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# ORIGINS OF AN URBAN CRISIS: THE RESTRUCTURING OF THE SAN FRANCISCO BAY AREA AND THE GEOGRAPHY OF FORECLOSURE

By Alex Schafran Final Revised Version for IJURR, October 2011

#### INTRODUCTION: AN URBAN CRISIS ON THE METROPOLITAN EDGE

Urban restructuring must first be seen as crisis-generated.

-Ed Soja, in Soureli & Youn (2009, p. 42)

Stories of suffering, decline and foreclosure on the edges of the American metropolis have now become as ubiquitous as the "bank-owned" signs littering front yards from Antioch, California, to Yuma, Arizona. From columnists like Timothy Egan to the editorial pages of *The Economist*, tales of the "gated ghetto" and quotes from urban scholar Christopher Leinberger about the "next slum" growing on the fringes of our urban regions are merging into a noticeable discourse of decline in the wake of an economic and social disaster (Egan 2010, Semuels 2010, Leinberger 2008, The Economist 2010).

The attention paid to the metropolitan fringe is a critical reminder that, as David Harvey (2009), amongst others, has noted, this is "not a sub-prime mortgage crisis but an urban crisis." As the foreclosure crisis in the United States morphed into a financial crisis cum global economic meltdown, popular attention moved away from the urban roots of this calamity, focusing almost exclusively on securitization and Wall Street greed – no doubt critical features – while largely ignoring the role played by such "urban" factors as housing policy, racial segregation, metropolitan mobility and the conflation between the American Dream and homeownership. This is a critical error. To fully grasp both what happened and what will happen, we must think not simply about what Wall Street did to Main Street, but how, where, and for whom we have built and rebuilt Elm Street, the quintessential space of American residential life.

It would also be a mistake to root the urban nature of the crisis exclusively in the bubble years of 2002-2006. Much as Thomas Sugrue (1996) reminds us in his seminal work *Origins of the Urban Crisis* that the "urban crisis" of the 1960s and 1970s – with its wave of abandonment, riots and the supposed decay of the American inner city – began not in 1965 in Watts or 1977 in the Bronx but in the cities, suburbs and factories of the 1940s, we too must look back over the course of a generation for the origins of this particular crisis. Although we cannot discount the importance of the deregulatory fervor of the Bush regime and the "supercapitalism" (Reich 2008) of the first decade of the new millennium, the story of this crisis must be told not from the point of this most recent moment of neoliberal restructuring, but from the 1970s, when the Keysenian era of postwar federally-sponsored suburban growth morphed into the neoliberal era.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> Throughout this essay, I deploy a simplistic yet useful dualism to describe the two major periods of urban development in the United States after the Great Depression. The Keynesian or Fordist era ran from the New Deal of the 1930s through the mid-1970s, where a massive ideological, economic and political restructuring ushered in what can be called the neoliberal era, following the growing influence of a set of policies emphasizing, amongst other things, free-market economics and federal devolution and retrenchment. I do this with full knowledge of what Peck and Tickell (2002) show are the difficulties in separating out the policies and politics of neoliberalism and the historical context that it has come to dominate. It also remains an open question as to whether the neoliberal era is now over.

Of late, urban scholars have reacted to the exclusive focus on Wall Street and Washington by asserting the role of the "urban problematic" in our understanding of both the production and aftermath of the crisis (Bardhan, Walker 2010, Bardhan 2009, Burkhalter, Castells 2009, Dymski 2009, Wyly et al. 2009, Crump et al. 2008). They remind us that this story is not simply about a static problem, but one inherently linked to the ongoing restructuring of the American metropolis.<sup>2</sup> While the foreclosure crisis is not a perfect analogy to Hurricane Katrina, the discursive power of the comparison is useful. Although we may argue (correctly) that there is "no such thing as a natural disaster," and while the urban pain of Katrina was undoubtedly produced by racism, inequality and willful negligence, the storm itself was not. In the case of the mortgage crisis, persistent racialized inequality, predatory lending practices, capital mobility, policy failures (and utter negligence), and a general restructuring of the American metropolis not only produced a highly unequal geography of crisis - much as in New Orleans - but helped produce the storm itself (Wyly et al. 2009, Crump et al. 2008, Hernandez 2009).<sup>3</sup> It was the perfect calamity for a world where the primary means of production had shifted from the industrial to the urban, a bitter fulfillment of Henri Lefebvre's (2003 [1968]) prophecy of an "urban revolution."

What has emerged is a gradual understanding that certain places are at the center of this mess for a reason, and that much can be learned from the highly specific geography of the crisis. Much as postwar Detroit emerged as the (ongoing) exemplar of postwar urban decline, California, and its metropoli, have emerged as a critical center of the "Great Recession" (Bardhan, Walker 2010). Table 1 shows the ten metropolitan regions that bore the brunt of the initial wave of foreclosure in 2007, a list that clusters in three major areas – the Rust Belt cities of Ohio and Michigan, the Sunbelt cities of Nevada, Arizona and Florida, and California. The Rust Belt and the Sun Belt can partially be explained by macroregional economic forces – the rampant speculative urbanism and real estate driven economy in one case, and the decline of the industrial economy in the other. The story behind the megaregions of Northern and Southern California (in bold and italics respectively), on the other hand, is largely about the internal metamorphosis of these two areas which collectively account for more than one in ten Americans.

#### [insert table 1 here - inset box]

This essay illustrates how Northern California in particular restructured over the course of the neoliberal era, and how this multi-scalar shift in demographics, policy and capital investment produced not only the specific exurban geography of crisis but

<sup>&</sup>lt;sup>2</sup> There is a large literature on urban restructuring, summarized by Soja (2000). An excellent working definition of the concept is provided by Soureli and Youn (2009) in their interview with leading urban theorists in the discussion of the crisis: "The multifaceted processes driving the major transformations of city-regions (with particular emphasis on the past thirty years); constantly at work, with highly variable dynamics, affecting spaces unevenly and people unequally; with varying but quite open possibilities for changing its predominant directions; and conditioned upon struggles everyday around the world" (p. 36).

<sup>&</sup>lt;sup>3</sup> The argument here is not that there is no human agency to the production of the storm through global warming, simply that the production of the storm and the production of unequal impacts of the storm were not as directly linked as with foreclosure. With foreclosure, the storm itself was produced by inequality, and particularly by both changing and unchanging geographies of inequality.

underwrote the crisis itself. This holistic, historicized and multi-scalar approach to understanding the crisis in exurbia elucidates two critical lessons. The first is the historical realization that that the way in which society at multiple geographic scales reacted to the urban environment and urban processes present at the end of the great wave of post warsuburbanization, modernist planning and the original urban crisis – an era which by the 1970s had produced a vastly segregated metropolis defined by a racialized urban/suburban dichotomy and a lack of faith in planning, particularly from higher levels of government, across the political spectrum – produced an even more sprawling and disjointed region and a new geography of race and class which laid the urban underpinnings of the contemporary foreclosure crisis. One can conceptualize the foreclosure crisis not simply as the end result of the neoliberal era, but as the convergence between the unresolved urban crisis of the post-war era and the various reactions to it over the past thirty-five years. Rather than make modernist planning less authoritarian. racist, and anti-urban and the regional urban economy less dependent on cheap suburbanization, we gutted planning, abandoned the "integrated ideal" (Graham, Marvin 2001) and other productive components of modernism while failing utterly to restrict suburbanization in any reasonable way.

