to the region; *"groups of civic minded leaders have worked to build the technology sector"* in the 1980s. *"Having the University of Texas flagship university has been a catalyst"*.

Opportunity Austin, a business-led economic development initiative covering five counties[62], has continued this work, and combines resources to keep the region competitive in major employer location discussions.

The city also benefits from the influence of voluntary, cooperative organisations, such as Envision Central Texas (ECT). The non-profit, cross-sectoral ECT has developed comprehensive plans and visions for the region's future, but their work does not have the weight of policy and is not consistently implemented.[63]

Rapid growth has happened without a strong planning framework, or effective cooperation between levels of government.

Growth has delivered enormous benefits to the city, including greater prosperity, diversity and new ideas. However, Austin suffers from a *"lack of coordinated planning"* that has allowed it to *"become sprawled"*.[64] The City of Austin has an official plan to organise the city's growth, but the plan has not been fully reviewed since it was published in 1979. As a result, it is "*really*

out of date" and rarely consulted. A new comprehensive plan is currently being developed and will be completed in 2011.[65]

Once outside city limits there are *"not a lot of natural limits or strong regulations on where you can't build"*.[66] The state of Texas is also traditionally opposed to restrictions on development. This combination of factors has meant that the city is run on a *"project-to-project basis"* which has resulted in *"haphazard"* development, making the coordination of services and infrastructure, such as affordable housing, challenging. This formal governance situation means that, in contrast to the coordinated effort put into the city's economic development, many of Austin's quality of life improvements over the past decades have not been "*intentional",* but rather serendipitous.

There is ongoing tension between the city, regional and state levels of government over the division of power. Texas in particular keeps a tight control on the responsibilities of cities and counties. Tension arises in that "*Austin is seen as a very liberal place in a very conservative state"*. For example, the Texas Government has not traditionally accepted the application, by local governments, of allowing restrictions on development or land zoning beyond city limits.[67] The differences between local and state government makes integrated approaches difficult.

Lack of regional cooperation was identified as a challenge

Power for land use planning is split between the state and city-level governments. As a result there is relatively little effective

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[62] The Greater Austin Chamber of Commerce 2008
[63] City of Austin Office of the City Auditor 2006
[64] This issue is also discussed in City of Austin Office of the City Auditor 2006
[65] City of Austin Office of the City Auditor 2006
[66] Lewis 2007
[67] McCann 2003

regional coordination and implementation. Texas has no structure which can make *"governments within a region cooperate with each other"*, and so the greater Austin region relies instead on a largely powerless grouping of governmental authorities and community groups. Cooperation among different entities is generally restricted to specific projects or the result of a federal structure or grant, such as with transport. One interviewee spoke of a *"chronic annual call for collaboration",* particularly on infrastructure and water issues.[68]

Interest groups are active, but broader public engagement is not widespread

Interest groups have had a strong influence on both state and local level government.[69] For the most part, the aim has been to find common ground between competing interests to move initiatives forward, though city agendas are sometimes co-opted by "*who has the most access and influence on that particular issue*". Although, *"Austin is a city of participatory democracy"* in which different levels of government, the private sector, NGOs, community leaders, and the general public have all been engaged to some extent in decision making in the city, this did not come through as a strong feature of the Austin story. It was commented that very low voter turnout makes it easier for a small number of powerful interest groups, such as developers, to exert influence.

Austin may now be facing some hard decisions if it wishes to maintain quality of life

Coherent planning and regional collaboration are increasing concerns as the city's population growth and demographic changes put pressure on the city's environment, infrastructure, and services. *"Part of… the reason Austin has grown and done well economically is the quality of life here, and that has a lot to do with our natural environment, which is threatened by the growth."* Another interviewee expected further growth to "*spark a pretty fundamental conversation about Austin's quality of life".*[70]
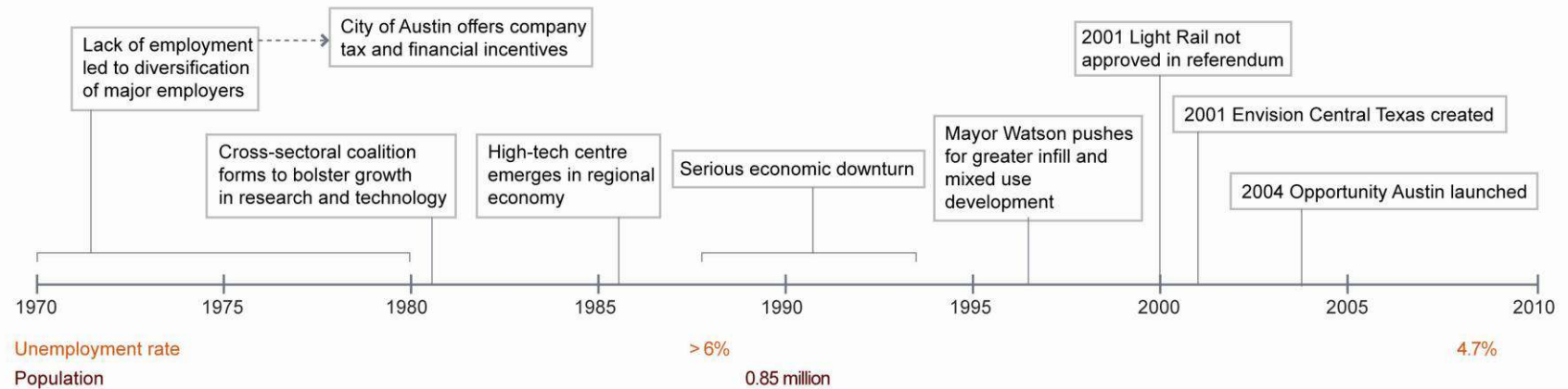
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[68] Gregor 2010
[69] Pearson n.d.
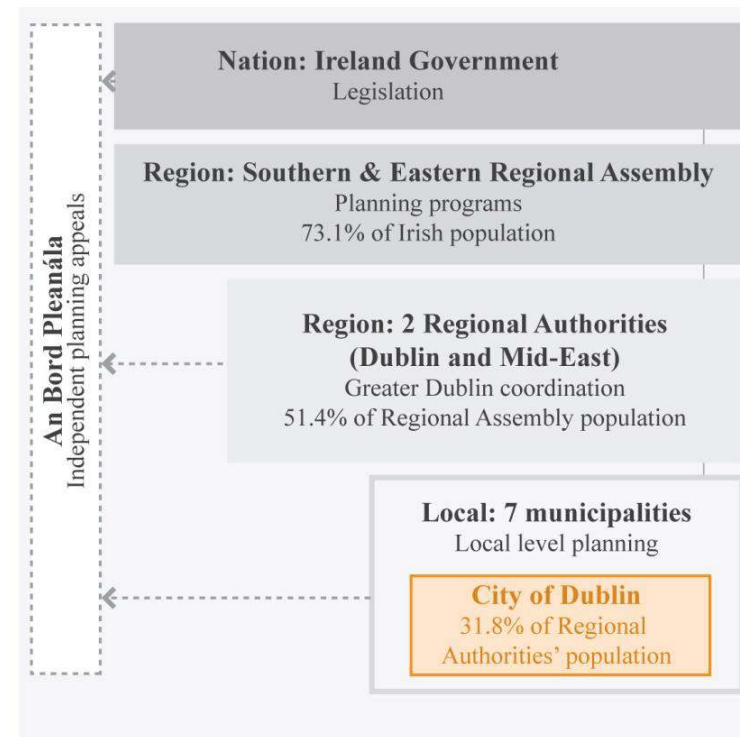
[70] Gregor 2010

