

THE DEVELOPMENT OF A PLANNING SYSTEM IN THE U.S.

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SUBMITTED IN PARTIAL FULFILLMENT OF THE

REQUIREMENTS FOR THE DEGREE OF

MASTER OF CITY PLANNING

of the

MASSACHUSETTS INSTITUTE OF TECHNOLOGY

May, 1976

Signature of Author

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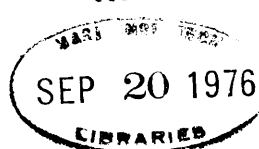
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Submitted to the Massachusetts Institute of Technology, Department of Urban Studies and Planning, on May 21, 1976 in partial fulfillment of the requirements for the degree of Master of city planning.

## ABSTRACT

A rudimentary American planning system does exist with the potential for developing into a more fullblown and effective system if some linkages are connected. This system is built primarily from the federal grant system, both in terms of funds made available for planning purposes and in terms of requirements for planning and for the undertaking of activities consistent with the planning which are attached as conditions for the receipt of federal grants. Furthermore, in order to encourage co-ordination and planning on an areawide basis as required through these conditions, the federal government has directed substantial amounts of planning funds to institutions at the area-wide or regional level, particularly Councils of Government

However, this existing system suffers from some serious weaknesses. There is a lack of co-ordination and consistency, both horizontally (within a government or among the same level of governments) and vertically (among different levels of government). Federal planning grant programs and requirements as currently administered, including the A-95 process, fall far short of achieving or effectively encouraging these goals.

Efforts to strengthen the planning system can be pursued at the federal level either administratively or legislatively. There is sufficient authority in existing planning law to move far towards greater co-ordination and consistency, but the will to do so does not at present appear to exist. Such changes - and others of a more far reaching nature - can be mandated legislatively, and it is well within the realm of political feasibility to do so. However, at present the politics of planning at the legislative level prevent adequate funding for planning programs, even though it is possible to strengthen substantively the legislative program.

An incremental strategy for moving forward is recommended involving relatively small range legislative initiatives and more vigorous administrative action by a sympathetic and willing Administration when one should appear, an Administration also willing to fight for adequate appropriations for planning programs. Should such an Administration not appear in the near future resort to the potentially more dangerous legislative route would then be appropriate.

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## INTRODUCTION

Planning is commonly thought of as an enterprise involving the setting of goals and objectives, and the devising of means for attaining them. It is characterized by thinking carefully and rationally about the future. A "planning system", however, is much more than this, for it implies the institutionalization of planning within the governmental structure. It involves governing as well as planning. The co-ordination and integration of planning both within the same government (which must co-ordinate various functional plans), between governments, and even between levels of government becomes a central task for a planning system. Equally important, if a fully developed and effective planning system is to exist, is a means of effective implementation of plans, which in turn is dependent upon the co-ordination of activities within and between governments and levels of governments and upon the establishment of a degree of consistency between plans and subsequent activities.

A planning system exists when the means of such co-ordination, integration, and effective implementation are institutionalized within the government structure, both formal and informal. It is the existence and development of such a system with which this paper is concerned. Within this framework the following inquiry must pursue questions of government organization, public management, intergovernmental relations, and the realities of power within a federal system in addition to those concerns commonly viewed as central to the planning profession.

THE AMERICAN PLANNING SYSTEM: THE ACCEPTED VIEW

The absence of a well-articulated planning system in the United States and the weakness and lack of effectiveness of planning efforts, particularly as compared to the United Kingdom and other European countries, is widely recognized and remarked upon by foreign observers and ruefully acknowledged by many American planners. The United Kingdom, for example, has a well-developed two-tiered planning system, consisting of strategic "structure plans" which must be produced by the less than 100 counties and approved by the central government and detailed local plans, which must be prepared within the framework of the approved structure plans by the various districts within each county. The resulting planning system has the following three characteristics lacking in the U.S.: (1) local plans are reviewable by higher levels of government including ultimately the central government, to

"ensure coordination and consistency with regional and national policy objectives; (2) local comprehensive plans are legally binding; and (3) detailed land use regulation is not rigidly predetermined through the zoning of areas for specific uses, but is assigned on a case by case basis in response to requests to change existing uses of land (planning permission). Theoretically there exists a flexible means of enforcing national objectives through coordinated local planning policy-- a mechanism that does not exist in the U.S."<sup>1</sup>

In the United States, the planning system is commonly perceived and described - and the description is an accurate one as far as it goes - as follows: Most city governments and metropolitan areas have "comprehensive plans" but there is no review by a higher level of government to ensure the plans are co-ordinated

and consistent with areawide, state, or federal objectives, which, in any case, are seldom explicitly stated, and, may even implicitly be contradictory. The federal government has traditionally played almost no explicit role in local planning decisions, and the state governments, which constitutionally have sovereignty in this area, have historically delegated the planning function to their local jurisdictions and retained little or no oversight. As a result, local plans are often unco-ordinated and, indeed, conflicting, thus mirroring the opposing political values and economic interests of what may be literally hundreds of separate jurisdictions (general units of government plus special districts) within a metropolitan area. Major conflict occurs between large cities and these surrounding suburban jurisdictions and special districts, but substantial conflict occurs as well among the suburban jurisdictions and within each level of government itself as different departments of the same government pursue their separate ways. The problem is a governmental organization and political problem more than a planning problem narrowly construed; as Lawrence Houstoun notes "The waste and conflict inherent in sprawl development for example, stems not from any lack of planning, but rather from the functional and governmental compartmentalization in which planning proceeds."<sup>2</sup>

Furthermore, comprehensive plans in the United States are not legally binding even within the jurisdiction for which they are devised. In theory, the more detailed zoning ordinances are supposed to be based on prior comprehensive plans, but in fact

this is seldom the case. And many of the most important infrastructure decisions with respect to sewers, highways, and so forth are taken by semi-independent boards or agencies with little regard for the existing "overall" plan. The plan, in short, is reduced to an exhortation, one of a number of inputs competing to influence the actual shape of development.

In actuality the British system operates much less smoothly than the above formal description would suggest. As Clawson and Hall observe, "In the United States, planning and development control have never had a very exalted reputation; planning has never promised much and it has not delivered very much, but the gap between promise and achievement may not be much wider than for the more prestigious British system."<sup>3</sup> A major reason for the difficulties of the British system is that it is imposed upon a system of local government which, although a veritable model of simplicity and rationality compared to its American counterpart, nonetheless is fragmented sufficiently to frustrate the intended rationality of the planning system. The two-tiered system of local authorities is not rigidly hierarchical. As G. W. Jones describes it. "Services which are closely linked with others are carried out by different tiers. In the metropolitan areas, housing, as the responsibility of the districts (the lower level), is severed from the land planning and transport functions of the county... fragmentation exists by tier but also by function. Water sewage disposal and some sewerage functions have been removed from local government and handed to 10 appointed regional water authorities, thus hindering

the task of tackling pollution, since local governments remain responsible for environmental health. But personal health services... have all been removed from local government and allotted to 14 regional and 72 area appointed health boards."<sup>4</sup>

Despite the rather too rosy view which many casual American observers have of it, there is no question that the British planning system, structured institutionally within a unitary political system where all constitutional authority derives from the central government (indeed local governments can and are reorganized at the whim of the central government as occurred most recently in April, 1974) does a more rational and effective job of setting consistent objectives and co-ordinating activities than occurs in the U.S. Nor should this be surprising since the U.S. political system is a federal one, devised to create checks and balances and to engender conflict. Such a system de-emphasizes rationality and consistency as values in favor of decentralization of political authority, and makes co-ordination of planning and activity a matter of negotiation among political jurisdictions with constitutional standing apart from the central government.



## THE EMERGING PLANNING SYSTEM

Does the above analysis imply that the development of a planning system is a hopeless task in the U.S. and that the common perception of U.S. planning, described above, is all there is to say? I think not. Despite the widespread perception that the U.S. lacks a planning structure and suffers from inadequate and ineffective planning, a planning system, albeit a rudimentary one, does exist and is in the process of development. Because of the lack of constitutional arrangements permitting the kind of authoritative hierarchical relationship among levels of government present in England, the building of a planning system in the U.S. has proceeded largely, although not completely, as an adjunct to the federal grant in aid system. The federal government has attempted to support state and local planning and intergovernmental co-ordination both through direct grants for planning purposes to these units of governments and through requirements for planning and co-ordination attached to the receipt of funds for various federal programs. The result has been the building of a planning system by accretion or perhaps by induction rather than by deduction as the British have done it. Let us examine this resulting "system" and the linkages or potential linkages within it.

Federal planning assistance may be either for comprehensive, functional, or project planning. The oldest and most comprehensive planning assistance program is HUD's Section 701 comprehensive planning program. Enacted in 1954 as a result of a

recommendation from President Eisenhower's Commission on Urban Housing, Section 701 has provided nearly \$700 million in assistance to states, localities, and areawide agencies. The program, as presently structured, purports to place emphasis on the establishment of a planning process and on the implementation of plans. Recent amendments have authorized the use of 701 funds to strengthen the management and policy-planning and evaluation capabilities of recipient jurisdictions. Nearly 50% of 701 funds are now used for management oriented activities.