As a result of this history, and the profound crisis it has produced, we must learn to see geography different, especially from the left. For generations now, the general position of the broad left has been slow- or anti- or smart-growth, has been pro-city and anti-suburb. We have been obsessed with the ravages of gentrification while generally content to ignore suburbia entirely, except to decry it as exclusionary or banal or both. This particular geographic orientation may have been a good idea a half century ago, when the postwar wave of suburbanization was not yet complete, when the dream of homeownership and the American dream not so deeply intertwined, before core inner city areas were rendered as racialized ghettos and an entire generation of low-income families, African Americans and immigrants was left to pursue a suburban dream under conditions of fiscal austerity, subprime lending and massive collective disinvestment in infrastructure.

But it is too late for all that now. We sprawled, and then sprawled again under even worse conditions. To be anti-sprawl or anti-suburbs now is to be against the homes and dreams of millions of working class families, many from communities of color, in suburbs and exurbs around the United States. Yes, it should never have happened, but it did – we failed. Now we must pick up the pieces and learn to live and adapt in this new hyper diverse, physically massive and politically dysfunctional universe where individuals and institutions simultaneously seek to restore things to an imagined past and push ahead into

<sup>&</sup>lt;sup>4</sup> A note on method: This essay is derived from a manuscript-length project which uses an exploratory and inductive mode of research that borrows theory and method liberally from numerous sources endogenous and exogenous to social science, including history and journalism. The formal research was conducted in two dozen cities and towns in five counties across a broad swath of northern California from 2007-2010, and included key informant interviews with seventy longtime policymakers, planning officials, developers, academics and participant and non-participant observation in social and political settings, and innumerable informal conversations and interviews with local residents. While a few quotes from sources are presented for transparency's sake, my interview process is more journalistic than ethnographic, and I do not engage in textual analysis of transcripts. The fundamental goal of this research is hermeneutic – a geographic and historical interpretation of multi-scalar urban transformation – and makes its case based on accumulated evidence acquired over years of research, a decade as an organizer and participant in urban politics, and three decades of living in the San Francisco Bay Area, not on one particular set of interviews, statistical analyses or participant observations.

an uncertain future. This will necessitate doing things we may find uncomfortable – completing incomplete and decidedly unurbane exurbs, restoring faith in the power of the federal state to plan and pay for infrastructure, and making peace with a growth machine to which we are now inextricably linked.

## [insert figure 1 here]

#### A Brief History of Northern California

...in California the lights went on all at once, in a blaze, and they have never been dimmed.

-Carey McWilliams (1999 [1945], p.25)

Depending on one's level of cynicism, the location of the Bay Area at the center of this situation is either fitting or tragic or both, but it should hardly be surprising. Beginning in the heady days of the Gold Rush, when, as Carey McWilliams (1999 [1949]) so eloquently noted, "the lights went on all at once" and the rapid development of the state represented a "telescoping of events; a foreshortening of processes," the Golden State and its cities have been at the center of both global capitalism and American urbanism, and their myriad interlocking formations. It was not long until San Francisco arose from a tiny settlement on a windy outcrop into an "imperial" metropolis, torn between being the next Rome or the next Paris (Brechin 2006).

If at first San Francisco's power was built on the abundance of its hinterlands and the power of its internal industrial and financial capital, it quickly morphed into a regional metropolis, moving heavy and dirty industry over to Oakland and Alameda County and up the Carquinez Strait into Contra Costa and Solano counties starting in the late 19th century (Walker 2004). Oakland grew as a streetcar suburb after the 1906 earthquake, followed by the steady growth during the  $20^{th}$  century of a blue collar, suburban "industrial garden" along the shores of the Bay from Richmond to Fremont (Self 2003). This era of postwar growth was aided in no small part by the massive build up of defense and defense-related industries during the war, bringing both massive federal investment and an influx of African American workers, mostly from Louisiana, Arkansas and Texas. Filipinos also came in significant numbers during the war, helping to cement what had long been a relatively small but significant multiracial minority, with significant Chinese, Japanese, Mexican (or Californio) and Native American populations stretching back to the Gold Rush and before.

The combination of war industry, foreign and domestic immigration, and exclusionary housing policy helped produce a segregated metropolis that by 1970 saw the majority of African Americans confined to a handful of communities – Oakland, Richmond, East Palo Alto, Pittsburg, Vallejo, and parts of San Francisco and Stockton – in what had become a sprawling region spanning anywhere between nine and fifteen counties. The defense industry also helped spur the growth of a high technology sector, one which had been born and nurtured through post-gold rush innovation but which took off in one of the most famous economic transformations in history, building on the power of transistors, higher education and global markets to build a knowledge industry powerhouse.

<sup>&</sup>lt;sup>5</sup> Hispanics were less segregated, although there was a significant community in East San Jose and in San Francisco's mission district.

It was this simultaneous innovation in industry, urbanization and exclusion that helped set the stage for the story at hand. Not only did the Bay Area pioneer hydraulics, telecommunications and personal computing, but it was at the forefront of the developer driven streetcar suburb<sup>6</sup> (Loeb 2001) and can claim sole title to the creation of racially exclusionary zoning, with the regulation of (almost exclusively Chinese-owned) laundries in Modesto and San Francisco in the 1880s (Warner 1972, Bernstein 1999).7 The 20th century Bay Area remained at the forefront of many if not most of the phenomena we associate with the contemporary American metropolis: edge cities (Garreau 1991) and boomburbs (Lang, LeFurgy 2006, Lang 2003), significant exurbanization and suburbanization of communities of color and low-income communities (Frey 2000, Lucy, Phillips 2001), a gentrifying core (Solnit 2002, Godfrey 1988) and a restructured metropolitan economy centered around white collar office work, high technology and knowledge production (Nelson 1986, Castells 2000, Saxenian 1994). As entrenched fiscal crises assert their prominence in the contemporary urban problematic, Northern California is sadly determined to stay out in front (KIRKPATRICK, SMITH 2011).

Anti-Chinese sentiment is not the only force that linked the cities of the Northern San Joaquin Valley like Modesto and Stockton to San Francisco and the core of the Bay Area. From an economic relationship built on truck farms and the canning industry in the late 19th century to the beginnings of long distance commuting a century later, the lines between the Central Valley and the Bay Area have always been fuzzy, even if the metropolitan imagination of San Franciscans doesn't extend far beyond its 49 square miles (Schafran 2009). This linkage has become especially critical with the transformation over the past three decades, where commuting patterns and housing development demand a conceptualization of a "megaregion," even if significant political and cultural differences remain (Metcalf, Terplan 2007).

