

# from Changing Suburbs: Foundation, Form and Function R. Harris and P. Larkham, eds. (London: Spon, 1999) CHAPTER 10

## Making Edge City: Post-Suburban Development and Life on the Frontier in Southern California

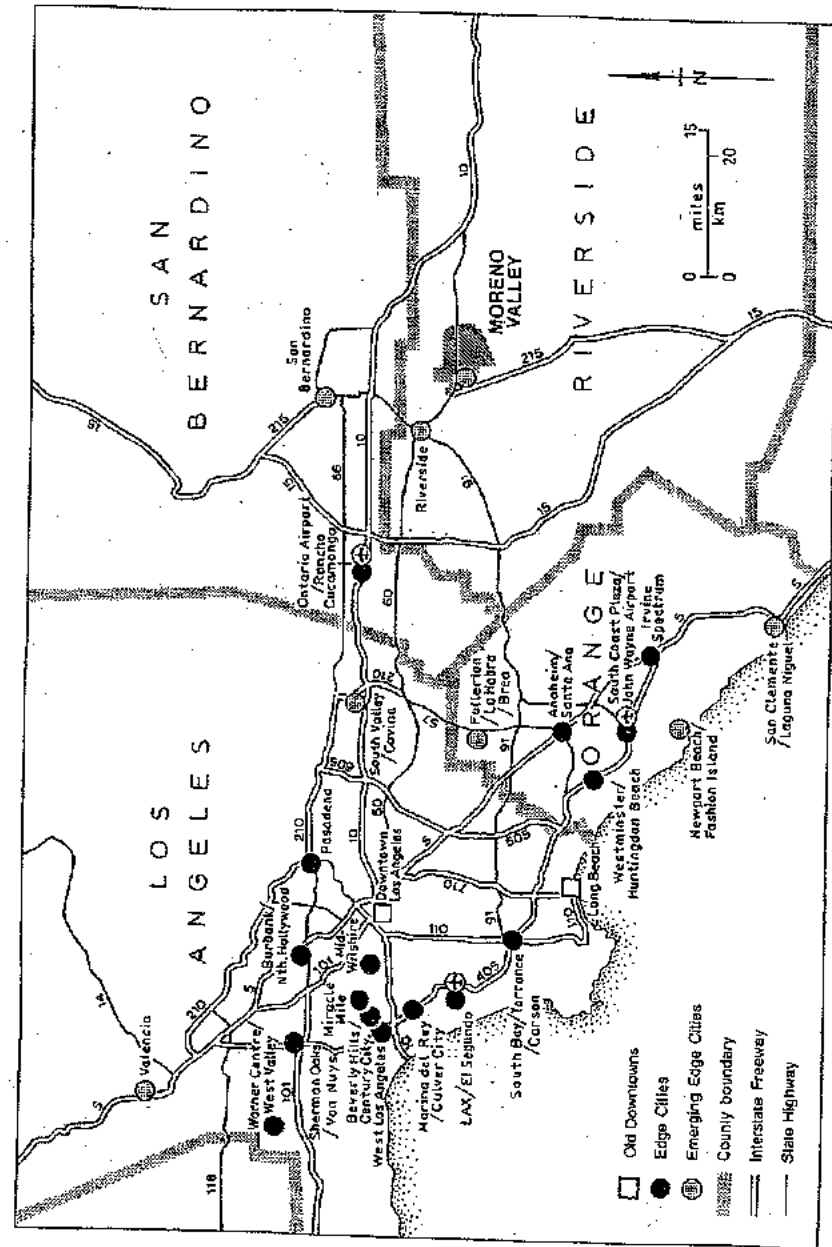
Andrew E.G. Jonas

... These new urban areas are marked not by the penthouses of the old urban rich or the tenements of the old urban poor. Instead, their landmark structure is the celebrated single-family detached dwelling, the suburban home with grass all around that made America the best-housed civilization the world has ever known.

I have come to call these new urban centers Edge Cities. Cities, because they contain all the functions a city ever has, albeit in a spread-out form that few have come to recognize for what it is. Edge, because they are a vigorous world of pioneers and immigrants, rising far from the old downtowns, where little save villages or farmland lay only thirty years before. (Garreau, 1991, p. 4)

During the 1980s, the City of Moreno Valley (see figure 10.1) in Riverside County, California, experienced a spectacular rate of development, growing in population from 28,000 in 1980 to 115,000 in 1990. As William Fulton – a California-based planning author and critic – suggested, Moreno Valley was at the time the fastest-growing city in the fastest-growing county in the United States (Fulton, 1991). Demographic projections showed that the city's population was likely to reach 250,000 by the year 2020, overtaking Riverside as the largest city in Riverside County. Such projections contributed to the popular image that Moreno Valley had become California's latest boomtown, an emergent edge city in the burgeoning post-suburban landscape of Southern California. In coining the term Y-CHOP (Young Commuting Home-Owning Parent) to describe the typical Moreno Valley resident, an article in *Time Magazine* in 1991 captured the essence of that image. Moreno Valley, it suggested, '... is the place for hardworking parents, with wagon-train hearts, seeking picket-fenced yards, swing sets and quiet streets, for people who can endure temperatures in the 100s and can drive three hours a day to work and back' (Lee, 1991, p. 99).