No jurisdiction is required to accept 701 funds but all 50 states, over 1300 local governments, including 322 cities over 50,000 in population, and nearly 600 areawide agencies, 230 of which are in metropolitan areas, do receive the funds. Recipients are required to establish a planning process and to engage in comprehensive planning which includes, at a minimum, housing and land use elements. However, there is no requirement in 701 that local plans or their elements be consistent with areawide plans or that either be consistent with state funded 701 plans, although 701 grant applications and renewals do go through the A-95 process described below.

Other planning assistance grants which might be called comprehensive are limited to specified geographic or regional areas - economic development planning, Appalachian Regional Commission local development district planning grants, and coastal zone management grants are examples (although the coastal zone program now sends funds to 30 states). All of these programs are multifunctional if not comprehensive in the sense of 701. They are

primarily concerned with land use and physical development.

In addition, there are a multitude of federal assistance programs available to states and/or localities, and/or areawide institutions for functional planning purposes. A recent study by the House Appropriations Committee identified 23 such planning assistance programs in FY 1975,<sup>5</sup> including such major ones as coastal zone management, areawide waste treatment management (Section 208 grants), economic development planning, comprehensive law enforcement planning grants, highway planning and research grants, urban mass transportation grants for technical studies, co-operative area manpower planning system grants (CAMPS), and a host of others. It is estimated these programs now provide approximately \$750 million annually for state and local planning related assistance. The House Appropriations Committee also identified an additional 25 functional programs in which funds were set aside for planning purposes or in which planning was one of the purposes of the grant.<sup>6</sup> A more recent survey by HUD identified 37 major planning assistance programs operating in FY 75 at a total funding level of \$436 million.<sup>7</sup>

The existence of these planning assistance programs hardly provides evidence for the existence of a planning system and, in fact, may even suggest the absence of such a system. Not only are the various functional plans unrelated to each other (thus lacking horizontal consistency), but they may also be unrelated to plans within the same functional area of other levels of government (thus lacking vertical consistency). In short, these

grants, by themselves, provide the resources for planning activity but do not foster a planning system. For that purpose the imposition of federal planning requirements tied to the receipt of the more attractive and lucrative federal grant-in-aid programs has played the predominant role.

Many federal grant programs (81 as of 1969<sup>8</sup> and this has undoubtedly increased) require a functional plan as a precondition for receipt of grant funds for that particular functional area. (Nearly all federal programs except federal revenue sharing - the one recent step backwards in the development of the planning system under description - require a project plan specifying in varying degrees of detail, how the funds will be spent. We shall not focus on this aspect.) Thus, for example, receipt of community development block grant funds is dependent upon an application consistent with a three year community development plan; allocation of Section 8 housing funds requires an application based on a housing assistance plan. Statewide outdoor recreation plans are required for state participation in the land and water conservation fund grant program, and, under the new Health Planning and Resources Development Act of 1974, health systems plans and medical facilities plans must be in existence prior to the granting of funds for any federal health program or health facilities construction. (These are but a few of many possible examples.)

In many cases funding for a federal grant requires not only the existence of a functional plan, as above, but also the exist-

ence of an areawide and or statewide functional plan with which the grant application must be consistent. Thus an effort is made to encourage both planning and intergovernmental co-ordination, as essential elements of a planning system. Examples are areawide and state health systems plans which are a precondition for funding health programs; areawide waste treatment plans with which application for waste treatment management and comprehensive pollution control grants must be consistent, and metropolitan transportation plans which are the basis for federal highway and urban mass transportation funding within metropolitan areas.

A few programs - albeit important ones - only require consistency with an areawide functional plan should one exist or a finding that the grant application is "not inconsistent with" an areawide plan should one exist. An example is the community development block grant. However, since nearly all SMSA's have areawide agencies participating in the 701 program, these same areas should have, as a minimum, an areawide housing plan which is a required element in 701. And, since community development block grant applications from local governments must include a housing assistance plan, the potential for imposing a meaningful consistency requirement is present here as well.

While there are a myria of requirements that functional programs be consistent with functional plans, including areawide and state plans, there are few programs which require that the functional plan be consistent with a comprehensive plan attempting to relate various functional plans and programs to one another.

The primary exceptions to this are highway planning and mass transit planning, both of which must be "part of the comprehensively planned development of the urban area."<sup>9</sup> Until they were replaced by the community development block grant, both the water and sewer program and the open space program required an areawide functional plan consistent with a comprehensive areawide plan as a precondition for funding. In practice HUD was responsible for certifying the existence of a comprehensive plan and the consistency of the functional plan with it through its funding of the Section 701 comprehensive planning assistance program.

As the above suggests functional planning, including such planning on the areawide level, is quite prevalent, but there are few requirements that these functional plans be co-ordinated or consistent with or even related to each other or that federally funded local activities in one function be co-ordinated with activities in another function. Elmer Staats, Comptroller General of the United States, comments that "The desire of specialists at the federal level to work with specialists at the state regional, and local level is obvious."<sup>10</sup>

The federal response to this lack of cross-functional coordination - and, as well, to the problem of intergovernmental co-ordination - is the A-95 process. This procedure, derived legislatively from Section 204 of the Demonstration Cities Act of 1966 and Title IV of the Intergovernmental Co-operation Act of 1968, provides potentially the framework for a consistent comprehensive planning system. Jurisdictions applying for a federal grant-in-aid for a large variety of federal programs - nearly 200 -

must first present the application to an areawide clearinghouse (usually a COG) and a state clearinghouse.

These clearinghouses engage in a project notification and review system (PNRS) which consists of two functions. First, the clearinghouse notifies other interested jurisdictions and agencies and invites them to make comments on the application or engage in negotiations with the applicant in order to achieve co-ordination (an intergovernmental co-ordination function); second, it has the opportunity to comment upon the application itself with respect to its consistency with existing areawide and state plans, both functional and comprehensive (a consistency function). The clearinghouse then sends its comments, along with an environmental impact statement and other comments provided for in the National Environmental Policy Act, to the Federal funding agency for consideration.

The limitations of A-95 are obvious; even in terms of setting up a logical system it lacks crucial elements. Clearinghouses are not required to comment; there may be no comprehensive plan worthy of the name against which applications for functional grant programs can be meaningfully measured, and the federal agencies can ignore the negative comments if they so desire and make the grant in any case. Yet, A-95 provides at least a framework for a vital element in the development of a planning system. The key integrative role A-95 could play is reflected in HUD's recent announcement that areawide clearinghouses funded through its 701 program should use the areawide housing plan

(a required element of its 701 plan) as the basis for their A-95 comments on community development block grant applications, particularly with respect to the local housing assistance plans those applications must contain. The potential linkage here is then realized through HUD's instructions to its regional and area office directors that "To the extent that APO housing plans provide relevant information, they should be used by areawide offices in allocating Section 8 funds."<sup>12</sup>

What other elements, in addition to requirements tied to the receipt of federal grant funds, form a part of this developing planning system under discussion? An important link - and a still underdeveloped one - consists of efforts to co-ordinate the planning and activities of the various functional agencies and departments within the federal government itself. OMB is generally charged with this task of executive management, but much of the effort to achieve co-ordination apparently occurs on an informal or ad hoc basis sometimes utilizing inter-agency task forces. Thus, HUD has recently concluded a series of agreements with Commerce, and CEQ to co-ordinate the 701 program with the Coastal Zone Management and Section 208 Areawide Waste treatment program respectively.

Broader and more meaningful efforts at co-ordination await an explicit national policy on growth and development, the framework for which exists in the requirement for a biannual report on growth policy required by Title VII of the Housing Act of 1970. Unfortunately the three such reports have not articulated such a coherent policy without which it is difficult to



move the various parts of the federal government in the same direction. There have been more limited efforts to achieve a degree of rationality and co-ordination within the federal government in its intergovernmental activities through devices such as The Federal Assistance Review project and the Joint Funding Simplification Act. A recent OMB report - Strengthening Public Management in the Intergovernmental System - addresses itself to this question at great length.<sup>13</sup>

Another problem of federal co-ordination involves central office-field office relations, both within an individual agency or department and between them. It frequently appears that HUD, for example, is sponsoring a war between its central office and area office, a problem particularly noticeable in the 701 program. The mere exchange of information between central office and field office since the great decentralization of 1970-71 seems nearly impossible. Bernard Cohen quotes a HUD source as saying "I have never been associated with a program that knew so little about itself."<sup>14</sup> and the House Appropriations Committee investigators observe, "It seems ironic that HUD should be administering the 701 planning assistance grant program, one with the avowed purpose of strengthening the planning and management capabilities of its participants."<sup>15</sup>

Co-ordination between field offices of different federal agencies is also a significant problem, although the creation of the Federal Regional Councils in 1971 has apparently helped somewhat. Finally, Part II of A-95 requires the A-95 process

be utilized in order to co-ordinate direct development projects of the federal government with the plans and activities of state and local government.