This logic of the megaregion helps define the loose boundaries of one axis of this examination. While most Bay Area residents (and virtually all regional planning institutions) define the region as the nine-county area that largely rings the San Francisco Bay, and some definitions expand the concept up to as many as 21 counties, plus five more in Nevada (Metcalf, Terplan 2007), this study focuses on the triangle formed by San Francisco, Merced and Sacramento (Figure 1), a 13-county region that is home to almost ten million people, almost a quarter of California's population. If our goal is to chart the production of an exurbia in crisis as part of the restructuring of *regional* race and class geographies, urban policy and urban capital, we must use a malleable definition of the

<sup>&</sup>lt;sup>6</sup> Even though they are often foreshadowed by their more (in)famous descendents in the post war era like Levittown and Lakewood, the earlier streetcar suburbs were the more foundational moment for American urbanism, helping to produce modern zoning, subdivision law, the profession of city planning, an organized real estate industry, and most of the political power structures of American cities, including planning and zoning commissions (Weiss 1987).

<sup>&</sup>lt;sup>7</sup> Actually, many point to Modesto as the site of the invention of zoning in the first place. San Francisco attempted to ban laundries first as a nuisance and fire hazard, but this effort was struck down by federal courts. Modesto "succeeded" in doing so by splitting the city into two zones, thereby skirting both the 14<sup>th</sup> Amendment and the state constitution (Warner 1972).

region that recognizes the economic, social and historical linkages and not simply the formal geographies of politics and bureaucracy.<sup>8</sup>

The second axis lies in the exurban communities at the eastern edge of Contra Costa County, a sprawling county of 1.2 million which stretches from the shores of the San Francisco Bay to the edges of the Central Valley, and in the four communities affectionately known as "East County": Pittsburg and Antioch, old industrial towns that were the industrial "back office" during the height of the Bay Area's cold-war machine (Walker 2004, Anderson 2005) and Brentwood and Oakley, agricultural towns that were key linkages in the truck farm and train line system linking the Central Valley to San Francisco and the canneries of the Bay Area. Together, East County is now home to more than a quarter of a million people, following a massive suburbanization over the course of the past forty years, a splintered merging of the agricultural, industrial and urban under a post-Fordist economy and neoliberal policy regime, a coming together that left both Pittsburg and Antioch in and out of the region, incomplete suburbs who were victims of an Eisenhower dream in a Ronald Reagan era.

#### A RESTRUCTURING IN THREE MOVEMENTS

The Bay Area at the end of the Keynesian era may have possessed the roots of its future superstar status, but in many ways it was a typical American metropolis. White collar work and lower-income communities of color were largely centered in the core cities; residential developers were building out the suburbs for a mostly white and (newly) middle class constituency; the federal and state governments were investing in infrastructure and mortgage insurance to make this all possible. While diversity and industry existed in many places outside of the core, suburbs like Livermore became the poster child for 1970s white middle class suburbia in Bill Owens' (1972) iconic *Suburbia*.

The past three decades have seen some profound shifts. Pockets of previously disinvested inner core areas in Oakland, Berkeley, and San Francisco gentrified, taking in children of the suburbs, while others remained mired in a caricature of urban poverty, with high murder rates for young men of color, poor schools, and terrible rates of environmental health problems like asthma. Many of these inner core neighborhoods took in immigrants and refugees from throughout the world, even as they sent many longtime residents over the hill in search of a better and safer life. Alas, over the hill was not available, as most of the second ring of suburbs was largely closed off through high prices and land use regulation, meaning that they landed in the burgeoning exurban communities on the edges of the Central Valley. In few other regions did "drive 'til you qualify" mean so much.

This new wave of suburbanites was joined by the suburban residential developers, who were also fleeing the build out of the core and the restrictions of the second ring. In the meantime, venture capital was pouring into San Francisco and Silicon Valley, and commercial capital was building an edge city in the very same second ring suburbs that had been at the heart of Robert Self's (2003) "white noose" in the greater Tri-Valley region.

<sup>&</sup>lt;sup>8</sup> In addition to forcing global urbanism to consider California cities as key to understanding contemporary urbanism, Soja and the LA School theorists are also critical to the meso-level scale (the amorphous city-region) used in this analysis, a scale that is too often ignored by scholars trapped in a local/global framework. Gentrification scholars are particularly susceptible to this narrow framing.

Meanwhile, the massive investments in transportation infrastructure that had laid the groundwork for both the creation of mass residential suburbanization and its subsequent reincarnation as a jobs center slowed significantly, leaving an exurban realm outside of the major transit grid (BART) and, in some cases like Antioch and Brentwood, off of the vaunted federal highway system.

All of this occurs under a shifting policy framework across multiple scales. Smaller edge towns were either struggling with deindustrialization (Antioch, Pittsburg) or the constant crisis of agriculture, and saw growth as a means to both a new economic and fiscal reality and a set of amenities – be they parks and pools or commercial consumption – that have become standards of American life. Their pro-growth politics provided a welcome mat for both residential developers and a new generation of residential consumers who couldn't find space in the increasingly unaffordable and anti-growth core, where the new fiscal politics favored retail and commercial development over residential.

# (Ad)ventures in Capital

"Look at the NAHB (National Association of Home Builders) roster – we had everyone who was on it." – longtime East County engineer

The brutal modernism of postwar urbanization was "successful" in part because there was a coherence and coordination to the flows of capital. The suburban "spatial fix" (Walker 1981) of the postwar era was rooted in centralized support for transportation and mortgage infrastructure and the attempt to maintain the central city as a primary source of employment. But the sins of an earlier era – which both left out huge swaths of the population based on race or class, or destroyed communities through freeway building – not only destroyed faith in the modernist project on both the left and the right, but left a fragmented and uncoordinated system of investment in the built environment. Residential developers and commercial developers emerged from this period operating in very separate and distinct worlds, sandwiched between an unbelievable torrent of venture capital on one side and a steady strangulation of public investment in infrastructure on the other hand. With policy weakened by a liberal illusion of home rule in the reality of fiscal austerity, it is little wonder the end result is an increasingly fragmented metropolis where the edge is left out in the cold and parts of the center remain centers of poverty.

## Residential developers go over the hill

After the heyday of building in the inner ring suburbs along the Bay and the classic postwar suburbs of Walnut Creek, Pleasanton and Livermore, residential builders fled eastward over the hills – to eastern Contra Costa County (Antioch, Pittsburg, etc.) and the Central Valley counties of San Joaquin, Stanislaus, Merced and Sacramento. Their tried and true business model of single family detached homes in new subdivisions was not set up from a business perspective for the demands of an older city and mature suburbs, places that demanded infill development of multifamily, attached or mixed-use housing. Cities like Antioch welcomed mass suburbanization in the face of declining industrial economies and an abundance of cheap land.