Such an image, however, did not endure for very long. In 1996, the *Los Angeles Times* declared that Southern California's boomtown had gone bust (Gorman, 1996). Moreno Valley faced substantial revenue shortfalls, and



politicians had appealed to local voters to pass a controversial utility tax increase. Whereas other cities had managed to ride Southern California's property market slump relatively unscathed, Moreno Valley no longer had a sufficient tax base to pay for basic services. The *Times* article suggested that locally-elected officials were responsible for the city's fiscal crisis. Poor planning and lack of proper fiscal management had turned a suburban dream into a post-suburban nightmare.<sup>1</sup>

Moreno Valley's predicament presents a neglected dimension of the edge-city phenomenon. Following the publication of Joel Garreau's influential treatise in 1991, the edge-city concept captured the imaginations of academics and popular writers alike. Social scientists have subsequently gone to great lengths to provide the latest empirical evidence of the phenomenon, including up-to-date lists and profiles of places which supposedly meet the edge-city criteria. But they have given rather less of their time to examining the processes and politics underlying the making of edge cities. An edge city does not simply materialize in the suburban landscape as a *fait accompli*; it must first be built. There is, I suggest, a politics to this building process, a politics in which discourse and material reality do not always converge. The aim of this chapter is to examine, by means of a case study, the contradictory and conflictual nature of edge-city building processes.

With regard to urban development politics in the United States, regime theorists suggest that the coherence and effectiveness of local development and fiscal policies are contingent upon a consensus forged within the local governing coalition (Cummings, 1988; Elkin, 1987; Pecorella, 1987; Stone, 1989, 1993; Stone and Sanders, 1987). A characteristic feature of urban development politics in the context of the United States is that it is often dominated by pro-growth governing coalitions: those interest groups that profit from the sale of land parcels to prospective investors (Logan and Molotch, 1987; Molotch, 1976; see also Jonas and Wilson, 1999). These coalitions mobilize to ensure that local land-use and development policies encourage inward investment. Such activity is often a threat to vested land-use interests, particularly in suburban areas where local residents generally enjoy open space, lower taxes and high-quality services such as education and police protection (Cox and Jonas, 1993; Logan and Molotch, 1987). Nevertheless, despite some evidence of mounting opposition to development and growth in suburban areas (Logan *et al.*, 1997), property developers have found various ways of avoiding suburban growth restrictions either by building in areas not subject to growth restrictions or by circumventing legal obstacles to growth (Jonas, 1991; Warner and Molotch, 1995). For their part, local politicians tend to be favourably disposed towards land development activity – and inward investment more generally (Cox and Mair, 1988) – because local governments are fiscally dependent upon property taxes, developer fees, and sales taxes, all of which tend to increase with new development and investment in the locality. This fiscal local dependence inclines elected municipal officials towards approving development projects, even if this means overlooking the concerns and demands of local residents and electorates.

Mindful, therefore, that the form of suburban development is contingent upon the character of the local political regime, I have chosen to divide the governance of Moreno Valley's development into three periods. The first period, 1980–84, was when a local growth coalition was galvanized by a move to incorporate the valley as a new municipality; but the emergence of growth factions compromised the coherence of the local development and fiscal policies that were pursued. During the second period, 1985–1991, concerted efforts – including the defeat of a local growth control measure – were made by the local growth regime to transform Moreno Valley into a major suburban employment centre. In the third period, 1992–1996, contradictions in Moreno Valley's development and fiscal policies were exposed by the property market crash in Southern California and the threatened closure of a local military installation. Moreno Valley's current fiscal predicament raises questions about the sustainability of edge-city developments in a rapidly-growing region such as Southern California.

#### ORGANIZING GOVERNANCE, 1980–1984

A typical edge city need not necessarily be a legally-incorporated place having clearly-defined political boundaries. Rather, such places are governed by a 'shadow government' (Garreau, 1991, p. 185) comprising a mixture of private and quasi-public agencies or special districts. Special districts have powers to raise taxes, provide local services, and set regulations with only minimal recourse to the local electorate. An edge city thus can have a strong territorial identity, but its residents may well lack any control or voice in its day-to-day management.

When Moreno Valley first began to attract the attention of developers in the 1970s, it was not a legally-incorporated place. Rather, the valley consisted of three unincorporated communities: the relatively poor community of Edgemont; a more affluent residential area known as Sunnymead; and the eastern end of the valley, known as Moreno, which was comprised of smallholdings, poultry farms and horse ranches. All decisions affecting land-use planning, development and service provision in these communities came within the jurisdiction of the Riverside County Board of Supervisors. The county, however, had failed to provide adequate services; indeed development was encouraged with little regard to the needs of local residents.