A third important element in the development of a planning system has been federal encouragement, particularly through financial assistance, of regional entities as a new set of institutions in the inter-governmental system. This exercise in institution building seems particularly important given the tremendous proliferation of independent governmental units, each going their own way, within metropolitan areas; under existing institutional arrangements there is no single body able to co-ordinate the planning and activities of the entire region. The primary beneficiaries of the federal effort to encourage a viable set of government institutions at the areawide level have been regional councils of governments, voluntary organizations whose board is composed of elected officials from the separate jurisdictions within the metropolitan area or region. Since 1965 COGs have received funding from the Section 701 program; during fiscal years 1974-76 approximately one-third of all 701 funds went to COGs. In addition, there are 19 other areawide programs, many of which flow through COGs.<sup>16</sup> COGs also have played the primary role at the areawide level in the A-95 process.

In addition, Part IV of OMB's A-95 circular encourages states to designate substate regional district boundaries which will then, whenever possible, be utilized by the federal government in administering programs of federal areawide assistance.

At last count, 44 of the 50 states have designated substate district boundaries. ACIR points out that federal government efforts largely through 701 and the A-95 process has resulted in creation of 450 clearinghouses, 1800 federally encouraged substate districts related to federal programs, and state substate district designation in 44 states, and nearly all of this activity has taken place within the last decade.<sup>17</sup>

A final - and potentially dynamic - element of an emerging planning system is the adoption of statewide land use plans or permit processes governing development in certain areas in states such as Hawaii, Vermont, Maine, Florida, California, and Oregon. These states have, even in the absence of federal compulsion or incentives, explicitly reversed the traditional presumption that land use decisions should be left to localities and regardless of the externalities they may impose on other communities or the state as a whole, states should not assume a responsibility. At the same time, the rapid explosion of growth management devices to supplement or replace traditional zoning by growing number of localities across the country has worked in the other direction, creating grave externality problems, even though pursued in the name of planning. These no-growth devices represent an effort to pursue a specific substantive value orientation rather than the building of a system through which value choices can be made; nonetheless it is possible the sudden interest in planning of whatever nature on the part of localities could lead to a strengthened planning system as the consequences of no-growth and the need for co-ordination

become evident. Without some effort by higher level governments to foster co-ordination and consistency, the results of "planning" by local governments could well be chaos on a systemic level.

To recapitulate: A rudimentary American planning system does exist with the potential for developing into a more full-blown and effective system if some linkages are connected. This system is built primarily from the federal grant system, both in terms of funds made available for planning purposes and in terms of requirements for planning and for the undertaking of activities consistent with the planning which are attached as conditions for the receipt of federal grants. Furthermore, in order to encourage co-ordination and planning on an areawide basis as required through these conditions, the federal government has directed substantial amounts of planning funds to institutions at the areawide or regional level, particularly Councils of Governments.

## WEAKNESSES IN THE EMERGING PLANNING SYSTEM

Some of the more obvious weaknesses have already been mentioned in the above discussion. Let us now make a more complete survey of these. Planning is, as we have seen, frequently attached as a requirement to individual functional programs. Unfortunately, there is no real comprehensive plan co-ordinating these various functional efforts. Nor, even though this would certainly encourage co-ordination absent a comprehensive plan, are the same agencies, particularly at the substate regional level, necessarily responsible for preparing all the various functional plans. Separate areawide agencies may do planning for different functional programs, often for geographic areas which don't precisely co-incide either because of federal or state legislative requirements. This lack of horizontal consistency represents a triumph of functionalism and specialization over comprehensiveness. Thus, a 1972 survey by the National Association of Regional Councils indicated that nationally, 46% of all federal programs operating at an areawide or regional level did go through a council of government, leaving 54% operating through a different agency or agencies in some state of co-operation, conflict, or non-relationship with the COG.<sup>18</sup> (One of the great difficulties in evaluating the planning system is that no agency, not OMB or ACIR or HUD or any of the public interest groups, systematically tracks and monitors it and thus data results from a series of one-time surveys by different organizations and is consequently often out of date or non-consistent.)

Presumably the agency responsible for the A-95 review would be the most logical institution for housing other areawide planning programs. Out of the 250 agencies designated as A-95 agencies in 1972, 228 also were recognized as areawide planning organizations by HUD and received section 701 comprehensive planning funds. However, only seven of the 250 A-95 agencies also were designated agencies for eight or more of the 11 areawide programs examined by ACIR. Eleven of the A-95 agencies had no other areawide agency designations and more than half (134) were designated as areawide agencies for only four or fewer of the 11 programs.<sup>19</sup>

HORIZONTAL CONSISTENCY OF AREAWIDE PLANNING

Number of planning programs	Number of areawide agencies
A-95 only	1
A-95 plus 1 other areawide program	17
A-95 plus 2 other areawide programs	53
A-95 plus 3 other areawide programs	53
A-95 plus 4 other areawide programs	58
A-95 plus 5 other areawide programs	30
A-95 plus 6 other areawide programs	21
A-95 plus 7 other areawide programs	6
A-95 plus 8 other areawide programs	1

Looking at individual programs, ACIR found that the A-95 agency co-incided with the functional planning agency for eight areawide programs as follows:<sup>20</sup>

Program	% of areawide agencies co-inciding with A-95 agency in program area (1972)
Law Enforcement Planning	69
Transportation Planning	75
Local Development (Appalachian Regional Council)	67
Economic Development	64
Comprehensive Health Planning	42
Manpower Planning	39
Air Quality Control	9
Community Action	4

More recent data exists on conformance of agencies administering various functional programs with agencies funded by HUD's 701 program, the program which, if any, ought to be funding more comprehensive planning.<sup>21</sup> These data indicate conformance varies widely from program to program.

Program	% of agencies which are also 701 funded agencies
Coastal Zone Management	24
DOT Metropolitan Planning Agencies	61.4
Areawide Waste Treatment Agencies (Sec. 208)	66.4
Economic Development Districts	83.3

Efforts to move towards greater consistency by having states set up their own regional boundaries with which federal areawide programs must co-incide have been only moderately successful. Although 44 states have set up such boundaries, varying requirements in individual federal programs with respect to population requirements, service districts, or board membership, and the refusal of many states to designate or work through agencies within the districts they have themselves set up have somewhat mitigated this effort. The differing federal requirements again reflect the strength of functionalism and the weakness of a planning system as an organizing concept. Thus, the recently passed National Health Planning and Resources Development Act of 1974 mandated the setting up of regional health systems agencies, but their governing board must be composed of a majority of health consumers and the remainder health providers with no more than 1/3 of the members being public officials. COGs can qualify only by setting up separate governing boards for health planning, with a rather ambiguous relationship to the overall COG board.

The consequences of this lack of horizontal consistency at the areawide level are functional plans unrelated to each other and to any broader comprehensive plan, and planning which overlaps in geographical areas.

Comprehensive plans - funded under the 701 program - which ought to provide the umbrella under which functional planning and development occur are in the vast majority of cases comprehensive in name only. All recipients must engage in a comprehensive planning process but only two elements are required: housing and land use, the latter as a result of the 1974 amendments. Such plans are not required to have a capital programming element which would set priorities and could act as a real guide for channeling future growth and development, nor is there a requirement that other federally funded functional plans be consistent with the federally funded comprehensive plan, whatever state of comprehensiveness it may be in.

The lack of consistency across governmental levels is equally evident. As already discussed, local plans and activities do not have to be consistent with each other or with areawide plans unless tied to the receipt of federal grants. Nothing enforces the co-ordination of the local zoning of one locality with that of another. Required areawide plans do not have to be consistent with state or national plans which for the most part do not exist. As we have seen, many local functional programs, funded by federal grants are legally required to be consistent with areawide and sometimes state plans, but there is real doubt concerning the degree



to which this requirement is taken seriously by local applicants or by the federal granting agency.