If open space was a pull factor, so were the risk factors. With the growth of the slow-growth and anti-growth movements throughout California in the 1970s and 1980s, and the passage of Proposition 13 in 1978, large scale subdivisions of resource consuming and low-

tax generating subdivisions became politically unpopular in the second ring suburban areas which had room to grow. Meanwhile, eastern Contra Costa cities, the unincorporated areas like Discovery Bay and Oakley, and the small farm towns in the Central Valley near major highways provided a welcome place where business could be done much as it had been done a generation ago, when many of the family-run companies got their start. Southeastern Antioch, which would become a major epicenter of foreclosures in 2007, was urbanized in 1982, long before subprime became a household word, under one major developer-driven specific plan authorizing 15,000 new units of housing.<sup>9</sup>

Political risk meshed with economic risk in the core, where the only major sites involved reuse, often of industrial land with significant environmental costs (and potential challenges under CEQA). Although density seems to be the logical choice in these matters, large-scale residential builders do not simply switch models from stick-built detached housing to skyscrapers. Their network of lenders, subcontractors, investors, and sales staff is set up to manufacture a specific type of product, and they will move their operations more readily than change them to suit new constraints, especially if it means only going over the hill.

This does not mean that there was no risk involved in these new exurban markets, simply that they were trading political and economic risk for market risk. Just because you build it, does not mean that they will come. That is, unless high housing prices in the core, cheap gas and even cheaper debt make your product 60 miles and 2 hours in traffic away from the core more marketable. It is worth noting that the first true clouds on the horizon came not from default notices, but from the spike in gas prices in 2005, when a key lubricant that allowed this exurban shift (both of capital and demographics) to occur began disappear.

In the meantime, a different type of capital was pouring into the core – venture and stock market capital in immense proportions. In 1999, at the top of the dot-com boom, the Bay Area received twice as much venture capital (5.5%) as the next largest metro area, and almost 10 times the U.S. Metro average (Atkinson, Gottlieb 2001). This approximately \$1.65 billion<sup>10</sup> did not spread evenly throughout the Bay, concentrating in Santa Clara, San Francisco and northern Alameda counties. While this upsurge in investment initially impacted commercial rents in Silicon Valley and San Francisco, the profits and salaries earned from the growing tech "miracle" quickly multiplied in the local real estate economy as a new generation of dot-com millionaires and young twenty-somethings bought and rented Silicon Valley and San Francisco real estate to new heights.

This venture money was soon followed by a wave of high end residential building in the 1990s (lofts) and the 2000s (towers) in the heart of San Francisco. These capital flows functioned in tandem with the flows of subdivision investment on the outer fringes – as the core became increasingly unaffordable, the market for market-rate affordable suburban houses for working and middle class populations on the outer fringes only increased, especially younger households who had not managed to buy during the earlier era.

<sup>&</sup>lt;sup>9</sup> Residential real estate development is famous for family-run companies, even at the largest level. Only a handful of the largest developers are publicly-traded companies.

<sup>&</sup>lt;sup>10</sup> This figure is based on the calculation of \$30 billion in national venture capital from the New Economy report. Other sources give the numbers as high as 40 percent of the U.S. total – \$14.6 billion of \$36.5 nationally, a difference by a factor of almost 10.

#### Commercial developers in Joel Garreau country

This was not a two party dance. At the same time, commercial/office capital and jobs were moving into those already established second ring suburbs, creating the edge cities along the 680/580 corridors made famous by Joel Garreau (1991). White collar office space, a mixture of corporate headquarters and back office operations, grew in cities like San Ramon and Pleasanton, while a mix of office development and retail gave a city of less than 75,000 people like Walnut Creek enough commerce for a city of three quarters of a million people.

## [insert figure 2 here]

While this movement of jobs initially aimed to take advantage of a labor pool of middle class (mostly white) women, or the proximity of those companies who moved corporate headquarters to the high-income, CEO-living towns that were solidifying (and incorporating) in the immediate vicinity, it quickly interacted with the new geographies of residential capital to emerge as an employment hub for commuters now living over the Altamont pass in cities like Tracy. Figure 2 shows the commute patterns of Tracy residents. Other than those who work in the city itself, the TriValley cities of Pleasanton and Livermore – both of which built significant office space and little housing during the 80s and 90s – are the two largest sources of employment. This is a new twist on the postwar pattern of bedroom communities – commuters from far-flung exurbs commuting not to central cities but "edge cities" in between.

The result of this two part jump – commercial in one place, residential in another – is a reconstruction of a jobs/housing imbalance, previously a concern for cities like Walnut Creek and Pleasanton, except this time in places like Antioch. Figure 3 below shows the significant gap over the past two decades in the percentage of residential construction vis a vis commercial construction in Antioch and Walnut Creek. For much of the 1990s, Antioch was building at less than one dollar in nonresidential real estate for every 10 dollars in residential value, compared to a roughly 50/50 split in Walnut Creek.

# [insert figure 3 here]

This re-creation of a jobs-housing imbalance farther out from the core had two major consequences. It exacted both human and environmental costs as most of the new exurban communities, and many of the new jobs centers, were off the major transit grid, BART, which was built in the 1970s. BART extensions to Antioch and Livermore (but not over the hill into Tracy)<sup>11</sup> have been planned for some time, but more than two decades after these shifts began in earnest, construction has still not begun. Real estate capital moved at a much faster speed than public transportation infrastructure during this era, and the result is a disconnected and disjointed regional commute-shed, with traffic on the Altamont pass at 6:00 am.

<sup>&</sup>lt;sup>11</sup> A new commuter rail system, the Altamont Commuter Express – the Bay Area's 3<sup>rd</sup> separate system – came on line in 1998. Although it has been shown to reduce traffic (Terplan et al. 2009), both its geographical reach and ridership are very small compared to BART.

The jobs-housing imbalance has also helped to produce a new regime of fiscal inequality, not between city and suburb, but between different suburbs. It is a trend scholars have noticed in the United States for the past decade (Orfield 2002, Dreier, Mollenkopf & Swanstrom 2001, Fischer et al. 2004), as the geography of inequality in the American metropolis has been reshaped. Yet most scholarship has focused on poor, inner ring suburbs, built during the heyday of infrastructure building where the issue is maintenance in the face of poverty and austerity.