Austin USA

2.7 Dublin

Dublin's success story is one of economic boom and city regeneration. Dublin was *"derelict and dying"* and the *"the population in the inner city… was declining in a serious way"*. This turned around from mid-1980s, through a mixture of *"serendipity and good policies"*. The city's population grew from 1.03 million in 1991 to 1.19 million in 2006, with returning Irish citizens and increased immigration reversing Dublin's trend of substantial net outward migration in the mid- to late 1980s.[71]

Central government tax incentives encouraged rebuilding and investment in inner city housing. At the same time, there was an *"economic boom and a huge growth in employment"*. Ireland's GDP (per capita) grew at a rate of 8.3% between 1991 and 2006 – far above growth rates in the US, Canada or Australia. Unemployment in Dublin fell significantly, from 17.1 to 4.4% over the same period.[72]

Dublin's economy shifted from manufacturing towards service industries, attracting headquarters of many multinational companies. It has become one of Europe's most vibrant centres of finance and high-tech industry.[73] (As a result of the global financial crisis, Dublin has suffered from a significant economic downturn since 2007, with GDP contracting by 1.8% and unemployment rising to 13.7% in July 2010.[74])

Figure 7 - Dublin's Formal Governance

An Bord Pleanála
Independent planning appeals

Nation: Ireland Government
Legislation

Region: Southern & Eastern Regional Assembly
Planning programs
73.1% of Irish population

Region: 2 Regional Authorities (Dublin and Mid-East)
Greater Dublin coordination
51.4% of Regional Assembly population

Local: 7 municipalities
Local level planning

City of Dublin
31.8% of Regional Authorities' population

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[71] Central Statistics Office 2009
[72] Central Statistics Office 2010
[73] Brugmann 2009
[74] Central Statistics Office 2010

Central government initiatives encouraged investment and the rejuvenation of Dublin

Local government has little financial independence, therefore *"the national government retains a lot of power in terms of policies and funding for the cities"*.[75]

The rejuvenation of the derelict inner city was driven by central government: tax incentives for the Docklands, construction of offices and apartments meant that *"purchasers got significant tax benefits … it made buying and constructing apartments particularly attractive"*. *"It worked in a sense…there was dramatic physical change … very quickly the centre of Dublin was changed"*. The central government also made Dublin an attractive place for foreign investment with a *"low corporate tax rate of 12.5% across the board"*, which made Ireland a relatively inexpensive place to invest. As a result, multinational companies such as Dell, IBM, and Google established their European headquarters in Dublin.

These initiatives combined with the wider economic boom to produce massive growth in Dublin. *"The United States and United Kingdom were doing well economically in the 80s and the Irish pound weakened against the dollar and the pound which helped exports"*. *"Of all the Irish regions, Dublin … was in the best position to benefit from this"*.

Growth was unexpected and not actively managed

The growth that occurred was not anticipated because the *"psyche of the country was a sense of failure"*. *"The growth was a big surprise. It was a big shock. Generally there was a lack of preparedness"*. While planning and spatial strategies are now in place, the previous lack of regional strategies, combined with the economic growth and population meant that Dublin developed in *"a strategically uncontrolled manner"*.[76] Despite the growth, *"governance didn't change much"*. However, *"the change was so rapid that even careful planning would have left rough edges"*.

Citizen and stakeholder groups influenced some planning decisions

Stakeholder groups tend to be *"specialised, small groups…. People tend to get heavily involved in specific buildings, or specific interests"*. The central government set up forums to promote collaboration around the city, including the Dublin Regional Authority *"for four local authorities in the Dublin area to talk to each other and collaborate"* and the Creative Dublin Alliance to *"get greater awareness of economic development issues in broader government decision making"*. These cooperative groups include universities, local authorities, industrial development authorities and associations, and business interests.
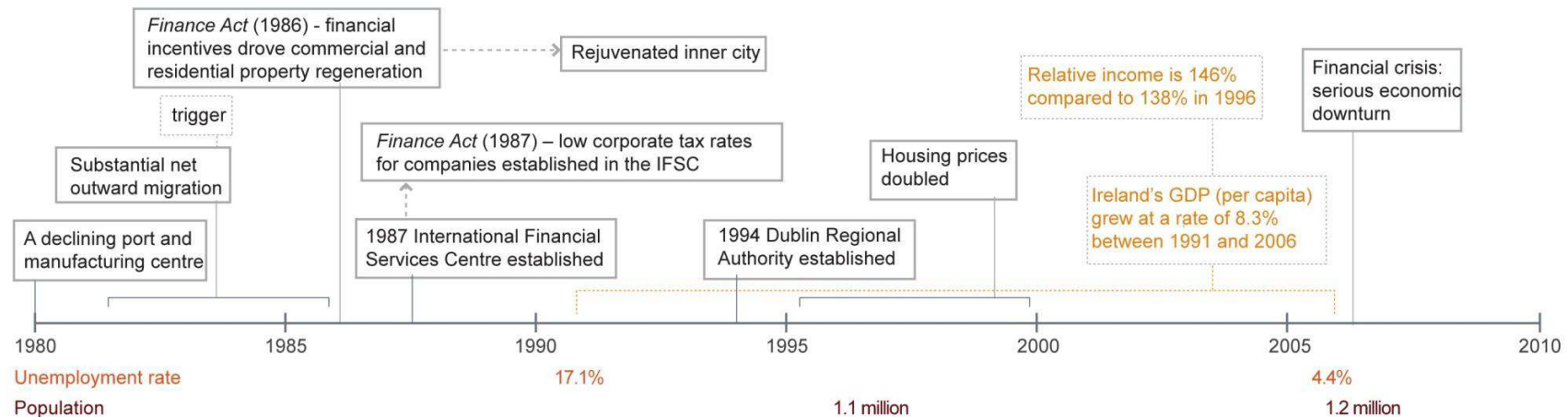
[75] European Commission 2006

[76] Williams and Shiels 2002

The rejuvenation of Dublin has contributed to a positive outlook and pride in the city

"The successful recovery was turning the 'donut city' around in a short space of time, giving people confidence in their city by changing things. … once you get confident about change, it's a positive cycle". "There was a cultural shift that living and investing in the city was a viable option. We should have pride in our city". The city is now an attractive place; *"a tourist, weekend-trip kind of place … with hotspots for tourists to go [and] a very active social*

life". The outcome of the city rejuvenation is that the city is *"safer, cleaner, greener and liveable".*

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Dublin Ireland

Finance Act (1986) - financial incentives drove commercial and residential property regeneration		→ Rejuvenated inner city		Relative income is 146% compared to 138% in 1996	Financial crisis: serious economic downturn	
trigger						
	Finance Act (1987) – low corporate tax rates for companies established in the IFSC		Housing prices doubled			
Substantial net outward migration				Ireland's GDP (per capita) grew at a rate of 8.3% between 1991 and 2006		
A declining port and manufacturing centre	1987 International Financial Services Centre established		1994 Dublin Regional Authority established			

1980	1985	1990	1995	2000	2005	2010
Unemployment rate		17.1%			4.4%	
Population			1.1 million		1.2 million	

2.8   Copenhagen

With a population of 1.83 million people, Copenhagen is regularly identified as one of the world's most liveable and sustainable cities and *"a place where people would like to live"*. It was not always so. *"In the 1980s Copenhagen was a really run down, formerly industrial city, with lots of unused urban land."* The City government was nearly bankrupt.[77]

The city turned around dramatically in the early 1990s. It saw remarkable increases in GNP (per capita) – from $20,000 in 1970 to $38,000 in 2004.[78] Foreign direct investment in the commercial property market increased 20-fold.[79] Copenhagen's unemployment dropped from around 12% in the early 90s to around 5%.[80] This improvement is obviously visible in the city: *"you can see it!"* Prominent developments include transforming the harbour area into one for living and recreation.