The A-95 process is the existing device through which some degree of vertical consistency might be induced, but it suffers from several substantial weaknesses. First, A-95 clearinghouses, both at the areawide and state level, are not required to comment on any or all local grant application. Rather the requirement is that they be given the opportunity to do so. It is difficult to determine the percentage of applications on which comments of more than a pro forma nature are actually made. Nor is the clearinghouse required to comment on the application with respect to its consistency with a comprehensive areawide or regional plan. And a good thing too, for as already noted, most regions do not have such a plan or at least one which goes beyond vague generalities. Few plans include a capital programming element guiding the timing of growth and development without which any effort to determine the consistency of an individual project or program with a comprehensive plan is difficult if not impossible. As Melvin Mogulof has observed

"There is not much of a body of regional planning to do the reviewing against, with the result that local government officials sitting on COG boards don't have to access a community's proposal action against nonexistent regional planning. As a final touch, some ingenious maker of phrases has coined the ubiquitous review judgment which reads: 'This proposal is not inconsistent with regional planning.' Catch 22 is that many COG's have no regional planning to which to be inconsistent."<sup>22</sup>

The quality of A-95 reviews varies of course from clearinghouse to clearinghouse, reflecting both the resources devoted to it, the

quality of clearinghouse staff, and the political environment surrounding the clearinghouse. Of particular importance is the fact the A-95 process receives no independent federal funding. Most clearinghouses apply 701 funds plus overhead funds from a variety of other sources (state, and local governments) to carry on this required process. Areawide clearinghouses, most of which are COGs, have a particularly weak financial structure; the COGs are voluntary organizations encouraged and partially supported by the federal government, but dependent for their existence upon the continued support, both financial and political, of their local members. They are thus placed in the anomalous position of reviewing grant applications of jurisdictions which are on their Board of Directors and which provide critically needed organizational resources. It is estimated that only 2-5% of all A-95 reviews received by federal agencies contain negative comments.<sup>23</sup> In view of this, it is not surprising that A-95 efforts are judged to have been more effective in terms of encouraging intraregional co-operation through notification, comment, and negotiation on behalf of local governments within a region than in terms of the comments provided by the clearinghouse to the federal government.<sup>24</sup>

In addition, 701 appropriations have fallen from \$100 million in FY 75 to \$75 million FY 76, and the Administration has asked for only \$25 million for FY 77. The amount flowing to areawides has decreased less than proportionately but it has decreased. As a result areawide agencies are scrapping for federal funds wherever they can get them, and this means in functional planning assistance programs. Priorities for these agencies are increasingly being set

not with reference to the areas' real needs, but with reference to the availability of federal funds, the old grantsmanship dilemma. Not only A-95, but the entire rationale behind federal sustenance of these areawide agencies is suffering.

A further missing link in A-95 is the lack of requirement that the federal funding agency pay any real attention to them, either in form or in content. Federal agency performance with respect to A-95 varies widely from agency to agency. In some cases there appears to be widespread violation of even the formal requirements of the PNRS system from the federal point of view. A GAO investigation observed that "Federal agencies have not insured that applicants give clearinghouses and others the opportunity to review and comment. The result has been a pervasive series of breakdowns in PNRS. The problems are so severe that clearinghouses have questioned whether federal <sup>agencies</sup> agree with the fundamentals of intergovernmental co-operation and have expressed frustrations in trying to institute order in the complex process. The breakdowns occur when federal agencies accept, process, and sometimes approve applications without evidence that any of the PNR'S procedures have been followed" GAO found that in California and Massachusetts half of the grant applications it examined were accepted by the federal government before the appropriate clearinghouses were able to review the application. Even when formal procedures are followed, there is little evidence to indicate federal agencies pay much attention to clearinghouse comments in making grant decisions, although this varies from agency to agency.

Part of the reason for A-95's inconsistent administration at the federal level may be the rather passive attitude taken by OMB, an agency more concerned with budgetary matters than intergovernmental management. A GAO investigation noted that OMB devoted only limited staff to administering A-95 and that, as a result it, "passively monitored compliance of federal agencies with the circular, relying on documented complaints as a basis for instituting corrective action."<sup>25</sup>

Lurking behind the rather nonchalant administration of A-95 is the political reality of fund denial or withdrawal. Refusal of funding due to lack of compliance with federal planning requirements is a small tail wagging a very large dog if the planning inconsistency bears any real substantive importance to the parties involved.

## POLITICS OF BUILDING THE PLANNING SYSTEM: LEGISLATIVE CHANGE

The building of a planning system can continue to evolve either through new legislation or through administrative action based on existing legislation. In this section we will examine the political environment through which changes in the planning system must be wrought in the legislative arena.

Any planning which is not closely attached to project execution suffers from a series of negative mental images many congressmen hold about planning. First, for some, particularly those of conservative ilk, planning conjures up the spectre of big brother taking decisions out of the hands of the people and placing them in an authoritarian elite. In some cases the image is one of central planning as practiced by the various Communist regimes. In this context planning is seen as anti-American.

Another set of attitudes towards planning prevalent among congressmen is that federal planning assistance funds the development of sophisticated plans which are never implemented; thus the plans and the federal assistance which produced them are wastes of time and money. This attitude is reflected in the committee report accompanying the Senate version of the amendments to the Section 701 program in 1974. The Committee enjoined

"the Secretary from making grants to applicants which have not made a good faith effort to implement their comprehensive plans. The Committee has no desire to encourage planning as an academic exercise or to subsidize the production of 'paper plans' which merely sit on library shelves... It also recognizes that structural, political, or other obstacles may prevent plans from being successfully implemented. At the same time, however, it expects recipients to utilize planning as guidance for public action."<sup>26</sup>

An extension of this attitude is found in the frequently voiced criticism that planning assistance funds are really planner assistance funds and that the true impact of federal planning programs is to provide a form of income maintenance for planners. And, as this indicates most congressmen appear to have a quite negative impression of planning as a profession and of planners as people. They don't like them. First they consider planners as impractical utopians who, at best, do not understand politics and, at worst, do not understand politics but think they do. Second they suspect that planning as a profession and planners individually neither trust nor admire politicians and, in fact, consider politics a dishonorable profession and the main obstacle to the fulfillment of their professional purpose. There is enough accuracy in both of these congressional perceptions to contribute to their firm and continued acceptance, even in the face of "good" planners from the home district who are carefully placed before Congressmen in an effort to dispel these stereotypes.

The negative image of planning and planners partly explains efforts to package planning programs as management assistance rather than planning assistance (this makes sense in any case since planning is properly an integral part of the management function). Management is a term politicians feel more comfortable with and besides it usually implies assistance to state and local bodies headed by real elected politicians rather than semi-autonomous planning agencies. The 1974 amendments to the 701 program specified, in fact, that 701 funds would be made, as the report read, "to general purpose units of government rather than directly to planning agencies.

The recipient may, of course, allocate a portion of all of its funds, as it sees fit, to planning agencies in order to carry out the recipient's activities."<sup>27</sup> The toughest planning program in terms of federal requirements (plans must be approved by the federal government) is not called planning at all; it is the Coastal Zone Management program which passed with little fanfare in 1972 at the same time the land use planning bill was in its death throes, even though the provisions were quite similar in many cases.

In addition to the generally negative set of attitudes (the best set of attitudes held by congressmen towards planners considers them well-meaning and engaged in an important enterprise, but politically naive), efforts affecting the planning system face a series of other problems in Congress, particularly when funding is concerned. First, planning does not have a powerful constituency relative to other competitors for limited federal funds. There are not many planners, they do not represent many people, nor do they play a large role in political campaigns, either organizationally or financially. If planning is to receive any political support at all it must come from the clients or employers of planners - Governors, Mayors, county officials, etc. While all these groups - as represented by the National Governors Conference, The National League of Cities and the U.S. Conference of Mayors, and the National Association of County Officials - support planning in the abstract, all of them are much more interested in funds which do real things, visible to voters, like build structures or provide services.

Indeed, this attitude is shared by most congressmen. There is a hierarchy of preferred funding and it runs from the most visible

to the least visible. Thus construction projects (which also are most stimulating economically and have the strong support of organized labor) are most preferred, followed by services to people, and, bringing up the rear planning or other support activities. There is an acknowledged preference of hardware over software which is characterized by the frequently heard remark in Congress about the 701 program namely, that "planning produces no houses." A corollary of this is that the more closely tied a planning program is to a functional hardware program (highways, mass transit, waste treatment plants), the more acceptable it is and the higher the level of funding is likely to be.

Furthermore, planning suffers in any fight for appropriations because it is so difficult to establish the benefits resulting from it. Planners may consider these quite evident, but many congressmen do not. The output of planning - if we ignore the trivial, namely the production of a planning document - is not at all clear, and, in fact much of the planning literature questions the real impact planning has had. In any case, given the current state of planning, most benefits are probably negative costs - planning prevented something undesirable from happening and thus saved public funds (this argument has been made with some effect particularly with respect to A-95). Unfortunately such as argument, through possibly quite valid, is tremendously difficult to demonstrate since it requires one to picture something which did not occur, imagine how bad its occurrence might have been, and attribute its non-occurrence to effective planning.



Finally there is a further severe problem of an idiosyncratic nature for funding planning legislation. Both the Senate and House Appropriations Subcommittees which are responsible for the HUD 701 program are chaired by individuals - Senator Proxmire and Rep. Boland - who appear opposed to planning and planners with an intensity which goes beyond the general negative reaction discussed above. The membership of the Senate subcommittee has been able to override Sen. Proxmire sufficiently to keep the program funding level from dropping precipitously, but with the Administration pushing for lower funding, a House appropriations subcommittee generally negative to planning, and an unsympathetic Senate appropriations subcommittee chairman, the prospects for increased 701 funding in the near future do not look bright.