In places like Antioch, and therefore the communities who relocated there over the past decade, it means coping with an incomplete suburbanization rather than a decaying one. Exurban towns and cities which suburbanized under the neoliberal regime have hit the point of crisis before they were fully "citizens" of the region. Public transit is woeful and not regional, as long-promised BART extensions have not even begun construction. The widening of Highway 4, a legendary quagmire during peak hours, has not been completed and is dependent on locally raised money from developers' fees as opposed to the federal and state largesse that built an earlier set of suburbs. Long commutes are necessitated by a dearth of local living wage jobs, which under the vicious cycle of contemporary governance means less tax base to support mobility or economic development. San Joaquin and Stanislaus county exurbs have no political voice whatsoever in the center of the Bay, regardless of where their residents labor on a daily basis.

Clearly, this is not simply a result of capital shifting on its own, but as part of a policy regime that has shifted considerably in its own right over the past three decades. Moreover, the impacts of these shifts cannot be understood without a sense of the underlying rules that have helped "fiscalize" land use policy and instituted a regime of development feebased urbanism. This shift, in the way we pay for and regulate urbanization, is where we now turn.

# **Cracks in the Keynesian Pavement**

"Because the state wasn't stepping up, the locals have to be creative." – Longtime Contra Costa County transportation engineer

The flow of different forms of capital around the greater Bay Area must be seen alongside a shifting policy framework in this *fin de siècle* barn dance. Policy is at the heart of many examinations of neoliberal urbanism (eg Brenner, Theodore 2002, Harvey 2005, Hackworth 2007), and the Bay Area certainly does not disappoint. But as in all places, the fragmentations and movements of the neoliberal era interacted with a locally specific history, with the mobilities and inertia of people and capital, and with its own set of unyielding and unchanging ways. In the case of the Bay Area, three policy shifts – the fiscalization of land use under Proposition 13, a related shift towards dependency on development fees for fiscal solvency, and a hyper fragmentation of local infrastructure governance merged with the continued prevalence of exclusionary zoning to help produce a slew of rapidly growing yet "incomplete" communities on the edge of the region.

#### **Proposition 13**

<sup>&</sup>lt;sup>12</sup> If you are a longtime resident of Antioch, you have been paying taxes on BART for 40 years and will be lucky if the service reaches you by the end of the decade.

It is virtually impossible to tell a Californian story about the neoliberal era without beginning with Proposition 13, California's notorious 1978 property tax referendum that capped property taxes (for all uses, not simply residential), created a two-thirds majority standard for new property taxes, along with a similarly difficult standard for all budgetary matters at the state level. One could argue that Prop 13 (to use the local parlance) is the ground zero for the production of the new urban crisis in California, and its role as the pivot from one urban crisis to the next makes perfect sense – after all, it is the culmination of predominantly white middle class suburban homeowner myopia that emerged from the ashes of post-war suburbanization (Self 2006; David 1990). The same actors, organized in the 1960s behind Goldwater and the gubernatorial campaign of Ronald Reagan, would ultimately send Reagan to the White House and complete the tectonic shift away from the embedded liberalism of the Keynesian era (McGirr 2001).

# [insert figure 4 here]

On the ground, Prop 13 was a key linchpin in the growing fiscalization of land use, where land use decisions are not made based on traditional planning criteria – i.e. proximity to transit or infrastructure, community needs, environmental impacts – but based on their ability to contribute to the tax base of a municipality or county, depending on jurisdictions. Following Prop 13, this created a simple hierarchy of land use (Figure 4) – you'd take a Kmart over a Kmart warehouse, even though the latter had good union jobs, and both over any form of residential development, especially more affordable units (Coleman 2005).

Cities like Walnut Creek and Pleasanton, which were well situated from a geographical point of view and had the benefit of the post-war infrastructure boom (much of which came on line just as the era of infrastructure was ending in the late 1970s), could now make a fiscal argument for allowing commercial over residential development, obviating the need for more overtly exclusionary practices that were politically less palatable, <sup>14</sup> even if the communities ultimately desired to retain their homogeneity.

This shift of jobs was supported not simply by a convergence of policy at the state and local levels, but by planning logics at the county and regional level. The notion of maintaining a jobs-housing balance grew in importance during the era, as planners and traffic engineers sought to balance commute patterns and reduce congestion by adding jobs to residential communities. This was one of the core logics at play in the development of the Contra Costa Business Center, a two million square foot mixed use development in Pleasant Hill, just north of Walnut Creek. Again, it seemed logical to remake the post war suburbs into mixed use communities. But rather than simply balance the commute patterns between city and suburb, this new development helped drain jobs from the city and provide an anchor point for exurbanization over the hills into Antioch and Tracy, cities that

<sup>&</sup>lt;sup>13</sup> Unlike states like New York, where counties are weak and there is little to no unincorporated land, or Maryland, where there are few incorporated cities, California has a vibrant and shifting terrain of incorporated and unincorporated space, with each county making decisions about the quantity of urbanization allowed in unincorporated territory.

<sup>&</sup>lt;sup>14</sup> This is not to say that old-fashioned exclusion is not still in play. The recent landmark decision in Urban Habitat v. Pleasanton struck down the City of Pleasanton's cap on all residential development as being in violation of state affordable housing policy.

to this day have not been able to build anything resembling a balance, leading to commuting patterns like the one seen in the previous section.

# The new geographies of policy

For all its importance, Prop 13 and the fiscalization of land use is only part of the story. Development, and the new regime of impact and linkage fees, which became de rigueur in California cities during the course of this era, are only necessary because of the steady retrenchment of the federal and state governments, especially on infrastructure. From the federal Clean Water Act to state highway funds, money was cut off, reduced or reconfigured – 75 percent grants became 55 percent loans. But rather than make government more "prudent," or more "responsible," it merely shifted the responsibility farther down the food chain. Wealthier towns could persevere, or attract high-end retail; older towns with good geography had both locational advantages and the infrastructure inherited from an earlier era – it was simply a question of maintenance. But for communities on the fringe, development became the sole way to pay for everything from new roads to new schools. The shift in revenue sources in cities across the state can be seen in Table 2 – less money from the federal and state governments and from property taxes, and an almost doubling of revenue from charges and fees.

## [insert table 2 here]

The result can be seen easily in eastern Contra Costa, where transit and road improvements are paid for not by 90 percent federal dollars (the way it was in most of the core), but by a development fee (East County Regional Transportation Fee) overseen by two different authorities (the East Contra Costa Regional Fee and Financing Authority [ECCRFFA] and the East County Transportation Improvement Authority [ECTIA]) with responsibility for three projects, including the expansion of Highway 4 and the creation of a bypass through Brentwood, Oakley and Antioch. Rather than the integrated infrastructure of a generation ago, East County is the epitome of both physical and political "splintering" (Graham, Marvin 2001), as the individual cities alternately fight amongst themselves for rateables while being forced into fractious partnerships like ECCRFFA, partnerships which epitomize what one longtime local transportation engineer calls "institutional structures being formed in absence of the state."