Copenhagen has increased its already high density and achieved an impressive decline in the car's mode share (down from 42% in 1996 to 26% in 2004). However, Copenhageners' average commute times have increased significantly, from around 17 minutes in 1996 to 29 minutes in 2008.[81]

Copenhagen is regularly identified as one of the world's most sustainable cities, and it ranked top in a list of 30 major European cities last year.[82]

Copenhagen's success is attributed to a combination of factors: an enduring commitment to a vision, along with, *"an ambitious city council and a clever administrative system; inspiration from international cities…public participation, and finding unique Copenhagen-solutions"*.

Figure 8 - Copenhagen's Formal Governance

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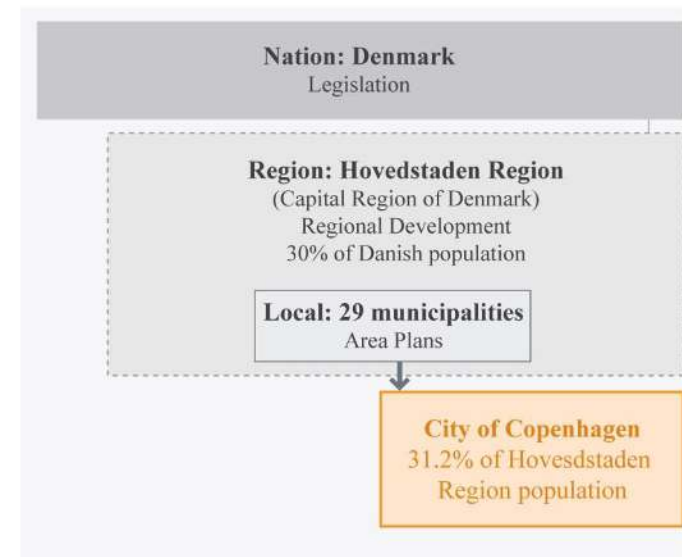
[77] Andersen, Hansen et al. 2002
[78] Jorgensen and Vagnby 2005
[79] Hansen, Andersen et al. 2001
[80] City of Copenhagen 2010; OECD 2009
[81] European Commission 2010

[82] Sustainable Cities Collective 2009

Economic decline became a trigger for change

In 1989, Denmark moved its navy away from Copenhagen, triggering significant job losses in a city with already high unemployment – *"there was a crisis"*. Soon after, when the European internal markets were implemented, *"we [needed] some competitive cities. And the most apparent was to look to Copenhagen – but at that time Copenhagen wasn't competitive at all"*. This situation spurred inter-governmental action: the Prime Minister, the Finance Minister and the Mayor of Copenhagen *"got together"* and made a plan to *"increase the critical mass"* and *"revive"* Copenhagen. For example, fixed links to the rest of Denmark and to Sweden (by connecting Copenhagen with Malmo via the Øresund Bridge) expanded the city's *"catchment area"* (those living within one hour of the city) from 1.5 million to nearly 4 million people.

Copenhagen has benefited from a focus from all levels of government, particularly the national government

"Politicians… have always been very conscious about the special role of Copenhagen as… Denmark's international city". As well as infrastructure investments and economic programs, broader national policy and legislation have been important. The Danish Government's *National Planning Rules* (1974) and the *Planning Act* (1992), along with the 2007 *Finger Plan*, have guided development in Copenhagen. These documents have *"helped develop a clear, shared view [between levels of government] about the direction of development for the city, capital region and the nation"*.

There is, however, some tension about the relative focus on Copenhagen (with 34% of the Danish population), and the rest of Denmark, which has not enjoyed the same economic growth as the capital. *"You have this asymmetry, an increasing imbalance."* One interviewee described the Danish government as now *"much more cautious in supporting the big cities"*.

There is regional collaboration beyond government

In implementing the turnaround in the early 90s, various levels of government were assisted by the private sector and academia. Regional Growth Forums are a current cross-sectoral initiative, comprising representatives of regional government, municipal government, business organisations, universities, and labour organisations. The Forums fund *"truly regional and internationally-oriented projects"*.[83] They have successfully brought actors together and encouraged open discussion, but public awareness about the Forums is low.

Collaboration across national borders is also strengthening Copenhagen's development. In particular, in the Øresund region (Eastern Denmark and Southern Sweden) national governments have developed a common vision, and an Øresund Committee has been established to reduce national administrative boundaries.

There is a long tradition of civic engagement in policy formation

There is a *"friendly and cooperative environment between investors, the city council, local authorities, NGOs and the public*

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[83] OECD 2009

and public administration". The *"public debate in Copenhagen is wide and seriously taken into consideration – even though it needs a lot of time and patience". "There is relatively strong interaction between the population… and the political structure…the power structure…is not so distant".* Community engagement was apparent in the Nordhavnen (North Harbour) Redevelopment project – *"instead of working on it for several months and then publishing it when it was finished, we involved people in the decisions"* – and the renewal of Vesterbro.[84]