Despite the negative attitudes towards planning and the difficulty of funding planning assistance programs, it has proven possible to strengthen the substantive elements of the planning system through legislation, if approached correctly. Experience has indicated that such legislation can succeed if it is of low visibility. In fact, in such cases it can succeed remarkably easily; all it takes is one proponent and no real opposition, a quite common situation. Thus 701 legislation, hidden from view as a small piece of a billion dollar omnibus housing and community development legislation succeeded, without any real opposition, in mandating land use planning on the part of every recipient (which includes all 50 states), while the highly publicized Jackson-Udall-Administration land use planning bill, not markedly stronger in its final watered down version, could

not pass, the victim of an intense lobbying effort from right wing forces activated by the bill's high visibility. The success of the 701 strategy is underscored by the remarks of Lawrence Houstoun, present administrator of the 701 program who notes,

"While the 701 land use element attracted little attention in the context of legislation that also offered a sizeable local improvement fund (Community Development Block Grants) and a controversial new housing program (Section 8), it nevertheless represented an important new entry on the federal planning assistance scene and one of the most important amendments in the relatively long tenure of 701 itself. That it caught the Executive Branch, the planning fraternity, and a sizeable block or blocks of congressmen by surprise added to the interest at various points in its administration."<sup>28</sup>

Similarly changes to strengthen the planning system such as the Intergovernmental Co-operation Act of 1968 have emerged with little fanfare from the intergovernmental relations subcommittee of the Government Operations Committee. In each case what is needed is a single Senator or Congressman (Stevenson in the case of the 701 amendments in 1974; Muskie in the case of the Intergovernmental Co-operation Act of 1968) who pushes legislation through the internal legislative structure rather than through taking the case to the public. Inertia rather than any Congressman or interest group is the real opponent of such legislation and inertia can be overcome if a member identifies sufficiently with the legislation to make the required effort. Unfortunately, Sen. Muskie has become pre-occupied with other matters and the intergovernmental relations committee has become less active in recent years.

## POLITICS OF BUILDING THE PLANNING SYSTEM: ADMINISTRATIVE CHANGE

The politics of administrative change with respect to the planning system are also worth examining. OMB is charged with administering the A-95 process and other aspects of the Intergovernmental Co-operation Act of 1968. During the early years of the Nixon Administration, and particularly when Roy Ash was Director, OMB took on major responsibilities for management functions (in fact it was during this time that OMB - Office of Management and Budget - changed its name from BOB - Bureau of the Budget). This was also the period during which funding was substantially increased for HUD's 701 comprehensive planning program. This increase was explicitly based on the theory that it was necessary to strengthen the planning and management capabilities of state and local government in order to successfully transfer functions, via revenue sharing or block grants, back to these jurisdictions.

However, the Ford Administration has greatly weakened the management function of OMB which has returned to essentially a budget cutting function.<sup>29</sup> As a result OMB's ability to administer A-95 aggressively or to strengthen the existing planning system has been diminished. At present OMB's entire A-95 operation consists of one professional. HUD has experienced even graver difficulties. Never a powerful agency in power fights within the Administration, it lost its fight with Interior to be designated the Administrative agency for the Administration's proposed land use bill in 1972. When that bill failed and HUD serendipitously found itself with a required land use element in the 701 program it also found it did not have sufficient funds to run the program. OMB imposed substantial cuts

on HUD's 701 program both in FY 76 and again in FY 77.

Strengthening the planning system through administrative action is quite possible, as shall be argued below. However, at the present time such an approach appears unproductive because of the unwillingness or inability of the Administration to move in that direction. Nonetheless, the present Administration will not be in power forever. Let us turn in the next section to a consideration of what kinds of action could be taken administratively to strengthen the planning system by an administration which was inclined to do so.

## ADMINISTRATIVE CHANGES TO STRENGTHEN THE PLANNING SYSTEM

The language of Title IV of the Intergovernmental Co-operation Act of 1968 and Section 204 of the Demonstration Cities Act of 1966 would seem to provide broad authority for administrative efforts to substantially strengthen the planning system. (See Appendix 3). The real limits appear to be those imposed internally by political ideology and will and externally by political reality rather than legislative authorization.

What kind of administrative strengthening of the planning system could be accomplished utilizing existing legislative authority?

1) The general authority in the two laws could be utilized to require that every state and region, both metropolitan and non-metropolitan, have a comprehensive plan,<sup>30</sup> including, at a minimum, (although such a task would probably be beyond the capability of existing planning institutions and thus undesirable except on a long-run basis), all the elements listed in Section 401(a) of the Intergovernmental Co-operation Act. Indeed the authority would appear to be broad enough to require other elements of comprehensive planning as well, such as programming of capital investments. At present all states and A-95 agencies receive 701 funds which also requires a comprehensive plan including at a minimum a land use and housing element. Unfortunately many recipients have not moved very far towards comprehensive planning, and efforts by HUD to enforce 701 requirements are not credible when so small an amount of funds are involved. As 701 has been cut many recipients are now at the point where they may be willing to give up the funds rather than accept the requirements.

2) Require areawide clearinghouses (and perhaps state clearinghouses as well) to comment on all applications by localities for federal assistance and to comment with respect to the consistency of any grant application with both areawide and state functional plans and with an areawide comprehensive plan. At present areawide clearinghouses are not required by A-95 to comment on an application; localities are merely required to present all such applications to the clearinghouse so that it has the opportunity for comment. It is arguable that the language of Section 204(b)(1) already requires comment (it appears to, but the language may be negated by that of Section 204(b)(2)), but again the broad authority present in Title IV of the Intergovernmental Co-operation Act would seem to provide no problem here. The present language of Section 204(b)(1), buttressed by Title IV, would already seem to require that, if any comments are made, they must address themselves to consistency with areawide comprehensive planning ("such comments shall (my underlining) include information concerning the extent to which the project is consistent with comprehensive planning developed or in the process of development for the metropolitan area or the unit of general local government, as the case may be, and to the extent to which such project contributes to the fulfillment of such planning."). However, A-95 has never required, though it has encouraged, such "consistency" comments.

3) At present A-95 comments are only advisory to the federal funding agency which can ignore them if it so desires, although if the funding agency funds a project which the clearinghouse recommended not be funded it must provide the clearinghouse with a written

explanation of why it has done so. At the extreme the authority of Title IV could provide the clearinghouse with a veto over any project it recommends against, although such an act, regardless of the legislative authority on which it were based, would clearly not be politically feasible and probably not desirable. Instead, however, the position of the clearinghouse could be strengthened by requiring a public hearing conducted by the federal agency prior to the funding of any project the clearinghouse has recommended against and a finding either that the clearinghouse's comments were not accurately based or other clearly specified considerations outweighed them.

4) As Section 401(e) already implies, require that all federally funded or mandated functional plans - on a state, areawide, or local basis - be approved by state and areawide clearinghouses as consistent with other functional plans and comprehensive plans on the state and areawide level. In short, make the A-95 clearinghouse a certification mechanism for other federally funded or mandated plans. At present applications for funds for federal planning assistance must go through the A-95 process as must reapplications for assistance, but the resulting plans themselves are not subject to consistency reviews by the clearinghouses. Thus, the housing assistance plan (HAP) required by the Housing and Community Development Act of 1974 as a precondition for receiving community development funds or Section 8 housing subsidy funds should be required to be consistent with the housing element - both local and areawide) required by 701.

5) Require that all areawide planning for various functional programs be performed by a single areawide agency on a uniform geographic basis except where explicitly prevented from doing so by legislation. Even some of the legislative requirements specifying board membership may be met by the appointment of advisory boards or ad hoc board members to the single areawide agency.



## LEGISLATIVE CHANGES TO STRENGTHEN THE PLANNING SYSTEM

Clearly the legislative route offers greater scope for change, but choice of that route also increases the difficulty of accomplishing it and runs some risk of enacting change which weakens rather than strengthens the planning system. What are some of the possible objectives which might be pursued through legislative change?

1) Mandate any, or all, of the administrative changes suggested above to occur through explicit new legislation.

2) Expand the required elements in the 701 comprehensive planning program, in particular adding a capital programming element which could serve as an effective guide for development and serve as a real base for A-95 consistency reviews. Such a proposal, sponsored by Sen. Stevenson, passed the Senate in 1974 but was dropped in conference.

3) Enact the major features of the Jackson-Udall-Administration (before it backed off) land use bill under the guise of 701. The land use bill failed because of its visibility and thus its susceptibility to right wing opposition. The 701 program provides the opportunity to enact much the same bill under the cover of night, so to speak. In fact, the 1974 amendments partially did this. All recipients of 701 - which includes all 50 states and areawide agencies covering practically the entire country - must prepare, as part of their comprehensive planning process, a land use element

"which shall include (A) studies, criteria, standards, and implementing procedures necessary for effectively guiding and controlling major decisions as to where growth shall take place within the recipient's boundaries, and (B) as a guide for governmental policies and activities, general plans with respect to the pattern and intensity of land use for residential, commercial, industrial, and other activities."<sup>32</sup>

The 701 amendments fall short of the provisions in the land use bill which contained greater specificity of what must be covered in land use planning including identification of areas of critical environmental concern, location of large scale development and key facilities, and land uses of regional benefit. The land use bill also required the setting up of an implementation and enforcement mechanism and a cut-off of funds for land use planning upon a finding that states were not complying with these provisions (an earlier version, endorsed by the Nixon Administration had provided for a partial cut-off of funds for several other programs - highways, airports, and the land and water conservation fund-upon a finding that a state was not engaged in land use planning that met the requirements of the act).