#### The more things change, the more they stay the same

The state is not only withdrawing from infrastructure, but also from planning. More importantly, what had once been a link between local planning, regional planning and federal infrastructure moneys was severed. In the 1960s and early 1970s, funds from HUD's 701 program helped pay for both planning and subsequent infrastructure and tied local municipalities to a regional plan. Both local and regional agencies, including the Association for Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC), the two major regional entities at the time, received money to plan at both the regional and local level. If local plans conformed with regional plans, federal dollars were then available as grants to build whatever the plan called for, be it parks or a new sewer system. Starting in the Carter administration, this program was gutted, replaced

by Community Development Block Grants (CDBG), a new regime of block grants which make local cities more independent from already fairly weak regional agencies, especially ABAG, which never truly recovered the influence it once had. Power instead shifted to MTC, which controls federal transportation monies, the one true source of regional planning, and the Bay Conservation and Development Commission (BCDC), which following the successful efforts to save San Francisco Bay from development now has land use jurisdiction along the shores of the Bay.

Business leaders and some environmentalists made a major push for regional government in the late 1980s and 1990s, in an attempt to unify the four major regional agencies: BCDC, which has formal land use power over the Bay; MTC, the official Metropolitan Planning Organization (MPO) which has funding power over federal transportation monies (power that increased with major transportation funding legislation in the 1990s and 2000s); the Bay Area Air Quality Management District (BAAQMD), which has a state mandate; and the largely powerless ABAG, whose main sources of power are annual growth projections and the Regional Housing Needs Assessment (RHNA) numbers which attempt to enforce a more equitable distribution of low and middle income housing throughout the region. The effort, Bay Vision 2020, failed at the last minute, falling short by five votes in the state senate after passing in the assembly (Bodovitz 2003).<sup>15</sup>

The fiscalization of land use and the failures of yet another round of regional planning are only the most recent set of shifts in a tense relationship between the state and local governments, between local and county government, and between localities themselves, which stretches back to the founding of California. While there was a rash of incorporation in the TriValley area (Dublin, Danville, San Ramon) in the 1980s, which helped solidify the human and economic geography of those places, defensive incorporation has long been a tool of local residents aiming to take full advantage of the California/American ethos of "home rule." The neoliberal version of fiscal austerity post Prop 13 follows civil rights era dust-ups over mandatory general plan housing elements and fair housing legislation of the 1960s, as well as conflicts over power and control between state and local governments over California's role as a major innovator in urban planning legislation in between the World Wars. Even as the rules change, the game, and many of the actors, have remained the same.

These pre-1970s roots of state-local fiscal tension point broadly to an important reminder about the realities of American urbanism seen through a historical lens. Yes, this is about neoliberalism, but more fundamentally, it is about liberalism – the fetishization of "home rule" and the worship of property rights. Local entities fought to maintain the final say over land use decisions, regardless of their impact on themselves or others locking themselves into a fee-based ponzi scheme dependent on ever-increasing property values, or an exclusionary system based on keeping prices high and demographics skewed.

The end result is a troubling tapestry of inchoate communities – wealthier inner ring suburbs with a politics of exclusivity and inertia, older cities with a sclerotic politics of

<sup>&</sup>lt;sup>15</sup> Bay Vision 2020 is a very top down, elite driven effort, not nearly as diverse as some of its founders think it was. Its largely token representative from communities of color helped spur the founding of what is now a prominent regional environmental justice organization. This oversight is not uncommon in efforts for regional government/governance, and is viewed as contributing to the general failure of regional governance in the United States (Rast 2006).

infighting amidst polarizing wealth and poverty, and outer ring industrial and agricultural towns whose developer/land owner growth machines saw rampant residential development as a path towards both economic growth and more local amenities in an increasingly competitive and cutthroat era.

# **Ships Passing in the Night**

"I'd say probably four to five years back, a lot of families had the opportunity to move out....and there was a mass exodus out to Fairfield, Tracy, and Antioch."

-Longtime recreation supervisor, City of Oakland, May 2009<sup>16</sup>
"You can't really blame them. It's the American Dream."

Coffeeshop owner, Patterson, CA 2010

Finally, there is the question of demographics. It would be an error to conceive of policy and capital as fixed objects independent of social relations, but it would be equally poor thinking to consider actual human beings and their movements to be equal to laws that get written and buildings that get built. It is for this reason that I consider the actual movements of actual people last – not to imply causation, but because the impact of this restructuring on individuals, families and communities lies at the heart of the matter from a normative perspective.

A great deal has been written over the past few years about the increasing diversity of suburbs, the changing geographies of race and class in the American metropolis, and the growing poverty in both inner ring suburbs and on the urban fringe (Lucy, Phillips 2001, eg Vicino 2008, Murphy 2007, Short, Hanlon & Vicino 2007). This attention should come as no surprise, as it alters one of the fundamental dialectics most living Americans grew up with – that of the decaying inner city and the wealthier suburbs.

We have also become aware in the context of this crisis of just how strongly these geographies of race and segregation correlate to racialized lending practices and the geography of the foreclosure crisis (Wyly et al. 2009, Crump et al. 2008, Hernandez 2009, Carr 2007). What is most striking about the foreclosure crisis in the Bay Area is how strongly the geographies of foreclosure coincide with the exurbanization of communities of color. A 2007 study in Contra Costa County showed that high foreclosure tracts had over 20 percent more African American and Latino residents compared to low-rate tracts (Perkins 2008). The reasons why communities from the inner core moved outward are numerous and often times anecdotal. They include pull factors like homeownership, better schools, safer streets, family ties, and smaller communities, as well as push factors like high crime, bad schools, rising rents, and changing cultural dynamics. What is critical here is that they did move, and the communities to which they moved are now struggling. Just as critically, whether you moved and where you moved were influence by race, class and age, and it is this multiplicity of interrelated movements and inertias that have produced a new geography of inequality – a critical ingredient in the crisis itself.

<sup>&</sup>lt;sup>16</sup> This quote is from a participant in an ongoing study on youth violence and neighborhood change in one neighborhood in Oakland, California.

<sup>&</sup>lt;sup>17</sup> Ginwright and Akom (2007) point to reasons beyond economics for the migration, including cultural and generational factors. This is not to discount the importance of understanding why people move – it is simply too complex to consider adequately in this essay.