Residents now have pride in, and ambition for, their city

By the 1990s there was a sense that the city was stagnating. *"What happens with your population, they tend to become like beaten animals; no self confidence…".* It was important for the government to invest to *"show the private sector that you believe in the city"* – the airport, for example, was an important step in *"renewing confidence in Copenhagen".* Being Cultural Capital of Europe in 1996 was also significant: it *"was a big thing…it brought the city together".*
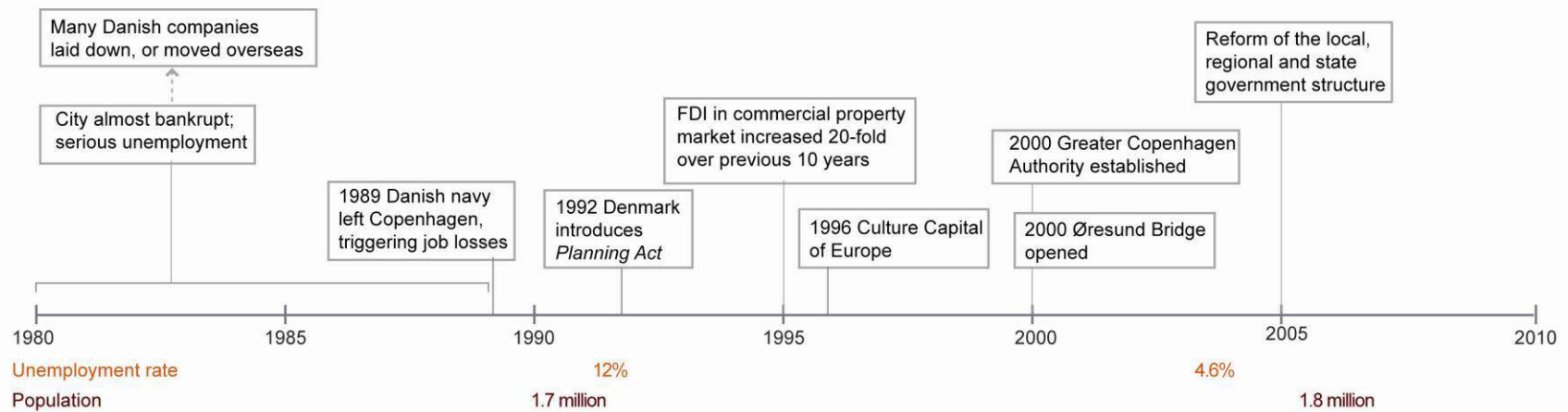
The transition of the city has required a cultural change to broaden horizons and increase the level of ambition. There is a strong sense that Copenhagen has become a place which has developed its own, unique solutions. *"City-bikes and bicycle tracks all over the city are a good example. In that sense we are very proud that expressions like 'Copenhagenization', 'the Copenhagen way' have occurred the last years. However the planning of Barcelona and Vancouver has given us a lot of*

inspiration. In that context Copenhagen now compares itself with cities all over the world, rather than just in Scandinavia".

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[84] Larsen and Hansen 2008

Copenhagen Denmark

Many Danish companies
laid down, or moved overseas

City almost bankrupt;
serious unemployment

1989 Danish navy
left Copenhagen,
triggering job losses

1992 Denmark
introduces
Planning Act

FDI in commercial property
market increased 20-fold
over previous 10 years

1996 Culture Capital
of Europe

2000 Greater Copenhagen
Authority established

2000 Øresund Bridge
opened

Reform of the local,
regional and state
government structure

1980   1985   1990   1995   2000   2005   2010

Unemployment rate   12%   4.6%

Population   1.7 million   1.8 million

3. What we found

3.1 Summary

Each city has a very different context and story. But a number of themes relevant to decision making arrangements came through strongly. Our case studies suggest that if these issues are not taken seriously, broad-based success is unlikely to come about.

First, **high and sustained levels of public engagement in decision making** were found in many of the cities, particularly where hard decisions were made, and implemented. Second, there was generally a **consistency of strategic direction,** including across political cycles – some level of bipartisan consensus being required not least because real change takes a long time. Related to this, **collaboration across different sectors of society** was common – between government, the business community, and civic organisations. In many cases, a level of **regional co-operation** was in place, with efforts integrated both within and across levels of government. Finally, there was usually a **trigger for improvement**, which kicked off the considerable amount of political will required for real, sustained improvement.

Clearly, several of these findings are inter-related. Indeed, the first three could be considered as self-reinforcing, creating a 'virtuous circle' that has clearly benefited the city.

Before considering each of these findings in more detail, it is important to emphasise some themes that we did not find. For example, it might have been expected that there are types of structures – a 'metropolitan authority', say, which was consistently

associated with successful cities. Notwithstanding the different governance contexts in different cities, we **did not find any particular type of structure dominant**.

Similarly, there was **no dominant 'model of development'**, for example, human-capital-led, culture-led, government-led, or private-sector-led. In an area which has seen its fair share of 'fad' strategies, this is an important finding in itself.

3.2 Common themes

Public engagement in decision making

Early, genuine, sophisticated, sustained, and deep engagement was a recurring theme – particularly in cities that needed to make hard decisions and succeeded in doing so. Engagement seems to make tough decisions possible, and make them stick.

In **Vancouver**, the only city in the study to have increased in population while reducing commute times, extensive public involvement in decision making is widely regarded as having been essential to achieving higher densities while sustaining – and improving – perceived liveability. Extensive public involvement – both about the direction of the overall city, and about what would happen at neighbourhood level – started in the 1970s. Critically, engagement started early, *"right at square one"*, and there was no promotion of a 'favoured approach'. One interviewee remarked that *"if the Vancouver public had been given a plan as finished as the draft Melbourne 2030 they would have revolted"*. People running the program *"had to be very careful that [they weren't]*

standing up, giving [their perspective of] what should happen because, frankly, all of the people who were participating would have said 'well, you know, why would I bother – they've already made up their mind!'".

While developing the *CityPlan* in the mid-nineties, *"people were not presented with two leper colonies and a Club Med"*, but rather with *"real choices"* along with their pros, cons and consequences. Residents were, therefore, involved in considering the trade-offs of any decision. The more people engaged, the more they came to accept the need for hard choices, and opted to increase density in existing residential areas, as opposed to *"sending sprawl up the valley"*. Working with developers and builders, residents found that "*if we had a little more density here, we could have an even larger library"* and were willing to add *"another floor on this building in return for that"*.

Vancouver City Council engaged directly with around 20,000 people over three years to develop *CityPlan*, and *"when we asked people, the estimates came to about 100,000 people* [up to 20% of the City's population] *feeling that they were involved in some way, shape or form, in developing CityPlan"*. The flavour of engagement was also important. It was largely characterised by debate among residents – *"very much citizens speaking to citizens"* – rather than "*pontificating by staff or politicians"*. The public participation involved in *CityPlan* is described in Box 2.

While the planning process was still underway, the Council acted quickly to implement immediate change in response to strong feedback, for example, where there was overwhelming support for increased greenways, and for community policing. Immediate implementation built credibility in the process. Feedback included

"that was my idea!" and *"the Council's for real!"*. A high level of buy-in was achieved in this way, with people feeling like they had been heard, and that the enterprise was a joint one: *"I'm working with the City to do it!"*.

It took a strong commitment from politicians and staff to respect the process throughout. Public involvement proved to be quite fragile when, at one point, a newly elected mayor tried to move ahead of the community, and go *"denser and higher"*.

In **Seattle**, the City Council established a Neighbourhood Planning Office in 1995, and tasked it with connecting directly with the community. It coordinated an engagement process which involved over 20,000 people directly, in 38 separate neighbourhoods (around 4% of City households).[85] Funding was provided for each of the neighbourhoods to hire the resources they needed to develop their own values and vision for their neighbourhood (within a common framework of targets) and to then work on the land-use issues, design, and anything else needed to make the vision workable. During this period, *"around three quarters"* of the Seattle planning budget was on public engagement. Significant effort was also put into communication, with a lot of attention paid to language and terminology. In addition, a 'running storyline' of what had changed as a result of feedback, what hadn't, and why, was critical to people feeling that their participation had been honoured.