The Jackson-Udall-Administration bill in that form is undoubtedly dead. However, it is quite possible that the existing provision in the Section 701 program could be strengthened so that for all practical purposes it were indistinguishable from the land use bill. Such a strategy, however, would be useless without adequate funding for the 701 program lest states simply eschew 701 funds as too insignificant to justify compliance with the requirements.

4) Efforts to rewrite 701 to encourage greater support from the more politically muscular elements of its constituency. It has been suggested that the bill be rewritten to place greater emphasis on the presumably more politically attractive management elements as opposed to planning. Such a rewrite would enthruse both Mayors and Governors who would prefer less restrictive funds to bolster their

staff, and would presumably appeal to a broader range of congressmen as well. However, there are some congressmen who would oppose funding for broad management purposes as a windfall to politicians which would be put to work primarily for patronage purposes. And there is the very real question of whether such a change would have a positive or negative impact on the development of a planning system.

Another road to the same objective - strengthening support for 701 - might lie in differentiating among the level of government recipients with respect to the program requirements. For example, it has been suggested that the required land use element should apply only to states and areawides, but not to cities. Proponents of this - the city lobbies, not surprisingly - contend that there is relatively little land awaiting development and existing zoning codes adequately cover land use needs there.

5) Provide explicit funding for the A-95 process to those institutions responsible for carrying out the A-95 process at the state and areawide levels. This could be accomplished either through separate legislation, through an amendment to the Intergovernmental Co-ordination Act, or perhaps through a 1% set-aside of revenue sharing funds to fund intergovernmental processes.

6) Eliminate the 701 program - or turn it into a functional program for housing and community development planning - and develop new general planning legislation, perhaps to be administered by OMB. To some extent this is the equivalent of putting new wine in old bottles, but sometimes packaging may make a major difference and 701 appears to have developed a bad name. It has been suggested as well that all or most of the functional programs be consolidated into a

new general program. Such a suggestion despite its theoretical elegance is politically unrealistic given the functional power centers which characterize Congress and the executive and extend throughout the intergovernmental system as well. In addition, as a practical matter, even if such legislation could be enacted the amount of money available for a single general planning program would fall far short of the aggregate available under existing functional planning programs. In either case, eliminating Section 701 would also eliminate the valuable linkages and requirements which have been built into 701. It is questionable whether new planning legislation, given its political support - i.e., the mayors, governors, and county executives - would be much more than a revenue sharing program for software.

7) Develop legislation designed to rationalize the substate district planning system through simplifying and consolidating federal planning requirements and federal planning assistance programs particularly areawide planning requirements. ACIR has proposed that federal planning efforts be focused on an umbrella multijurisdictional organization (UMJO) strategy. The UMJO would:

- "1. Adopt and publicize regional policies and plans, along with a program for their implementation;
2. Provide planning and programming inputs into the state's planning and budgeting process;
3. Serve as the region's A-95 review agency;
4. Implement all federally encouraged areawide planning, programming, coordinating, districting, and servicing programs as well as similar state undertakings;
5. Act as the basic policy board for multijurisdictional special districts;
6. Promote mutual problem-solving among cities, counties, and towns and provide services these units may singly or jointly request;
7. Resolve differences between state agency and local government programs and projects that conflict with policies adopted by the council; and
8. In certain instances, assume direct operating responsibilities under such terms as may be set down in the

state authorizing legislation, provided half the local member units representing 60 percent of the region's population concur."<sup>33</sup>

A bill to accomplish some of these purposes has been introduced by Sen. Magnuson (D-Wash.). The Magnuson bill (s. 3075) written by Seattle mayor Wes Ulman, who is also President of the National Association of Regional Councils, would require a single areawide agency to be the recipient of all federal areawide planning assistance grants. Another approach - perhaps a simpler one though not as comprehensive - would be to amend the 701 program to require that all other federally assisted planning activities be consistent with comprehensive planning being undertaken by that level of government.

8) Rewrite Title VII of the Housing Act of 1970 in an effort to provide meaningful content to a national growth policy which could then provide a loose framework which planning activities of other intergovernmental could fit.

## OTHER IMPEDIMENTS TO THE DEVELOPMENT OF A PLANNING SYSTEM

Administrative and legislative changes in federal grant activities and planning requirements, such as these discussed above, would go a long way towards development of an American planning system. But they would not, by themselves, produce that system; there are other weaknesses worth pointing out which stand in the way. Some of these have already been referred to in the above discussion of the system and its potential. We will review and expand on these here, albeit briefly.

One of the most obvious impediments is the federal government's own organization which is determinedly functional in nature. Even when it attempts directly to develop components of a planning system the federal government has difficulties. Thus OMB has no centrally defined procedures federal agencies must follow in administering A-95; each of 22 federal agencies is charged with developing its own regulations and procedures for implementation. Such regulations and procedures, according to GAO, vary considerably with consequent confusion for applicants applying to several different agencies for funding.<sup>34</sup> Each of the 22 agencies is supposed to appoint an A-95 liaison officer, but, again, OMB has not defined the role of this officer except to insist that the office exist.<sup>35</sup>

As Allen Schick notes, about all we know so far about efforts to organize the federal government so that it can itself contribute to the development of a planning system, is what does not work.

"Ad hoc presidential intervention cannot suffice to overcome the functional, organizational, and governmental barriers to program delivery. Inevitably, the President's attention will be too fleeting to provide sustained drive and leadership... Thus far it has not been possible to institutionalize a presidential role in intergovernmental relations. In the 1960s, Congress rebuffed proposals to establish Bureau of the Budget field offices across the country. President Johnson quietly buried the proposal of the Heineman Task Force to create a special intergovernmental coordination staff in the White House to function as the President's eyes and ears and to mobilize federal resources. Various initiatives to channel intergovernmental matters through the vice-presidency lacked staying power while the Office of Intergovernmental Relations in the Executive Office lacked effectiveness."<sup>36</sup>

Nor have recent efforts, such as the establishment of Federal Regional Councils apparently provided the solution. The Study Committee noted that

"recent agency withdrawals from the councils, lack of staff, lack of full-time executives (lead agency chairmen currently serve this function on a rotating basis) and dependency on agency funding weaken their potential as a linking mechanism in the intergovernmental management system."<sup>37</sup>

Some of the difficulties and fragilities of the regional councils of governments, a key link in the federally supported planning system, have already been alluded to. More generally, it is worth noting that, with few exceptions, COGs can neither operate programs (i.e., they are not truly governmental bodies), nor can most engage, at least very successfully, in redistributive processes. Moguloff, in his review of Councils of Governments, concludes:

"The COG's can deal with problems of boundary crossings, the need for common action, or issues of scale only in those cases where all governments are advantaged by the action, or almost none are disadvantaged by it. We think there are significant areas of metropolitan decision-making which lend themselves to a model of 'everybody wins' or at least nobody loses... COGs have carved out a place for themselves because they have been useful without being painful to member governments. They could continue to be supported by member governments, and by the federal gov-

ernment solely on the basis of their current utility as clearance-service-giving agencies. But to do so, and to ignore the requirements of the A-95 circular for a planning/evaluation function, would by leaving the COG in its current state make the COG into a hindrance for the development of a regional government. The core of our recommendations is that OMB and HUD must strain the COGs to perform in a way that it seems structurally unable to achieve, namely, to differentially evaluate the programs of its member governments based upon adopted regional plans."<sup>38</sup>

Despite planning requirements - and the recent spate of locally initiated planning activity centered about the growth issue - there is a very real question concerning the present capability of many state and local governments to undertake an effective planning effort as part of their management function. This has become a matter of particular concern for the federal government with the advent of general revenue sharing and federal block grants which have a few federal requirements and rely upon the recipients to use the funds wisely. There is concern that the lack of capability on the part of many recipients will result in a great deal of waste and inefficiency of the federal monies. The recent Study Committee on Policy Management Assistance report, despite its general optimism about the new federalism, noted:

"Many elected officials and chief administrative officers at these (state and local) levels of government continue to function with management structures, techniques, and support systems designed for smaller, less complex operations of a predominately rural society with minimal inter-governmental transactions... The Federal government should be concerned about the management capability of states and localities for two reasons. First, increasingly the success of federal mission objectives will depend upon the skill of state and local government, in carrying out broadly defined Federal programs. Even in the case of the original general revenue sharing legislation, where the objectives or constraints on expenditures are so broad as to be almost nonconflicting, there is political pressure to assure that funds are spent as efficiently and effectively as possible.