One county land-use policy, in particular, had a dramatic impact on development in Moreno Valley during the 1980s. This was the introduction of R-6 (medium-to-high density residential) zoning. R-6 zoning was Riverside's answer to the State of California's requirement that local governments should take measures to contain suburban sprawl and promote housing affordability. State law mandated that cities and counties include an Adopted Housing Element in their general plans, laying out in detail how much new housing would be provided for households at different income levels (Fulton, 1991). Around 1981, Riverside County adopted R-6 zoning as its affordable housing policy. The aim was to

'build on smaller lots and therefore save on the infrastructure costs as well as the acreage costs, and get the houses down in what the [State] call[ed] the "affordable price range"' (Riverside County Supervisor, personal interview, October, 1994). What this meant in practice was that, in order to keep housing costs low, many of the usual planning regulations were suspended (Fulton, 1990). This involved allowing developers to use smaller setbacks, double the square footage on existing lots, and build much narrower access roads, some of which lacked sidewalks and were little more than dirt tracks.

House prices in Riverside County were, at the time, much lower than in Orange County and Los Angeles, where local municipalities had passed growth-control ordinances restricting further residential development. During the 1970s, developers had been accumulating land banks in unincorporated parts of western Riverside County, and the introduction of R-6 zoning encouraged a wave of speculative development in these areas, fuelling a massive building boom in places like Moreno Valley. Much of this development was poorly planned, with minimal provision for basic infrastructure and services. Moreover, the speculative nature of R-6 development meant that house prices in Moreno Valley began to increase rapidly, exceeding the rate of increase in other parts of Southern California.

It transpired that 60 per cent of all the land in Riverside County zoned for R-6 residential units was located in Moreno Valley. The sheer pace of development of R-6 housing units, and the high density nature of development (figure 10.2), became the catalyst for an incorporation campaign in the valley, which attracted supporters and opponents alike, including the following:

1. *Long-time residents, retirees and smallholders.* These groups were concerned that incorporation would increase their tax burden. Resistance to incorporation was strongest amongst farmers and smallholders who wanted to retain the rural/equestrian character of the valley.
2. *Recent residents and young families.* Mainly residents in R-6 housing, these groups comprised a growing political constituency concerned about the poor quality of local infrastructure and services. They wanted a more managed approach to growth.
3. *Residential developers.* R-6 housing developers were comfortable dealing with the county and were, therefore, opposed to any attempt to shift control of land-use planning in the valley to municipal government.
4. *The Moreno Valley Chamber of Commerce.* The Chamber's support for incorporation was galvanized by an attempt by the Riverside Chamber of Commerce to merge with the Moreno Valley Chamber, a move which was interpreted as the first step towards the annexation of the entire valley to the City of Riverside.

Supporters of the incorporation campaign formed the Moreno Valley Incorporation Committee (MVIC) in January 1981. The MVIC comprised a local

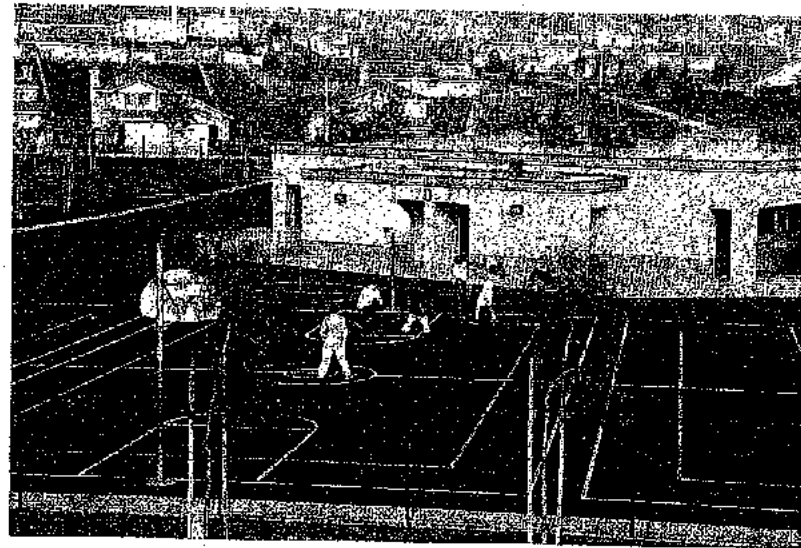


Figure 10.2. R-6 'affordable' housing development in Moreno Valley. (Photograph: A. Jonas)

developer, a realtor, the publisher of the valley newspaper, a local banker, a local manager of a major regional utility, a school district official, and a local property owner. These seven founding members were what could be described as locally-dependent businesses; that is to say, they were likely to benefit from any expansion in the local market for their goods and services (Cox and Mair, 1988). The interest-group profile of the MVIC matched that of the classic growth machine as described in Logan and Molotch (1987).

The MVIC viewed successful incorporation as a necessary precondition for controlling future investment opportunities in the valley, and so set about obtaining signatures for a petition to the Local Agency Formation Commission (LAFCO).<sup>2</sup> Despite receiving more than \$10,741 in campaign contributions, the MVIC's initial attempt to incorporate the valley was defeated in April 1982, by popular referendum. The vote was 3,001 in favour of incorporation and 3,314 against, with a turnout of 50 per cent of eligible voters (*Riverside Press Enterprise*, 14 April, 1982). Under State law, a two-year moratorium was immediately imposed on any further incorporation initiative in the valley.