The process *"really drove Seattle forward"*, and 80% of the 4,200 accepted neighbourhood plan recommendations have since been

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[85] Page 2010

implemented.[86] In a survey conducted by the Office of City Auditor, a majority of both those who participated and those who didn't felt it had positive effects for Seattle.[87]

Box 2 – Public participation in Vancouver

In 1992, the Vancouver City Council decided to develop a municipal plan. An inter-departmental team developed a four-stage consultation process:

1. Ideas (Nov. 1992 – April 1993): Council invited people to form 'city circles' of 10-15 individuals. These circles received city information kits and access to a City resource centre. Over 300 city circles were facilitated by citizen volunteers, and their ideas recorded. Ideas were supplemented with submissions from the public, and the contributions of 3,000 people were published in an *Ideas Book.*

2. Discussion (April-June 1993): Illustrated ideas and models of proposed developments were displayed at a three-day Ideas Fair. Ten thousand people attended the Fair and identified ideas for further consideration.

3. Choices (February-August 1994): The issues and trade-offs raised by ideas were presented in a 40-page *Choices Workbook.* The workbook was distributed to 6,000 people on the *CityPlan* mailing list and made available in six languages, and information was also publicised through workshops and the media. Readers of the workbook completed a questionnaire indicating their preferred direction for different elements of the city.

From that came four possible futures for Vancouver, which shared common features but diverged on some elements (such as neighbourhood character and community services). The futures were described in an 8-page brochure that was mailed to all households and printed in non-English newspapers. A display of the futures toured the city, with 15,000 people visiting and completing a questionnaire indicating their preferred future.

4. Consider draft plan with Council (Feb-June 1995): Results from the previous stages were collated into a draft plan that was publicly displayed. An open house at City Hall invited discussion with councillors.

The resulting *CityPlan* attempted to maintain popular features of the city, but made changes in other respects, including in relation to housing type, job location, development of industrial sites, and service delivery. The Plan Directions were used to develop new Transportation, Financing Growth, Housing, Industrial, Community and Neighbourhood Plans.

Meanwhile, in **Portland**, the development of the Regional Framework Plan involved 182 public meetings and a survey of every household in the Portland metropolitan region, which drew 17,000 responses.[88] In addition, there are *"all kinds"* of involvement in the development of metropolitan functional plans; *"public hearings, workshops, open houses, citizens events"*, all of which pose choices rather than asking people to respond to something prepared earlier. Indeed, one Portland interviewee contrasted the approach to engagement in Portland with that in cities in the UK and Australia, where *"there seems to be a culture*

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[86] Page 2010
[87] City of Seattle Office of City Auditor 2007

[88] Portland Metro 2010; Rusk 2000; Bianco 2001

that consultation is about telling people what the planners have decided".

One interviewee commented on the level of "*stickability*" of direction in Portland (further discussed in the next section), and ascribed this partly to the level of public engagement: *"The public and a variety of institutions are very involved in policy making. This means that they are not going to let it go very far off course. There are just a lot of people engaged"*.

Public engagement was also part of the story in **Toronto**, **Copenhagen** and **Chicago**, but does not appear to have been significant in **Austin** or **Dublin**. Interestingly, these latter two cities are the ones which appear to have 'ridden an economic wave', and are now facing some of the tougher choices addressed in the other cities.

Consistency of strategic direction

The consistency or *"stickability"* of **Portland's** strategic direction was mentioned in the previous section. *"It has managed to survive political generations. A Mayor leaves office, a new one comes in – and the agenda doesn't change dramatically"*. This was ascribed partly to the extent of public engagement, but also appears to be a result of bipartisan cooperation, starting with Democratic Mayor Neil Goldschmidt and Republican Governor Tom McCall forming an *"unusual alliance"*. Their motivations were different, but both articulated a set of values for Portland in *"clear and charismatic"* terms. Appealing to a range of interests, these values centred on *"conserving the land; preserving the Oregon landscape; keeping a relatively compact urban form; and having a vital downtown"*.

This consistency of direction is discernable in other cities too. The former Mayor of **Copenhagen** commented: *"One of the reasons Copenhagen is a success is that a number of people across the political spectrum, worked together to create a vision… which has managed to survive different governments"*. One of the reasons this is so important is that changing cities takes time: *"It is crucial to see that to change the course of cities is a long term project, you have to have a vision, you also have to have the will… Over time you need to make hundreds, even thousands of decisions"*.

Finally, it has been observed that few cities can claim to have an urban vision as remarkably consistent as that of **Vancouver**[89], where the region's vision of *"cities in a sea of green"* was originally articulated in the late 1940s. Underlying themes or 'principles' relating to this vision have endured across many governments: *"[incoming] politicians have tended not to try to…do 180 degree changes, but rather always build on what former generations have done towards the goal…they keep moving forward"*.

Collaboration across different sectors of society

One reason why consistency has been possible is because of collaboration among different parts of society. This was evident in most of the cities studied.

Chicago has a long history of active community organisations and cross-sector cooperation and, more than most other large U.S. cities, it is *"thick with these kind of intermediaries"*. Metropolis 2020, for example, advocates on a range of issues

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[89] Tomalty 2002; The Neptis Foundation 2010

important to the region's long-term health, including housing, transport, land use, and social services. Backed by senior members of the business, civic, and educational communities, it is a *"formidable pressure group"*.[90]

In **Vancouver**, NGOs, civic, and business groups have long been involved in the governance of the city. Examples include arrangements for the Canada Line, the 2010 Winter Olympics and the revitalisation of the Downtown Eastside. One interviewee commented that such multi-sector governance arrangements also give rise to the movement of people between sectors – *"it's more porous [than the U.S.]"* – which itself has made a positive contribution to Vancouver's development.

Seattle has a very strong culture of engagement with NGOs who together make up a *"whole army of small groups"*. The strength of civic advocacy groups in Seattle was described as creating a climate conducive to reform. Indeed, according to one former council member this culture of advocacy groups and the way they interact with elected officials has been *"more important than anything"*.

In **Toronto**, *"some real crises"* have motivated *"cross-sectoral mobilisation to get a better deal for Toronto"*. Increasing private sector interest led to the establishment of the Toronto City Summit Alliance, which brings together business, labour, government, and community groups, and whose areas of focus include employment access for immigrants, transport infrastructure, and low-income households. Focused on both sparking conversation and contributing practical

recommendations, the Summit Alliance has *"galvanised a whole lot of interest in the civic realm in the largest sense"*. (See Box 3 for more details.)

In **Portland**, the development of downtown involved an unusual coalition of activists, city officials, retailers, property owners, neighbourhood groups, and civic organisations. This diversity of actors resulted in the 1972 Downtown Plan offering integrated solutions to problems that Portland had historically approached in a piecemeal way.[91] Still influential is the 1,000 Friends of Oregon, an independent, non-profit land use watchdog formed in 1975. Its analyses and commentary have reinforced political support for compact development and protection of farms and forests. Meanwhile, Friends and Advocates of Urban Natural Areas (FAUNA), has been influential in the imposition of a levy to raise funds for the acquisition of green space.[92]

Finally, the private sector and academia were strongly involved in the early 1990s turnaround of **Copenhagen**. Today's cross-sectoral collaboration includes Regional Growth Forums, which comprise regional government, municipal government, business organisations, universities, and labour organisations.[93]

[90] Hamilton 2002

[91] Abbot 1997
[92] Seltzer 2004
[93] OECD 2009

Box 3 – Toronto City Summit Alliance

The Toronto City Summit Alliance (Alliance) was established after a 2002 Toronto Summit focusing leaders' attention on urgent regional challenges. Hundreds of leaders from the private, labour, community, and public sectors, developed a shared, evidence-based story of these challenges facing Toronto, including increasing income disparity, reduced tourism, and the decay of infrastructure. In 2003 the Alliance released 'Enough Talk: An Action Plan for the Toronto Region'. This plan was endorsed at a second Toronto Summit, held amid *"a real sense of crisis"*: the 2003 SARS outbreak, which had a major impact on Toronto.