Second, state and local governments cannot be expected to make sound contributions to the development and implementation of Federal or national objectives until they can manage their local responsibilities. Consequently, the Federal government should be concerned that states and localities are suitably equipped to deal with them."<sup>39</sup>

Lawrence Susskind suggests six obstacles to effective planning and management at state and local levels: "1) constraints on fiscal resources; 2) the parochialism of state and local leaders; 3) insufficient authority to act; 4) lack of skilled personnel; 5) inadequate administrative tools or management technologies; and 6) the inability to achieve consensus."<sup>40</sup> These six obstacles taken together constitute both a severe indictment of the present capabilities of states and localities and a difficult agenda.

The study committee's concern about the shortcomings of state and local government planning and management capability manifested itself in their recommendations for "capacity building" defined as "programs, projects, services, or activities designed to strengthen the capabilities of general purpose units of governments."<sup>41</sup>

## CONCLUSION: THE FUTURE OF AN AMERICAN PLANNING SYSTEM

The American planning system, at least as it has developed through the intergovernmental grant structure, is today at a crossroads. An administration committed to the development of such a system could move to strengthen it substantially by making use of existing legislative authority. But the present Administration is not so committed, and there is no way of judging the outlook of future Administrations. In the meantime, many of the links characterizing the present planning system are found in the 701 comprehensive program which is losing its funding and its political support. It is probably possible to strengthen the planning system in form further by amending 701, but such an effort would be wasted if adequate funds are not provided. The requirements and linkages present in 701 would be meaningless since potential recipients would choose not to burden themselves (as they perceive it) for such a small amount of funds.

The proposal for a new planning and management program to replace 701 is also less than promising. It is doubtful that the requirements present in 701 - the existence of a comprehensive planning process with, at a minimum, a land use element and a housing element - could be carried forward into new legislation. New legislation would be publically visible thus exposing planning to the land use bill syndrome, and its primary political support would come from those who wish no strings attached funds for management purposes. In any case the whole effort would be worthwhile to the advocates of such an approach only if the resulting legislation could produce substantially higher appropriations than 701. There is no reason to

believe that this would occur. Certainly the best chance of making it occur would be to pass legislation which went to different appropriations subcommittees, but this would require activating both Government Operations committees and their intergovernmental relations subcommittees which have been largely inert for the past several years.

Meanwhile as 701 funding falls, the prospect of a rational planning system falters. As more general 701 funds disappear, the priorities of COGs and state and local planning departments are increasingly being set not by the areas real needs, but by the availability of funds from the many functional planning programs.

How to proceed? The planning system, if it is to survive and become strengthened, will have to continue to proceed on an incremental and relatively invisible basis, expanding on what already exists. The two crucial elements tying together a planning system are the Intergovernmental Co-operation Act of 1968 (along with Section 204 of the Demonstration Cities Act of 1966) and the Section 701 comprehensive planning assistance program. Despite 701's present difficulties, it seems premature to give up on it, particularly in terms of the difficulty in replacing it with a program equally desirable and able to command funds. Perhaps better days might appear for 701 if a more supportive Administration were willing to throw its weight behind increased funding in the appropriations process. As for strengthening the intergovernmental aspects of the planning system, substantial authority not now being used already exists; it would seem foolhardy and dangerous to attempt to augment that legislatively and risk weakening existing provisions. Here, too, future advances would

appear to await a more sympathetic Administration. Perhaps such an Administration will not occur. At that point it will be appropriate to turn to the legislative route and to consider as well more pre-  
cemeal and fragmented efforts to co-ordinate planning and activities through the intergovernmental framework.

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- 6 Ibid, pp. 861-868.
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- 10 Elmer B. Staats, "The Federal Assistance System, Revenue Sharing, and Regionalism," Speech before the Western Conference on Substate Regionalism, San Diego, California, Dec. 11, 1975, p. 15.
- 11 OMB, "Evaluation, Review and Coordination of Federal and Federally Assisted Programs and Projects", Federal Register, V. 41, No. 8, Jan. 13, 1976, pp. 2051-2065.
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- 14 Bernard Cohen, "701: Stung and Shaken, but Surviving" Planning, June 8, 1975, p. 9.
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- 16 Conversation with Bruce McDowell, Advisory Commission on Intergovernmental Relations, March 19, 1976. See Appendix 2 for list.
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- 18 Ibid, p. 205.
- 19 Ibid, pp. 428-429.
- 20 Ibid, p. 157.
- 21 HUD memorandum from Mary Youle to Lawrence O. Houstoun, Nov. 13, 1975.
- 22 Melvin B. Moguloff, Government Metropolitan Areas: A Critical Review of Council of Governments and the Federal Role (Washington D.C., The Urban Institute, 1971), p. 48.
- 23 Interview with William Brussat, Office of Management and Budget, March, 1976.
- 24 ACIR, Op. Cit., p. 149; also Urban Data Service Report, Feb., 1972, Table 12, p. 13.
- 25 Comptroller General of the United States, "Improved Cooperation and Co-ordination Needed Among All Levels of Government -- Office of Management and Budget, Circular A-95, Washington, D.C., Feb. 11, 1975, pp. 26-27.
- 26 U.S. Congress, Senate, Committee on Banking, Housing, and Urban Affairs, Housing and Community Development Act of 1974, 93rd Congress, 2nd session, 1974, S. report 93-693 to accompany S. 3066, p. 63.
- 27 Ibid, p. 60.
- 28 L. O. Houstoun, Department of Housing and Urban Development, "Comprehensive Land Use Planning: Back to Basics," (mimeo), undated, p. 1.
- 29 Interview with OMB official, March, 1976.
- 30 The Interdepartmental Planning Requirements Task Group recommended in 1969 that "a comprehensive planning process in-being, meeting minimum co-ordinative planning and the relevant functional planning requirements (ought to be) a minimum requirement for and under the subject program," Op. Cit., p. 58.
- 31 Ibid.

- 32 Housing Act of 1954, Section 701 as amended, 68 stat. 590, 640.
- 33 David Walker, "Metropolitan Transportation in an Age of Sub-state Regionalism," in Transportation Research Board, Intergovernmental Relations in Transportation Planning, Transportation Research Record 524, pp. 5-6.
- 34 Comptroller General of the United States, Op. Cit., p. 61. Also, see U.S. Department of Housing and Urban Development, "Local Government Participation A-95," Community Development Evaluation Series No. 11, March, 1973, pp. 7-8.
- 35 Ibid. pp. 58-59.
- 36 Allen Schick. "The Intergovernmental Thicket: The Questions Still are Better than the Answers," Public Administration Review, December, 1975, pp. 719-720.
- 37 Study Committee on Policy Management Assistance, Op. Cit., p. 36.
- 38 Moguloff, Op. Cit., pp. 113-115.
- 39 Study Committee on Policy Management Assistance, Op. Cit., pp. 4-6.
- 40 Lawrence Susskind, "Strengthening Planning and Management at the State and Local Levels," in Harvey S. Perloff (ed.), Agenda for the New Urban Era (Chicago, American Society of Planning Officials, 1975) ch. 3.
- 41 Study Committee on Policy Management Assistance, Op. Cit., p. 49.

## SUMMARY OF MAJOR PLANNING ASSISTANCE PROGRAMS

## PART A

## PROGRAMS SCHEDULED TO BE OPERATIVE THROUGH FY 75

<u>For Comprehensive Planning</u>	FY 1974 Obligations (in millions)	
HUD: Comprehensive Planning Assistance	\$74.80	
HUD: State Disaster Plans and Programs	0.44	
EDA: Title III Economic Development Districts	7.70	
EDA: Title V Regional Action Planning Commissions	3.26	
EDA: Title IX Economic Adjustment	-0-	
ARC: Local Development Districts	3.45	
BIA: Indian Tribal Government Operations	1.02	
		90.67
 <u>For Functional Planning</u>		
<u>Transportation</u>		
DOT: Highway Planning and Research	82.10	
DOT: Airport Systems	8.40	
DOT: Urban Mass Transportation Technical Studies	37.60	
ARC: Appalachian Highway Planning and Research	1.07	
		129.17
 <u>Manpower Development</u>		
DOL: Comprehensive Employment and Training (FY 74 Funding via CAMPS)	20.72	20.72
 <u>Public Safety</u>		
LEAA: Comprehensive Planning for Law Enforcement	50.00	
DOC: Master Plans for Fire Prevention/Control	-0-	
USDA: State Forest Fire Control	.25	
		50.25
 <u>Physical-Environmental</u>		
NOAA: Coastal Zone Management	7.20	
BOR: State Outdoor Recreation	2.10	
NFS: State Historic Preservation	2.33	
EPA: Section 201 Waste Treatment Facilities	30.00 (est.)	
EPA: Section 207 Solid Waste Treatment	3.00	
EPA: Section 208 Areawide Waste Treatment	13.50	
EPA: Air Pollution Control Agency Support	5.15	
EPA: Water Quality Control Agency Support	16.00	
WRC: State Water and Related Land Resources	3.05	
HUD: Community Development Planning (eligible under Title I, HUD Act of 1974)	-0-	
USDA: State Grants for Forest Management	.05	
USA/CE Urban Studies "Program"	7.00	
		89.33