# Out of the frying pan and into the fryer

The convergence of new racial geographies and the geography of crisis can be seen at multiple scales, even using the blunt tool that is county level analysis (see Figure 2 for orientation). As can be seen from Figure 5, African Americans have been leaving San Francisco in significant numbers over the course of the neoliberal era; losing almost half its population in arguably the greatest outmigration of blacks from a major U.S. city in the last 40 years (Ginwright, Akom 2007). The spaces and communities in which these communities have grown, including cities like Tracy, Lathrop, Manteca and Stockton in San Joaquin county, have been hammered by the foreclsoure crisis (Figure 6).<sup>18</sup>

# [insert figures 5 & 6 here]

This experience is shared by many Filipinos. Like African Americans, they too followed a path to the outer edges of the Bay Area and the possibilities of seemingly affordable homeownership "through the reality of debt," (Stone 2009) a path rooted in notions of citizenship and the American dream linked to homeownership (Pido 2009). This experience, which saw populations decline in San Francisco while almost doubling in the high foreclosure counties of San Joaquin, Contra Costa and Solano (Figure 9), is reflected in the following quote from a prominent local Filipino commentator:

What do the cities of Vallejo, Daly City, Stockton and Las Vegas have in common? Aside from each being home to a Jollibee Filipino fast-food restaurant, all have large Filipino populations and the highest foreclosure rates in the United States. The dirtiest word in the Filipino community now, the new "F" word, is foreclosure. While it affects all races and all communities throughout the United States, it is disproportionately crushing Filipino homeowners (Rodis 2008, cited in Pido 2009).

A similar story can be seen at the city level, especially in a highly segregated county like Contra Costa. Consider the uneven rates of racial change between the wealthy second ring suburbs of Walnut Creek and San Ramon compared to the exurban communities of Antioch, Pittsburg and Brentwood (Table 3). Walnut Creek in particular remained overwhelmingly white, even as the city of Antioch, further east over yet another set of hills, went from being three-quarters white to having a nonwhite majority. Again, this differential becomes particularly troubling when the crisis hit these cities unequally. Figure 8 shows how extreme this gap was – Pittsburg had a foreclosure rate *almost ten times* that of Walnut Creek.

[insert table 3 here]

<sup>&</sup>lt;sup>18</sup> Migration patterns are notoriously difficult to track, and this should not be taken as a statement that African Americans have gone from one place to another, even if anecdotal evidence, existing research, and ongoing investigations make a case for a link. The point here is that it doesn't matter – African American communities are shrinking in places where property values are stable or increasing, and increasing in precisely those places impacted by foreclosure. That finding alone is cause for concern.

# Inward and Upward

This outward movement of communities of color and generally static second ring suburbs was matched by a slow and steady – if uneven and incomplete – gentrification of core cities like San Francisco. San Francisco over the past generation went from having a poverty rate twice that of Antioch in 1970 (14% to 7%), to one that is now almost two percentage points lower. The opposing trajectories are striking (Figure 7). It is a story visible at the county scale as well: the number of children enrolled in free or reduced price meal programs, a widely used measure of poverty, more than doubled in Stanislaus, San Joaquin and Contra Costa counties between 1988 and 2007, and in 2007 the number of enrolled children was higher than at any point in this twenty year timeframe. San Francisco, meanwhile, saw numbers 25 percent higher in 2007 than in 1988, but down 25 percent from its peak in 1995.

# [insert figure 7 here]

A look at income shows the other side of the coin. While household incomes between the two cities are not dramatically different, Antioch's larger households mask the impact of household earnings. If you look at the ratio of income between San Francisco and Antioch at the per capita level, you will see that San Franciscans on average earn 1.71 times the average Antioch resident, up from 1.28 in 1970. This is unsurprising if you consider that San Francisco is now home to almost twice as many college graduates per capita than Antioch.

### [insert figures 9 & 10 here]

Finally, there is the question of generations. The gentrification debates <sup>19</sup> have raged over the years about the relationship between race and class in this now global phenomenon (Smith 2002, Atkinson, Bridge 2005), and San Francisco's transformation has been well documented (Solnit 2002, Godfrey 1988, Castells 1983, Massey, Fong 1990, Chapple, Strategic Economics 1999, Hartman 2002). But what makes San Francisco's class transformation so visible is the link between race and age – this is about young white people. In 1990, San Francisco had approximately 50 percent more white youth aged 10-19 than black youth. If you imagine a sealed city, where nobody migrated or died, the number of white and black 30-39 year olds two decades later would remain the same, and the lines in Figures 8 and 9 would be flat.<sup>20</sup> Instead, San Francisco now has more than twelve times (74,593 to 5969) the number of whites aged 30-39 than blacks. This *gentrification generation* is what leads to depictions of a white hipster San Francisco in Barry Jenkins' film *Medicine for Melancholy*, a haunting film that gives voice to the growing importance of the cultural and generational factors that Ginwright and Akom (2007) find in their study of black out-migration in San Francisco.

These demographic descriptions are very blunt, and don't begin to do justice to the complexities of movements and migrations at the city-region scale. But they do show very

<sup>&</sup>lt;sup>19</sup> See Lees, Slater and Wyly (2007) for an excellent examination of the vast gentrification literature.

<sup>&</sup>lt;sup>20</sup> This analysis uses annual US Census estimates

clearly that communities of color grew significantly in the exurban fringe during the neoliberal era, providing a significant chunk of the exurban demographic push which, when combined with the aforementioned changes in policy and capital, helped set the stage for Wall Street's now infamous binge, and helped land places like Antioch and Lathrop in the pages of the *New York Times*. Moreover, these numbers demonstrate what Mary Pattillo (2002) calls the "limits of out-migration" – the continuing racialized division between a white middle class, which manages to insulate itself from poverty and crisis, and communities of color, which cannot.

#### MAKING PEACE WITH EXURBIA

"Communities like Antioch should get plaudits for what it has done over the past twenty years. Instead we are portrayed as tools of greedy developers. We have done our best to make a quality community with demographics that would challenge the UN, while places like Orinda (a wealthy, heavily restrictive suburb just over the hills from Berkeley) argue about what color the movie theatre should be."<sup>21</sup>

"I don't envy you. In order to talk about Antioch you have to talk about uncomfortable things." – K, 2009 interview

There can be no doubt that predatory debt is at the root of this crisis, providing a widely consumed mega-asset for Wall Street to repackage and resell, aided and abetted by a deregulatory fervor and rigged bond rating system. But we must remember that the market for bad loans was created by a policy and capital regime that failed to solve the long-running problems that defined the urban crisis of a generation ago: poverty, crime, and inadequate education in poor inner city communities; exclusion and independence in wealthy suburbs; affordability in a gentrifying core. This meant that many people, in particular communities of color, either moved out to the fringes or remained in older neighborhoods entering their second generation of abandonment, while wealthier places either encased themselves in legal aspic or rewrote their zoning codes to become fiscal and economic powerhouses through retail and office development while restricting housing as much as possible. These urban roots of the crisis run very deep, and must be seen in the context of a regional-level restructuring, not solely in the exurban spaces in which they manifest themselves.

The restructuring-generated crisis has placed an entire generation of both families and cities in a very precarious place, whether or not they gorged on bad debt or unsafe urbanization, as they are now caught in a maelstrom that has resulted in a shift of wealth inwards, and hence upwards. With a handful of exceptions, places like Antioch on the fringes of the region are now worth less in adjusted dollars than they were two decades ago. (table 4) [insert table 4 inset] It is no wonder that tensions in these exurban realms run high, as both newcomers and old-timers have seen their towns *grow by as much as* 1000 percent in size but lose more than 50 percent in value. These residents cannot look to a rapid transit system or in some cases even a proper freeway system to strengthen their connection to an incredibly wealthy metropolis, or to a state or federal government

<sup>&</sup>lt;sup>21</sup> Interview with C, longtime planner in East County

committed to building the basic infrastructure required for regions to thrive. No wonder they are now getting caught up in a discourse of decline, in talk of "slumburbia" and the "next slum" that is all too reminiscent of an earlier era of crisis (Beauregard 1993).