Today the Summit Alliance is a not-for-profit organisation supported by donations from a range of corporate sponsors. With five core staff and up to ten secondees at any one time, it is led by an 11-person Board of Directors and a 55-person Steering Committee composed of leaders from business, community groups, higher education, labour, and government. The Alliance focuses on areas *"where there is no logical actor"*, and works by *"influencing the influencers"*, usually by involving them directly in diagnosis and action planning in large, highly heterogeneous groups of *"unusual suspects"*. A recent project, Greening Greater Toronto, involved over 500 people in its development. The Alliance is also active in growing the next generation of civic leaders, and in particular working to ensure they reflect the diversity of Toronto's population.

Successful characteristics identified by the Alliance's leadership include: early visionary leadership, the development of a shared agenda, and common fact base; having co-chairs on each project who represented different interests and could negotiate with their different constituents; to always have business present; to be as inclusive as possible; and to move quickly so that momentum was fully exploited.[94]

Regional co-operation

Cities often do not have the powers they need to shape their own destinies. The functional area of a city – sometimes called its 'real economic area' – does not generally match administrative jurisdictions, which evolved from historical circumstances. Arguably, decision making on issues like economic growth, job creation, planning, skills, housing, and transport is best done over the same area that people commute and that companies do business.[95]

Interviewees for all cities emphasised the need for regional cooperation, suggesting, for example, that it is essential for effective decisions on major infrastructure investment. Effective regional cooperation was regarded as an asset to cities like Vancouver and Portland, while its absence was identified as a problem in other cities, such as Austin, Dublin, and Seattle. Other cities have had mixed experience in attempting to improve regional collaboration. There was no clear 'best model' of regional cooperation, though some elements that made it more effective were apparent.

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[94] See www.torontoalliance.ca/
[95] Centre for Cities 2010

Vancouver has benefited from decades of collaborative and adaptive regional governance. Since the early twentieth century, Vancouver area municipalities have collaborated voluntarily: *"there is a strong political culture that local governments should work together"*. Regional decision making operates now through voluntary municipal participation in a regional federation: Metro Vancouver. This federation of 22 municipalities (as well as one electoral area and one treaty First Nation) conducts regional planning and is responsible for many services, but has no powers to raise revenue. Decisions are negotiated: Metro Vancouver municipalities *"collectively decide what the region is going to be responsible for and what the cities [individual municipalities] will be responsible for"*. Individual municipalities retain the freedom to applying regional goals in the way that works best for them. According to one interviewee, **Portland** has had *"a metropolitan consciousness for quite a long time"*. The current Metro, an elected regional body, was established in 1977. Metro covers three counties and 25 municipalities, with jurisdiction *"over all matters of metropolitan concern"*, including the maintenance of the city's Urban Growth Boundary. Though Metro does not have the authority to zone or regulate land use, it can require local governments to ensure their plans serve regional goals.[96]

Other cities' attempts at regional cooperation are not so advanced. In **Chicago** in 2005, for example, there was a move towards strategic regional land use and transport planning, when responsibilities for each were combined into the Chicago Metropolitan Agency for Planning (CMAP). CMAP is taking an integrated approach to managing regional growth, *"linking inter-*

related issues that cannot be addressed effectively in silos".[97] However, some question the organisation's effectiveness, suggesting that CMAP *"has no budget, no sticks"*, and *"no power to implement"*.

Copenhagen has experimented with regional government since the 1970s. In 2007, 271 municipalities merged into 98, and fifteen regional governments became five. Regional governments – such as the Capital Region, which oversees Copenhagen – were able to *"do…strategic things"*, but were weakened by no longer being able to collect taxes. This means that regions do not *"have authority"* but only a *"lobbying role"*. Copenhagen's 'real economic region' extends beyond its national border, to Malmö in Sweden's Øresund region (the two cities are connected by a bridge). There is recognition in both cities that *"the successes of each assisted the growth of the other"*. Though there is no common governing body, an Øresund Committee has been established to collaborate across national boundaries.

The Ontario government has developed a regional initiative for land use – '*Places to Grow*' – which establishes a legal framework for the Province's long-term growth, including **Toronto**, and requires municipalities to make their official plans consistent with the growth plan. While the plan is *"a step in the right direction, it … needs a whole lot more force behind it"*. To manage transport on a regional scale, the Ontario government – with the support of the municipalities – created Metrolinx in 2006. *"Metrolinx has some hope, I think, of succeeding, but it's not managing to do much [so far]"*.

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[96] Song and Knaap 2004

[97] Chicago Metropolitan Agency for Planning 2010

In some cities – **Dublin**, **Seattle** and **Austin** – interviewees identified a lack of regional cooperation as a problem. The Dublin Regional Authority (DRA) was established in the early 1990s as *"a forum for the four local authorities in the Dublin area to talk to each other and collaborate"*, but it lacks authority and resources. In Seattle, one interviewee commented: *"if there's one thing we suffer from it's a lack of a formalised regional governance structure"*. The four-county Puget Sound Regional Council is *"better than nothing"*, but it *"is an inter-jurisdictional forum more than a decision making body"*, and *"lacks teeth"*. Meanwhile, in Austin, interviewees identified a *"chronic annual call for collaboration"*, but little progress.[98] The lack of coordination is perceived to be resulting in *"more chaotic growth"*, with infrastructure suffering in particular.

Trigger for improvement

A turning point, or 'trigger', was identified in all the cities studied. There were different types of triggers.

In **Portland**, the trigger was concern about the path of development the city was on – and its potential consequences. Portland's increasingly dominant suburbs threatened to *"hollow out"* downtown, which *"was dying".* Responding to concerns that the city would turn into *"another Los Angeles",* the government intervened, starting with the downtown *Portland Plan.*

In **Toronto** and **Vancouver**, effort was prompted by a desire to manage growth better, and avoid its negative impacts. With rapid population growth in Vancouver from the late 1980s, there was a sense that *"growth had come back and was out of hand"*. In Toronto, the catalyst was failing infrastructure.

In other cities, highly visible economic and social decline proved a powerful trigger. When Denmark moved its naval base from **Copenhagen** in 1989, it caused significant job losses in a city already struggling with high unemployment – *"there was a crisis"*. As broader economic conditions worsened, the financial position of municipal governments also declined, and the City of Copenhagen neared bankruptcy. A similar decline occurred in **Seattle**, whose economy reached a low point in the early 1970s, with unemployment rates up to 14%, and the recession pushing major local employer Boeing to the brink of insolvency. The resultant population decline was reflected in a billboard on the interstate highway that read: *"Will the Last Person Leaving Please Turn Out the Lights?"*.

In 1980s **Dublin**, not only was the population declining *"in a serious way"*, but *"the city was in crisis – buildings were being demolished, roads were being driven through it...the heart of the city was very derelict and dying"*. **Chicago** was similarly troubled. Its economy looked *"pretty bleak",* like it might become *"capital of the rustbelt",* and parts of the city were desperate in the late 60s and early 70s.