The outcome of the 1982 incorporation vote appeared to be influenced by the political tactics of R-6 housing developers. At a very late stage in the campaign, developers contributed \$49,875 to an anti-incorporation group known as Save Our Valley (SOV). Another such group, Incorporation No, received \$1,166 from poultry farmers based in the eastern part of Moreno Valley. Together,

these campaigns received five times more in funds than that raised by the MVIC, an amount sufficient to tip the balance of the popular vote against incorporation.

Those developers and builders which contributed the most to SOV included Woodhaven Developers of Riverside, Myerscough Builders of Redlands, and Lewis Homes of Upland. All were involved in R-6 development projects in the valley. Despite bitter objections from residents in Sunnymead, these projects were approved by the County Board of Supervisors immediately prior to the incorporation election (*Riverside Press Enterprise*, 7 April, 1984). Indeed, it was the prospect that approval for such projects would not be forthcoming in the future which most likely encouraged R-6 developers to back the anti-incorporation campaign.

After this initial setback, pro-incorporation campaigners renamed their organization United Citizens for Cityhood (UCC), and geared up for a referendum in November 1984. On this occasion they were successful. In favour of incorporation were 11,316 voters, whereas 3,664 voted against. This represented a turnout of 70 per cent of eligible voters – very high by most standards. A crucial factor in swinging the popular vote in favour of incorporation was support from non-local developers. These raised \$120,000 in campaign contributions compared to \$500 for anti-incorporation groups, in other words a ratio of 240:1!

It appears that, in this instance, members of UCC – Moreno Valley's *de facto* growth coalition – were instrumental in mobilizing external support for their campaign, a not unusual tactic for thwarting the local opposition (see Molotch and Logan, 1984). At issue was the possibility that Riverside would annex all or part of the valley, and place limits on commercial and industrial development. As one Moreno Valley city councillor later put it,

I firmly believe that one reason [for incorporation was] that the County was involved in the creation of Moreno Valley as a bedroom community for Riverside ... And what leads me to believe that is the fact that the major jobs which came down from the State to the county ... went directly to Riverside. Then of course it's in our area so Moreno Valley people are going to work there. We were basically developed as little-to-no businesses ... (Moreno Valley City Councillor, personal interview, May, 1994)

Although the incorporation campaign was funded by growth interests, the concerns of local residents still had to be addressed. The statement for incorporation had provided for a council-manager system of government, with five council members being elected on a district basis. Council elections were held at the same time as the incorporation vote, but these operated on a 'first past the post' system, such that the five candidates with the most votes would form the new city council. Three of the newly-elected city councillors – each with close business ties to developers and all members of UCC – refused to introduce council districts as mandated in the November 1984 election. The three councillors were, as a result, subjected to a recall vote.<sup>3</sup>

The recall election was held in February of 1986. The 'No on Recall' campaign – supported by the Moreno Valley Chamber of Commerce – received \$144,000 in donations, most of it from developers and the local Building Industry Association. This compared to \$3,170 raised by the Alliance for Responsible Government, which backed the recall campaign. The recall was successful, and new councillors were elected to replace the three recalled officials.

The entire election had been cast as a case of growth versus no-growth. But, as an editorial in a local newspaper was quick to point out, Moreno Valley had ... come under the influence of big developers' (*Riverside Press Enterprise*, 29 November, 1985). The election itself highlighted a conflict around what type of growth would be pursued and how it would be financed. This conflict became internalized in local politics even as Moreno Valley's emergent growth regime set about the task of attracting investment to the city.

#### IN PURSUIT OF GROWTH, 1985-1991

Garreau's list of edge cities in the Los Angeles area included three places in the Inland Empire (a region which includes the western portions of Riverside County and San Bernardino County). These were Ontario Airport-Rancho Cucamonga; San Bernardino; and Riverside (Garreau, 1991, p. 431). Moreno Valley did not appear on the list, and yet, by 1991, local boosters were already predicting that it would eventually become Riverside County's largest city.<sup>4</sup> Growth activists wanted to change the city's image as a dormitory suburb of Riverside, and to transform Moreno Valley into a major employment centre serving the Inland Empire. This meant using the city's newly-acquired land-use powers to earmark prospective sites for inward investment. Indeed, in the latter part of the 1980s there was a concerted effort to transform Moreno Valley into a major edge-city employment centre.

The city, however, had been built for outgoing rather than incoming commuters. Located at the intersection of Highway 60 and Interstate 215, Moreno Valley was relatively accessible to major employment centres in Orange County and Los Angeles (figure 10.1). Indeed, a labour market study commissioned by the City of Moreno Valley in 1986 had shown that at least 41 per cent of wage earners living in Moreno Valley commuted to places outside Riverside County. In a follow-up survey, it was found that 36 per cent of residents surveyed – who had recently moved to Moreno Valley – had done so to take advantage of cheaper housing costs, while only 18 per cent moved for job reasons (City of Moreno Valley, 1989). The survey noted, however, that in the meantime the number of residents commuting to places outside Riverside County had declined slightly (8 per cent between 1986 and 1989). Responding to the study's findings, local planners and city boosters began to talk about a 'population-jobs imbalance' which, supposedly, required inward investment to correct.