Social

USDA: Child Nutrition (School Lunch) Planning	.27	
ARC: Appalachian Demonstration Health Planning	2.86 (est.)	
ARC: Appalachian Child Development Planning	-0-	
HEW: Special Programs for the Aging	12.00	
HEW: Comprehensive Health Planning (Sec. 314(a&b)	33.71	
HEW: Comprehensive Alcoholism Services	1.70	
HEW: Alcoholism (Prevention and Treatment)	.20	
HEW: Drug Abuse (Prevention)	.60	
HEW: Developmental Disabilities (18 and under)	3.09	
HEW: Youth Development and Delinquency Prevention	2.10	56.53
Total: 37 Programs	\$436.72	

PART B

PROGRAMS AUTHORIZED, BUT INOPERATIVE FOR FY 75

	<u>Comment</u>
<u>For Comprehensive Planning</u>	
1. USDA: Rural Development Assistance	No FY 74-75 appropriations request
<u>For Functional Planning</u>	
2. USDA: Areawide Water and Sewer	New funding terminated in January 1973
3. EPA: River Basin Planning	New funding terminated in June 1973; replaced by Sec. 208 Waste Treatment Program
4. HEW: Higher Education Facilities	New funding terminated June 1972
5. DOL: Cooperative Area Manpower Planning	Now being replaced by CETA
6. HEW: Narcotic Addiction and Drug Abuse	No new funding in FY 74/75
7. HEW: Community Mental Health Centers	No new funding in FY 75

PART C

PROGRAMS PENDING ENACTMENT IN FY 75

For Functional Planning

1. HEW: Health Resources Planning  
Would combine 5 related program authorities
2. HEW: Title XX Social Security Amendments Act (replaces Title 4A of Social Security Act)  
Would combine planning components of current categorical programs designed to get people off of welfare i.e. child care, day care, training, etc.
3. HEW: Allied Services Act  
Would combine planning components of plethora of small categorical human resources programs, i.e. mental retardation, alcoholism, housing, child development, etc.

Source: House Appropriations Committee, Report of Survey and Investigations Staff, April 1974 updated by HUD:CPD:UPCS Staff November 1974.

## AREAWIDE FEDERAL-AID PROGRAMS: 1975

Existing

1. HUD "701 Planning Assistance"
2. HUD Sec. 8 Housing
3. HUD Community Development Block Grant
4. DOT Urban Highways
5. DOT Urban Mass Transportation
6. DOT Metropolitan Airport Systems Planning
7. LEAA Law Enforcement Planning Grants
8. Labor CETA
9. HEW Comprehensive Public Health Services
10. HEW Special Programs for the Aging
11. HEW Social Services
12. CSA Community Action
13. ARC Appalachian Local Development District Grants
14. EDA Economic Development Planning Grants
15. NOAA Coastal Zone Management Planning Grants
16. EPA Areawide Waste Treatment Management Planning Grants
17. EPA Air Pollution Control Program Grants
18. EPA Solid Waste Planning Grants
19. USDA Resource Conservation and Development
20. OMB Project Notification and Review Process (A-95)

Proposed

21. HEW Allied Services

TITLE IV OF THE INTERGOVERNMENTAL COOPERATION  
ACT OF 1968 (82 Stat. 1103)

"TITLE IV -- COORDINATED INTERGOVERNMENTAL  
POLICY AND ADMINISTRATION OF DEVELOP-  
MENT ASSISTANCE PROGRAMS"

"DECLARATION OF DEVELOPMENT ASSISTANCE POLICY"

"Sec. 401. (a) The economic and social development of the Nation and the achievement of satisfactory levels of living depend upon the sound and orderly development of all areas, both urban and rural. Moreover, in a time of rapid urbanization, the sound and orderly development of urban communities depends to a large degree upon the social and economic health and the sound development of small communities and rural areas. The President shall, therefore, establish rules and regulations governing the formulation, evaluation, and review of Federal programs and projects having a significant impact on area and community development, including programs providing Federal assistance to the States and localities, to the end that they shall most effectively serve these basic objectives. Such rules and regulations shall provide for full consideration of the concurrent achievement of the following specific objectives and, to the extent authorized by law, reasoned choices shall be made between such objectives when they conflict:

"(1) Appropriate land uses for housing, commercial, industrial, governmental, institutional, and other purposes;

"(2) Wise development and conservation of natural resources, including land, water, minerals, wildlife, and others;

"(3) Balanced transportation systems, including highway, air, water, pedestrian, mass transit, and other modes for the movement of people and goods;

"(4) Adequate outdoor recreation and open space;

"(5) Protection of areas of unique natural beauty, historical and scientific interest;

"(6) Properly planned community facilities, including utilities for the supply of power, water, and communications, for the safe disposal of wastes, and for other purposes; and

"(7) Concern for high standards of design.

"(b) All viewpoints -- national, regional, State and local -- shall, to the extent possible, be fully considered and taken into account in planning Federal or federally assisted development programs and projects. State and local government objectives, together with the objectives of regional organizations shall be considered and evaluated within a framework of national public objectives, as expressed in Federal law, and available projections of future national conditions and needs of regions, States, and localities shall be considered in plan formulation, evaluation, and review.

"(c) To the maximum extent possible, consistent with national objectives, all Federal aid for development purposes shall be consistent with and further the objectives of State, regional, and local comprehensive planning. Consideration shall be given to all developmental aspects of our total national community, including but not limited to housing, transportation, economic development, natural and human resources development, community facilities, and the general improvement of living environments.

"(d) Each Federal department and agency administering a development assistance program shall, to the maximum extent practicable, consult with and seek advice from all other significantly affected Federal departments and agencies in an effort to assure fully coordinated programs.

"(e) Insofar as possible, systematic planning required by individual Federal programs (such as highway construction, urban renewal, and open space) shall be coordinated with and, to the extent authorized by law, made part of comprehensive local and areawide development planning."

"FAVORING UNITS OF GENERAL LOCAL GOVERNMENT"

"Sec. 402. Where Federal law provides that both special-purpose units of local government and units of general local government are eligible to receive loans or grants-in-aid, heads of Federal departments and agencies shall, in the absence of substantial reasons to the contrary, make such loans or grants-in-aid to units of general local government rather than to special-purpose units of local government."

"RULES AND REGULATIONS"

"Sec. 403. The Bureau of the Budget, or such other agency as may be designated by the President, is hereby authorized to prescribe such rules and regulations as are deemed appropriate for the effective administration of this title."

SECTION 204 OF THE DEMONSTRATION CITIES AND  
METROPOLITAN DEVELOPMENT ACT OF 1966  
as amended (80 Stat. 1263, 82 Stat. 208)

"Sec. 204. (a) All applications made after June 30, 1967, for Federal loans or grants to assist in carrying out open-space land projects or for planning or construction of hospitals, airports, libraries, water supply and distribution facilities, sewage facilities and waste treatment works, highways, transportation facilities, law enforcement facilities, and water development and land conservation projects within any metropolitan area shall be submitted for review--

"(1) to any areawide agency which is designated to perform metropolitan or regional planning for the area within which the assistance is to be used, and which is, to the greatest practicable extent, composed of or responsible to the elected officials of a unit of areawide government or of the units of general local government within whose jurisdiction such agency is authorized to engage in such planning, and

"(2) if made by a special purpose unit of local government, to the unit or units of general local government with authority to operate in the area within which the project is to be located.

"(b) (1) Except as provided in paragraph (2) of this subsection, each application shall be accompanied (A) by the comments and recommendations with respect to the project involved by the areawide agency and governing bodies of the units of general local government to which the application has been submitted for review, and (B) by a statement by the applicant that such comments and recommendations have been considered prior to formal submission of the application. Such comments shall include information concerning the extent to which the project is consistent with comprehensive planning developed or in the process of development for the metropolitan area or the unit of general local government, as the case may be, and the extent to which such project contributes to the fulfillment of such planning. The comments and recommendations and the statement referred to in this paragraph shall, except in the case referred to in paragraph (2) of this subsection, be reviewed by the agency of the Federal Government to which such application is submitted

for the sole purpose of assisting it in determining whether the application is in accordance with the provisions of Federal law which govern the making of the loans or grants.

"(2) An application for a Federal loan or grant need not be accompanied by the comments and recommendations and the statements referred to in paragraph b(1) of this subsection, if the applicant certifies that a plan or description of the project, meeting the requirements of such rules and regulations as may be prescribed under subsection (c), or such application, has lain before an appropriate areawide agency or instrumentality or unit of general local government for a period of sixty days without comments or recommendations thereon being made by such agency or instrumentality.

"(3) The requirements of paragraphs (1) and (2) shall also apply to any amendment of the application which, in light of the purposes of this title, involves a major change in the project covered by the application prior to such amendment.

"(c) The Bureau of the Budget, or such other agency as may be designated by the President, is hereby authorized to prescribe such rules and regulations as are deemed appropriate for the effective administration of this section."