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[98] Gregor 2010

4. Implications for Australian cities

4.1 Urban governance in Australia

When making recommendations for Australian cities based on overseas case studies, it is crucial to take the current decision-making arrangements into account. Of course, these will differ across Australian cities[99].

Despite the differences between Australia's cities, there are common elements. In Australia's Federal system, legislative responsibilities are shared between the Commonwealth and States. State governments take a leadership role in city governance, tending to lead decisions about education, health, transport, and other services. Local governments provide a range of basic services, including roads and waste management, but have expanded since the 1980s to be more involved in strategic planning, recreation and cultural programs, sustainability, and economic development. With the exception of Brisbane, where the City of Brisbane covers 800,000 people, they tend to be small.

Commonwealth government decisions – for example, on trade, industry, immigration, and housing – have direct impacts on the rate, location and nature of urban growth in Australia. The Commonwealth Government has only taken a direct interest in urban policy at certain times, however, notably in the 1940s, mid 1970s and the early 1990s.

Despite playing a relatively small role in urban policy, the Commonwealth collects most of the government revenue. This results in a substantial imbalance between the responsibilities of respective levels of government, and their ability to raise revenue.

Although this imbalance is severe in Australia, it is not uncommon. In the UK, for example, councils are only able to raise around a fifth of the funds they spend.

Clearly, the level, source and distribution of government funding have major implications for Australian cities. But redressing the imbalance between responsibilities and revenue-raising powers is notoriously difficult. As the OECD suggests, "almost inevitably this requires reform and restructuring of the taxation system and taxing power embedded in the constitutional structures of nations". So, while important, this issue is beyond our scope.

Finally, as stressed in Chapter 1, governance is not only about government, and in Australian cities a range of other bodies are involved in the 'broader conversation'. This includes business groups such as the Committee for Sydney and the Committee for Melbourne, as well as interest groups such as Save Our Suburbs.

In sum, it appears that there is room for improvement in the governance of Australia's cities. This impression was confirmed by a recent independent assessment by KPMG for Built Environment Meets Parliament (BEMP).[100]

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[99] See the 2010 State of Australian Cities Report (Albanese 2010) for full descriptions

[100] KPMG 2010

4.2 What Australian cities can learn from this research

Our research findings have a series of implications for Australian cities, from the importance of collaboration between different levels of government, to the significance of a consistent strategic direction.

However, two implications of the research leap out. These are:

1. **Residents of cities must be involved in decisions**, at a metropolitan and at a local level. In our sample, such involvement appears to have been critical to making tough decisions that were then actually implemented. This level of engagement is an order of magnitude different from what happens in Australia today.

   The type of engagement matters a lot. For example, it must start early, before decisions have been made; genuinely engage a significant proportion of the population; be focused on real choices and be clear about their consequences; there should be no promotion of a 'favoured approach'; and there must be a commitment to follow through.

2. **Changing structures does not in itself result in success.** No one particular type of governance structure was associated with successful cities. Changing structures has the danger of being a distraction from what it important (e.g. broad engagement in decision-making).

Glossary

Discussions about cities present a definitional challenge. The word 'city' itself can be used in a variety of ways.

Take Melbourne as an example. In common usage, people would refer to the 'city' as a place of around 4 million people. But, the 'City of Melbourne' (which is a local government area centred on the central business district) covers only around 90,000 residents.

To help define geographical scale, a number of other terms are used throughout the report – reflecting how different overseas places think about spatial levels.

Including these terms in the report is necessary to reflect the fact that decisions and outcomes often occur at different scales.

A general guide is provided on the right, but it is important to be conscious of what different terms mean in each city. These spatial levels are outlined in the formal governance diagrams in each case study.

Definitions

Local – usually refers to a part of the metropolitan area, city or region, rather than a larger area. In administrative terms, it relates to the 'lowest level' of government.

Municipality – an urban district which usually has powers of self-government.

City – can be used in a number of ways. In common usage it refers to a continuous urban area. In planning or government terms, it can often refer to a much smaller, local government area, such as the City of Vancouver.

Metropolitan – the greater area of a city. It includes urban areas strongly linked by commuting or commerce.

Region – usually refers to an area even larger than a 'metropolitan' area. It may include multiple cities, metropolitan areas or local governments.

Appendix 1 – Methodology

This section describes the research steps in detail.

Step 1. Define 'successful' city

'Success' in a city can be defined in a wide range of ways, as can be seen in the various approaches taken to ranking cities. In the Grattan report '*The Cities We Need*', we argued that to be successful, Australian cities need to address the full range of needs – both material and psychological – of all its residents. This can be done in lots of different ways, as evidenced by the differences between Australian cities. Based on the belief that a successful city should perform well across a range of measures[ci], the following elements of success were selected, for translation into indicators (as laid out in Table 1).

- safety

- economic and employment opportunities

- accessible and reliable transport

- effective infrastructure

- equitable distribution of opportunities and minimal socio-economic disadvantage

- varied and accessible neighbourhoods and communities

- diversity of population

- aesthetically pleasing, with public open space

- environmental sustainability.

[ci] See *The Cities We Need* for a discussion of what a successful Australian city looks like (www.grattan.edu.au).

Step 2. Define ''reasonably comparable'

As stated earlier, findings from overseas cities cannot be imported wholesale to Australian cities. It is also the case that the governance experience of most cities in the world is of limited usefulness when thinking about Australian cities, as they do not share sufficiently similar characteristics. In other words, useful insights about governance arrangements can be better gleaned from cities which are 'reasonably comparable' to Australian cities.

So, for example, there are no Asian cities in our sample, as Asian cities generally have much higher densities than Australian cities, as well as markedly different political systems. Therefore, overseas cities were selected not only on the basis of proven success, but also according to their similarity to Australian cities on characteristics such as:

- Demographics: size, distribution, composition, and growth rates of a city's population. For example, cities with an ethnically homogenous population would not be good comparisons for Australian cities. We were also keen to choose cities which, like Australian cities, have experienced high rates of population growth. Of course, not all cities in the sample are of a similar size to every Australian city, which differ in size and growth rate. The sample includes a range of city size, to reflect not only diversity in size of Australian cities, but also the projected size of some Australian cities over the next few decades.

- Government: Australia has a liberal democratic political framework, and a federal system. So, for example, cities in

countries which are not democracies, were discounted as not being reasonably comparable.

Specific indicators were also developed for comparability (see Table 1 – Quantitative indicators for city selection). The figure below illustrates the similarity of the cities we considered to Australian cities.