The establishment of the city's redevelopment agency in 1987 was viewed by

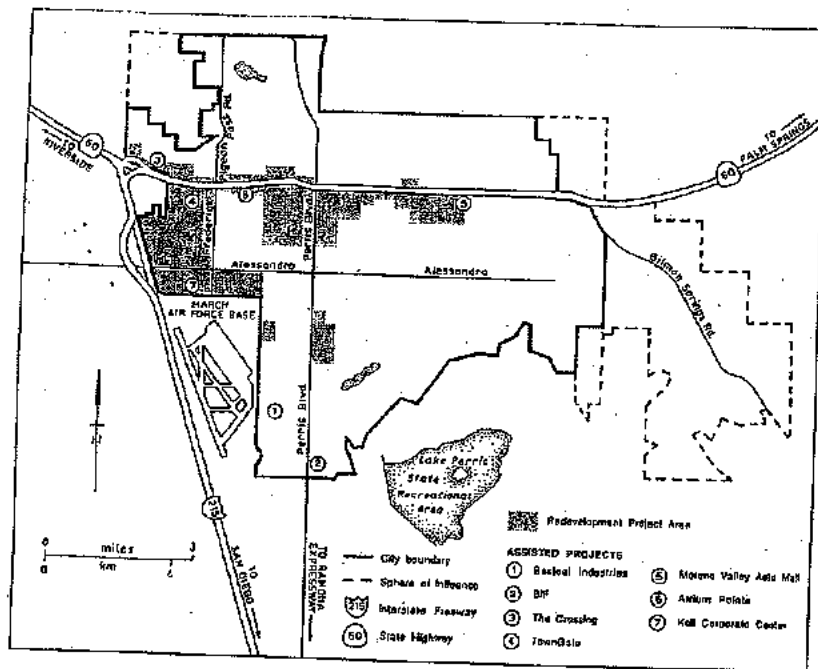


Figure 10.3. Moreno Valley redevelopment area and assisted projects. (Sources: Based on fieldwork and City of Moreno Valley, 1991)

local boosters as a significant step towards attracting commercial and industrial development to Moreno Valley.<sup>5</sup> The City Council loaned the redevelopment agency approximately \$10 million to kick-start local redevelopment projects. The agency's jurisdiction covered nearly one-fifth of the total area of the city (figure 10.3), including the community of Edgemont, various sites adjacent to Route 60 and I-215, and the site of the former Riverside International Raceway, where plans to build a town-centre development (TownGate) were already under way.

TownGate was designed as a major mixed-use development, featuring a regional shopping mall, the Moreno Valley Mall at TownGate. The mall was developed as a joint venture involving the Homart Development Company, a subsidiary of Sears of Chicago, and the Fritz Duda Company of Dallas. It followed the Urban Land Institute's 'town centre' design concept, with provision made for offices, retail outlets, parking space, and medium- and medium-to-low-income housing development. The entire TownGate development included plans for over 4 million square feet of commercial/retail space, 2,000 housing units, a medical centre, restaurants, recreational facilities, and private security arrangements (figure 10.4).



Figure 10.4. Security watchtowers at the TownGate Mall in Moreno Valley. (Photograph: A. Jonas)

In terms of siting commercial and industrial development, the City of Moreno Valley invited small-firm guru David L. Birch<sup>5</sup> to its annual Economic Development Conference in 1991. Birch suggested that Moreno Valley had the potential to be a competitive location for the kinds of small-to-medium sized firms considered essential to economic growth in the post-mass production economy. To encourage investment by such firms, two master-planned industrial estates were featured in the city's economic development plans; CenterPointe Business Park and the Oleander Industrial Complex (figure 10.5). CenterPointe included a 345-acre mixed-use business park with office, retail and industrial space, and the Koll Corporate Center, a 32-acre master-planned, multi-use business centre. The Oleander Industrial Complex was a 1,500-acre master-planned industrial estate adjacent to March Air Force Base. The City offered a \$1.5 million subsidy to Borneo International Furniture (BIF) of South Korea to locate its first production facility in the United States in the complex. A further \$7.4 million in industrial development bonds was made available to finance the construction of a 123,000 square feet manufacturing facility for Besteel Industries. Indeed, local officials went to great lengths to court new business. A local delegation was sent to South Korea to negotiate the BIF deal and attract other investors to Moreno Valley.

But, in agreeing to subsidize commercial and industrial development, the City Council was placing the city in a financially precarious situation. The problem was that operating revenues were tied to developer fees which meant that, in terms of fiscal policy, the emphasis was on encouraging residential rather than commercial or industrial development. In fact, the city was already committed to several major planned community developments, including Moreno Valley Ranch (12,500 housing units), Sunnymead Ranch (3,029 units) and Hidden Springs