As stark as the problems on the fringes may now appear, the true tragedy would be if only this debilitating urban lexicon of the Keynesian era made it through to the present day. The exurbs did not cause these problems on their own, and barring assistance they may go down the path of decay and abandonment predicted by the punditry. Rather, Americans must take two critical steps in how we view planning and geography, both of which have been made difficult and uncomfortable by past failures and ossified political lines. We need a new form of modernist planning, one capable of realizing the "integrated ideal" which Graham and Marvin (2001) wisely point to as a core way in which we once conceived of infrastructure and urbanization, a *paramodernism* for the 21st century. And we must plan and think and work in all of the places of this absurd metropolis we have wrought, not just in the gentrifying "endopolis", the city within (Schafran 2009), that we on the left love to obsess over, even if it means growing in places where we previously opposed growth so that we can grow in new ways and right the wrongs of an unjust and segregated region.

This geographic switch means confronting our longstanding conceptions of one of the contemporary era's biggest urban bogeymen, sprawl, and the places like East County that define it spatially in our imaginations. Sprawl is the United States' version of Roy and alSayyad's conception of informality – not something that happens as a result of the failure of state intervention but rather a disorganized and dysfunctional system produced by the state as a fundamental means of the production of space and the creation of a new urban economy (Roy, AlSayyad 2004). And much like the informal settlements of the cities of the global south, the sprawling suburbs are now social, geographic, architectural and human realities indelibly marked on our urban fabric, and we must plan with them and in them and not despite them.

This doesn't mean some sort of libertarian anti- planning screed or an environmentally blind critique a la Bruegmann (2005) – precisely the opposite. The only just way forward is to accept exurbia as a real place, as incomplete rather than inadequate, as a set of communities and spaces produced by the interaction of eras and scales detailed above, communities which must become better connected physically, politically, and economically to the region and its cores, even if this growth should never have been allowed to happen in the first place. This will mean that especially on the left we must research and write about suburbia and exurbia in a way that recognizes these massive and far flung communities as the primary home for most Americans, including most poor Americans, and as a place that is not going anywhere.<sup>22</sup> We must get to know them in the way we know gentrifying neighborhoods and redeveloped waterfronts and the

<sup>&</sup>lt;sup>22</sup> The attempts at quantifying Americans by city and suburb are as inexact as the global obsession with urbanization figures, as they require a consensus on the definition of urban and suburban which is not forthcoming. I would argue that urban form and access to services and transportation is a better means of understanding sub/urbanness, but for now we must rely on political definitions. As such, Brookings recently documented the watershed moment where more poor people lived in the suburbs than in the city.(Kneebone, Garr 2010)

corporatized centers, and most importantly, build better narratives which help us understand how they are related to urban restructuring more broadly.<sup>23</sup>

Yet knowing exurbia and making peace with its reality is not enough – if this crisis demands anything, it is a broad rethinking and reinvigorating of planning. A paramodern planning means coming to a logical détente as to a functional role for each level of urban governance, and making peace with the sins of the postwar era, the Tammany Hall era and every other historical nightmare of urban governance. The local/federal debates in the US must end, for history has shown clearly that they both failed, regardless of who was in charge. The federal and state governments must fund large scale infrastructure, and we must believe in the possibility that we can produce a politics capable of making that infrastructure less racist, less invasive and more environmentally sustainable. Local governments must be empowered to have a voice in what gets built where, but they need to be encouraged to make good decisions by a sane fiscal infrastructure determined at higher levels, one which enables them to actually deregulate the micro scale (the street, public space, bulk and use and zoning in general) to promote inclusion while simultaneously refocusing on critical service provision (public safety, education, sewer and water) which will always have a strong local or subregional flavor in America. Critical legal scholars have been arguing for a generation that we are misreading both the possibilities and realities of political scale, 24 and it is only through exorcising these historical demons and the ridiculous scalar ideologies that are our collective scar tissue can we build a new governance structure capable of producing a more just metropolis in the 21st century.

Paramodern planning also means infiltrating, coopting and embracing the growth machine, so that in this post-urban revolution world where the urban is the fundamental means of production what *must get built* – including a full BART extension to Brentwood and a true High Speed Rail system connecting California's urban centers - gets built where and how and for whom it should be built, not simply because it is the simplest way to extract capital from cheap land or fix capital during times of excess accumulation. A paramodern growth machine is one capable of embracing both the DIY urbanism of microenterprise and micro agriculture and strong ethic of urban thrift while simultaneously being unafraid to build the transportation and fiscal infrastructure to provide for the middle class dreams of the most diverse generation of citizens in history. This is the practical corollary to Wyly's (2011) "radical positivism," and the only true way to push forward from the fiscal and infrastructural crisis which is threatening to bring the entire system to a halt (Kirkpatrick, Smith 2011).

There are now more than a quarter of a million people in East County, and close to a million more in neighboring areas on the fringe of the Bay Area. They grew up as bedroom communities, in imitation of their postwar inner ring counterparts, but during an era when that model was no longer supported – now municipal governance is about shopping malls and office parks and other rateables, about paying your own way and being

<sup>&</sup>lt;sup>23</sup> In America, this is far more important than any *glocal* angle, with a handful of famous exceptions. I recognize that this will be difficult because much of the concern over gentrification comes not solely from the injustice produced but the fact that many urban researchers are gentrifiers, and this is a process in which we are taking part and therefore feel deeply conflicted about.

<sup>&</sup>lt;sup>24</sup> See the work of Gerald Frug (1980, 1996, 1998, 2001), David Barron (2003), Richard Briffault (1990a, 1990b, 2000) and Richard Thompson Ford (1997) in particular for impressively nuanced and erudite considerations of the actual legal status of cities in the American context.

entrepreneurial. East County even has to pay for its own freeway, which is half built in one part and half rebuilt in another. It is no wonder that the suburban dream seems to be evaporating for so many, including the numerous immigrants and African Americans for whom the recent out-migration is the first true bite at the suburban apple. These communities are a part of us now, even if some regional pundits talk of "repatriating" people from the exurbs back into the central cities much as their counterparts in the south fantasize about sending people back to the village. Moving out of this crisis will mean abandoning the nostalgic fantasy of a centralized urban region that never was and embracing the multi-centered, interconnected and complex megaregion that is northern California, a west coast Randstad with immense need and potential for true connectivity and a more just if dispersed geography of opportunity.

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