Figure 9 – Cities and selected 'comparability' indicators
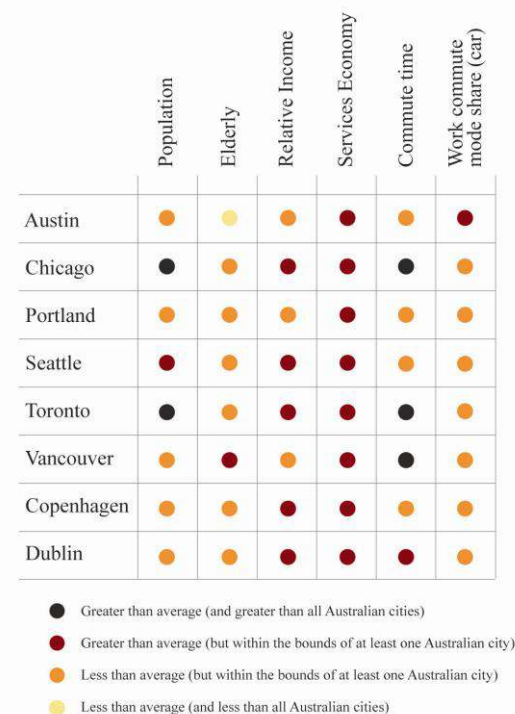
Step 3. Identify list of cities for examination

A long-list of overseas cities for possible examination was compiled, based on places that have improved upon a number of measures of success and are similar to Australian cities. A review of academic and other commentary on these cities yielded the following short-list:

- Chicago
- Austin
- Portland
- Seattle
- Vancouver
- Toronto
- Dublin
- Copenhagen.

Glasgow, Manchester and Curitiba were also investigated, but it was judged that in the case of these cities, improvement had been too narrowly focused, for example in a particular sector, or a particular geographical area (such as the city centre).

Step 4. How each city was examined

For each city in the study, a series of expert interviews were undertaken, quantitative data was collated and analysed, and a literature review was carried out. This section describes each of these in turn.

Expert interviews: through domestic and international networks, between three and five interviewees were identified for each city. Care was taken to ensure a diversity of background, so that we got a range of perspectives on what had happened in the city. We spoke to former mayors, heads of business groups, CEOS, academics, leaders from civil society, former heads of planning, and others. Interviews were primarily undertaken by telephone, though a small number were face-to-face. A semi-structured question guide was used.

Quantitative data: Information about the performance of the short-listed cities across quantitative indicators of success and similarity was collected from sources including:

- the Australian Bureau of Statistics
- United States Census Bureau
- Organisation for Economic Cooperation and Development (OECD)
- World Bank
- other city- and country-specific publications as available.

To ensure the city was improving over time, data were collected for at least two – and often three – points in time around a decade apart, generally over the period from the mid-70s to the present.

Box 4 – Availability of data

As with all city data, availability was affected by:

- Scale: Because data are collected in line with institutional or government boundaries, data are often not gathered or reported at the city level. Therefore, for a few indicators a national figure or local government figure was used in lieu of a figure for the whole metropolitan area.

- Timeframe: Robust data collection, such as the census, occurs relatively infrequently. Therefore, high quality information for many indicators is only available around every five years, with points in time being different for different cities.

- Issue: Many of the things we care about – such as social interactions or culture – are not easily quantifiable. The result is that such issues need to be explored qualitatively, rather than through statistics.

Literature review: Interviews and quantitative analysis were further supplemented by a review of the literature (primarily academic and government publications, as listed in bibliography), which provided new insights and evidence-based accounts of change. It also helped manage the occasions where interviewees' accounts diverged by helping to explain apparently incompatible perspectives.

Writing up and extracting common findings

A case study summary was then developed for each city. An account of what had happened in each city, with a particular focus on the governance arrangements associated with its success. These accounts were tested with the original interviewees and in most cases also with other experts.

The full account of the overseas city case studies will be available in a separate annex to this report at www.grattan.edu.au.

Table 1 – Quantitative indicators for city selection

Examples of elements of city success and corresponding quantitative indicators

Safety

Rates of property crime, murder and car theft [#]

Economic and employment opportunities

Per capital Gross Domestic Product (GDP)*; city income as percentage of country income; unemployment rate; gini coefficient*; education levels (e.g. upper secondary graduation rates, average PISA and TIMISS scores)*

Accessible and reliable transport

Average commute time; transport mode share (for work)

Effective infrastructure systems

Average commute time; transport mode share (for work); ratio average income to median rent & median house price

Equitable distribution of opportunities and minimal socio-economic disadvantage

Gini coefficient*; ratio average income to median rent & median house price

Varied and accessible neighbourhoods and communities

Proportion of different housing types

Diverse population and ethnic and cultural dispersion

Proportion of pop. not speaking English at home/as first language*

Environmental sustainability

Sustainability ranking^; ecological footprint (Gha/capita)* Membership of C40

Examples of elements of city similarity and corresponding indicator(s)

Population size and population growth

Total metropolitan population (including change over time); population density (people per square kilometre)

Demographics and culture

Proportion of population aged 65+; proportion of population not speaking English at home/as first language*; average household size

Health

Life expectancy*

Economic strength and structure

Unemployment rates; proportion of economic activity in primary, secondary and tertiary sectors

Housing

Proportion of different housing types; rates of home ownership; ratio average income to median rent & median house price

Commuting patterns

Average commute time; transport mode share (for work)

* For some cities data was not available at city level, so national, state or sub-regional figures were used as a proxy

^ Figures are not comparable between cities, because sustainability rankings were restricted to just one country

Figures not comparable between cities because definitions of crime are different

Note: a number of features of cities do not have suitable quantitative proxies (e.g. aesthetically pleasing); as such, they were explored through interviews and a review of literature.

Appendix 2 – Contacts for overseas research

George Adams, City of Austin

Professor Rob Adams, Director of City Design, City of Melbourne

GB Arrington, Parsons Brinckerhoff

Derek Ballantyne, Build Toronto (formerly Toronto Community Housing Corporation)

Jose Becerio, Austin Chamber of Commerce

Professor Edward J Blakely United States Study Centre, Sydney University

David Bragdon, Portland Metro Council

Jeb Brugmann, author and Founding Partner, The Next Practice

Ken Cameron (formerly CEO Homeowner Protection Office, Vancouver and Greater Vancouver Regional District, now Metro Vancouver)

Richard Conlin, Seattle City Council

Professor Frank Convery, University College, Dublin

Julia Deans, Toronto City Summit Alliance

Dr. Jago Dodson, Griffith University

P.J. Drudy, Director, Centre for Urban and Regional Studies, Trinity College, Dublin

Dr. Chris van Egeraat, Department of Geography / NIRSA, National University of Ireland, Maynooth

Professor Ruth Fincher, University of Melbourne

Lucy Gallbraith, Capital Metro Transportation Authority, Austin
Charles Hoch, University of Illinois

Professor Brian Howe, University of Melbourne

John Jackson, Planning and Environment RMIT

Professor Paul James, Director of the Global Cities Institute Royal Melbourne Institute of Technology (RMIT)

Lars Bernhard Joergensen, CEO, Wonderful Copenhagen

Gil Kelley, urban development consultant (former Director of Planning, City of Portland)

Daniel Khong, VicUrban

Dr. Janine Kirk AM, Ernst and Young, Melbourne

Josef Konvitz, Head of Division, Regulatory Policy, OECD

Gary Lawrence, AECOM (former Planning Director, City of Seattle)

Michael Lennon, Housing Choices Australia

Trent Lethco, Associate Principal, Arup North America

Henrik Madsen, Capital Region, Denmark

Dr. Ann McAfee, City Choices Consulting (former Co-Director of Planning, City of Vancouver, Canada)

Neil McInroy, Chief Executive, Centre for Local Economic Strategies (CLES)

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