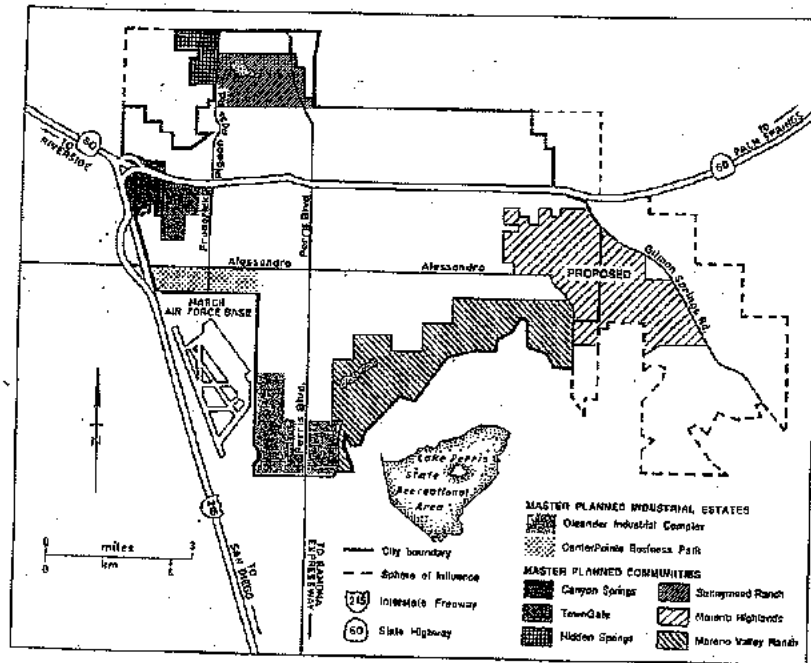


Figure 10.5. Master planned developments in Moreno Valley. (Sources: Based on fieldwork and City of Moreno Valley, 1991)

(1,200 units) (figure 10.5). Further large-scale residential developments were in the planning phase. To paraphrase the city's motto of the time, 'the excitement [was] building [more houses]'.

Attempts to introduce more controlled and fiscally-sound development policies were thwarted by Moreno Valley's growth regime. One growth control measure – so-called Measure J – was put before the voters in 1990. Had it passed, Measure J would have provided for managed growth policies and increased citizen participation in the development process. Amongst other issues, the measure called for limits on population growth, improvement of transport and public services, adequate provision for parks, equestrian trails and open space, preservation of sensitive habitats, and annual growth reports including projected costs of services. However, the measure was soundly defeated at the polls, thanks largely to opposition from the Chamber of Commerce and a significant injection of cash into the anti-growth control campaign by developers (*Riverside Press Enterprise*, 20 June, 1990).

What proved to be a decisive moment in the campaign was the linking of Measure J to a wider movement to set aside open space on private property for the

protection of a locally-endangered species known as the Stephen's Kangaroo Rat (SKR). The SKR conservation plan received much negative publicity in the local media, with developers and farmers being opposed to it on the grounds that it not only threatened growth, but also involved the uncompensated taking of private property (Feldman, 1995). In the event, a voluntary agreement between Riverside County, Moreno Valley and other local jurisdictions released most of the land in Moreno Valley from development controls pertaining to SKR habitat.

The failure of Measure J was considered to be a mandate for uncontrolled growth. The city could issue bonds and encourage development in the expectation that growth would be more than adequately subsidized by developer fees. As it transpired, the anticipated revenues were not forthcoming.

#### MANAGING CRISIS, 1992–1996

Moreno Valley's growth proponents had successfully thwarted a major growth control initiative even as plans for a massive new mixed-use project, Moreno Highlands, were unveiled. But the year of 1992 marked a downturn in Moreno Valley's economic fortunes.

The first major blow was the slump in the Southern California housing market. New housing starts in the Greater Los Angeles Area had declined from over 120,000 annually in 1988 to less than 40,000 annually by 1992 (Jonas, 1997). The property market slump put several residential developers operating in Moreno Valley out of business. This was the fate of Woodhaven Developers, opponents of the first incorporation move in 1982. It also befell the Warrington Company and the Landmark Land Company, which lost their interests in the Moreno Valley Ranch master-planned community development. As a result, large areas of the development remained undeveloped as recently as 1996. Many other projects fully permitted in 1991 were still not completed by 1996. Of those completed, only Hidden Springs (1,200 dwelling units) and Sunnymead Ranch (3,029 units) were developed as originally planned.

Commercial and industrial property was also affected by the property market crash. T&S Development, the developer of Canyon Springs Plaza, experienced problems and, in 1996, the Homart Development Company sold its interests in the Moreno Valley Mall at TownGate to General Growth Companies, based in Des Moines, Iowa. Investors, including BIF and Besteel Industries, withdrew from projects in the Oleander Industrial Complex and the CenterPointe Business Park. By far the biggest project to fall victim to the deflated property market was Moreno Highlands, a 3,038-acre master-planned mixed-use development proposed for the eastern end of the valley – although, in this instance, factors other than the economic downturn came into play. A series of public hearings on the proposed development were held before the Moreno Valley City Council in 1992. Given the state of the property market, the investment consortium and the City Council were eager to go ahead without any delays. The project was potentially a

significant boost to local revenues from developer fees, an area in which the city had already begun to encounter problems (*Riverside Press Enterprise*, 7 December, 1990). In addition, plans for a 500-acre business centre to be included in the project were considered to be a boost to local employment.

With an investment of some \$2 billion and 24,000 new jobs projected, Moreno Highlands was presented to the public as a development gain! However, the development faced some serious objections from a coalition of local homeowners, farmers, hunters and conservationists (McDonnell, 1992). Concerns included the loss of the rural character of the eastern end of the valley, the threat to local farming interests, loss of habitat of endangered species, and seismic risk (the proposed development lay adjacent to a series of geological faults). Local residents voiced particular concerns that the housing element of the project would be completed before the business centre, few permanent local jobs would be created, and the development would contribute to further congestion on local freeways. Despite these concerns, the development plans were approved by the City Council in March of 1992. However, facing a contracting market as well as a court case initiated by the local chapter of a national wildlife conservation organization, which had objected to the proposed development, the development consortium eventually withdrew from the Moreno Highlands project.<sup>6</sup>

Another blow to Moreno Valley's economy was the threatened closure of March Air Force Base (MAFB). Although located outside the city's boundaries (see figure 10.3), social and economic ties between the base and the city were strong. A major local employer, the base was operated by the United States Air Force and the National Guard as home to the 452nd Air Refuelling Wing, 455th Air Lift Wing, and the National Guard Air Refuelling Wing. In 1994, the base was added to the federal Base Realignment and Closure Committee (BRACC)'s list of possible base closures. This listing prompted the formation of the March Air Force Base Support Group, which included representatives from the cities of Moreno Valley, Perris and Riverside, and the county. The MAFB Support Group made a presentation at the San Diego meeting of the BRACC, and organized a tour of the base for committee members and California's Governor Pete Wilson. BRACC eventually decided against closure. Instead, part of MAFB would be converted into an Air National Guard and Reserve Base, leaving 2,066 civilians and 4,889 military personnel stationed at the base, with an estimated local economic impact of \$301 million. A Joint Powers Authority was set up to manage the conversion of the remainder of the base into commercial and industrial uses.

Uncertainties over the future of MAFB contributed to the more general economic malaise facing the city. Indeed, in 1996 the city faced a fiscal crisis. According to a public memo released by the Office of the City Manager in April of that year (City of Moreno Valley, 1996), the cause of the crisis was revenue shortfalls rather than increased costs. The main shortfall was in developer processing fees (a one-time charge for each building permit issued). During its growth phase, 1985-89, the city had netted over \$36 million in developer fees.

But, after peaking in 1990, development fees declined from \$11.5 million in 1990-91 to \$1 million between 1994 and 1996. Total General Fund revenues (utility, sales, property and other taxes) were projected to decline by a further \$700,000. The memo noted that income would have been greater but for existing sales tax agreements on the TownGate Mall and the loan of funds to the redevelopment agency. Meanwhile, public safety costs (police, fire, etc) had increased from \$9.8 million in 1989-90 to \$20.7 million in 1996-97.

The City Manager's memo claimed that the city's problems were exacerbated by unrealistic revenue projections. The city had over-estimated revenues from development fees by \$8 million in 1990-91. The fees were supposed to help repay \$12 million in capital improvement bonds issued in 1989. The repayment schedule was based on a projected rate of home construction of 900 homes per year. In 1993, however, only 173 units had been built and, in 1994, 236 were constructed. In other words, development fee income was insufficient to meet the city's future obligations.

In 1991, the city had introduced a 6 per cent utility tax to make up for revenue shortfalls. Subsequent changes in State law required that such taxes had to be subject to a public referendum and, as a consequence, a vote on the utility tax was set for November 1996. If it passed, the so-called Measure O would have allowed the continuation of the utility tax. Another measure called for the continuation of the city's business license tax. In the event, both measures failed in the November elections, placing the city in a precarious financial situation.

Since 1996, the recovery of the Southern California housing market has done little to improve Moreno Valley's prospects of becoming a major employment centre. Vacant space abounds in the city's two major industrial estates (figure



Figure 10.6. Oleander Institute complex in 1995. (Photograph: A. Jonas)

10.6). These two locations are now in competition with sites at March Air Force Base as well as in neighbouring Riverside. Although Moreno Valley recently signed a 'no competition' pact with the City of Riverside, there is little evidence that this agreement has had a net positive effect in terms of total jobs created in the area. While a major local aircraft parts supplier recently expanded its Riverside facility, this occurred only after it had closed down its Moreno Valley operations. More recently, a manufacturer of truck parts and bodies relocated more than 100 jobs from Riverside to Moreno Valley.

### 'POST-SUBURBAN IDYLL' OR 'JUNKYARD OF DREAMS'?

Compared with the boom times of the 1980s, the mood in the Moreno Valley of the 1990s is far more self-restrained and introspective, as suggested by the city's new motto (figure 10.7). The city is at a key moment in its brief history; a history which has seen its governing coalition and attendant policies transformed from the pursuit of growth to the management of economic restructuring. One scenario for the future would see the city as a major employment centre, with more people commuting in than out, local firms capitalizing on the pool of local entrepreneurial talent, and demand for commercial and office space rising; see, in other words, Moreno Valley become a 'mature' edge city. Such a scenario would perhaps involve closer co-operation between Moreno Valley and Riverside, particularly with regard to development along the I-215 corridor as well as the conversion of March Air Force Base. It would involve more realistic financial and growth management policies, including less reliance upon developer fees and a more co-ordinated approach to redevelopment. Under these conditions, Moreno Valley may yet fulfil the aspirations of even its most ardent promoters. But at what cost?

A second – and arguably more likely – scenario is that the city will continue its downward economic and social trajectory, or at least attract little in the way of new investment and jobs. Tensions and distrust between pro-growth interests and local residents might increase, jeopardizing any chance of the city developing coherent economic and fiscal policies. Local citizens would face a future of job insecurity and deteriorating quality of life. In this scenario, historic rivalries between Riverside and Moreno Valley might be revived by local boosters, fuelled perhaps by the view that Moreno Valley is little more than a bedroom community for other employment centres in the region.

How should social scientists assess Moreno Valley? What does it tell us about similar edge-city developments? One lesson is that social scientists need to be far more 'up-front' about the politics and contradictions of edge-city building processes. The insights into local governance provided by urban regime theory are certainly helpful in this regard, as is related work on the city as a growth machine (Molotch, 1976), particularly those versions of the growth machine thesis that are attuned to urban ideologies and the wider regulatory context (Jonas

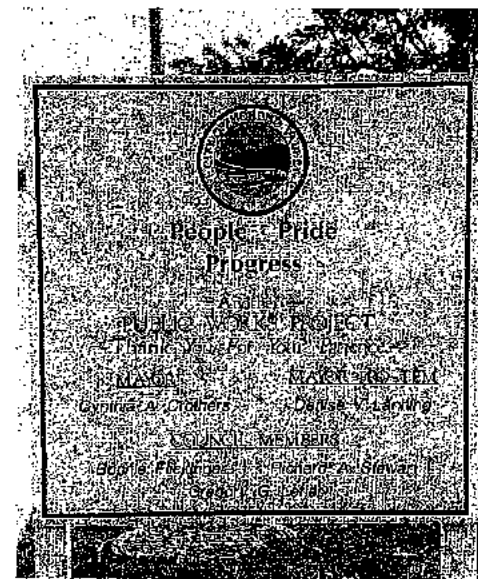


Figure 10.7. Moreno Valley: people, pride and progress. (Photograph: A. Jonas)

and Wilson, 1999). It is important, then, to move beyond banal rules and lists. These, by their very nature, encourage over generalization and a lack of sensitivity to ideology and context. Rather, it is necessary to examine what is involved in the making of edge cities; to see such places as socially produced and politically contested.

A first step on the path to a reconceptualization of the making of edge cities is to question their sustainability; to consider, in other words, their economic viability as well as their capacity to support a quality of life acceptable to local citizens. As the planning critic William Fulton has recently suggested (Fulton, 1996), edge-city developments are not likely to succeed commercially unless they become more liveable places. He goes on to argue that the competitive advantage over traditional downtowns that many such developments enjoyed in the 1980s has all but disappeared in the harsher economic climate of the 1990s. If Fulton's assessment of the current predicament of edge cities is correct, then those places such as Moreno Valley, which aspire to be both commercially successful and liveable edge cities, face even greater challenges.

But Fulton's assessment of the edge-city phenomenon does not amount to an outright rejection of this contemporary form of suburban development. Yet we know that such development is neither necessary nor indeed inevitable; it arises from a particular confluence of political and economic processes. In considering where and how more sustainable suburban landscapes may materialize, it is important to identify the political alternatives. In this regard, Robert Beauregard has recently pointed out that middle-class Americans have



held a deep ambivalence towards their central cities, an ambivalence which the edge-city phenomenon serves to reinforce (Beauregard, 1996). The irony is that, in the 1990s, many of the ills previously associated with inner-city America have found their way to the outer edges of the metropolis. Southern California is no exception in this regard. In places like Moreno Valley, crime levels have risen steadily, job insecurity is prevalent, many homeowners are on the brink of foreclosure, and the local fiscal situation remains unstable. When these ills are added to existing concerns, such as property values, loss of open space and destruction of valued landscapes, one has the ingredients of politically unsustainable post-suburban development. If, as some scholars like to claim, Southern California is a paradigm for the contemporary urban condition, then we can expect middle-class Americans to become as ambivalent towards their edge cities as they currently are towards their central cities. Whether this ambivalence translates into a movement to create more liveable and democratic spaces within post-suburbia and/or elsewhere remains an open issue, although currently the prospects do not look very promising.

All, then, is not entirely well in edge city. For further evidence of this condition, the reader is referred to Mike Davis' account of life and politics in Los Angeles (Davis, 1990). In the final chapter of *City of Quartz*, Davis extends his critical gaze beyond the borders of Los Angeles County and into San Bernardino County. There, in the City of Fontana, he finds evidence of a new crisis. This is not a crisis of the inner-city *barrio* or ghetto; it is a crisis of the residential subdivision and the suburban employment centre. It is, in other words, a crisis of the edge city. Perhaps, then, a more appropriate metaphor for the edge-city phenomenon is not the 'vigorous world of pioneers and immigrants' (Garreau, 1991, p. 4), but rather the 'land of abandoned settlements and defeated colonists'. Like the City of Fontana, Moreno Valley perhaps has become a 'junkyard of dreams' (Davis, 1990) for those Southern Californians who have aspired to transform poultry farms and citrus groves into a latter-day Arcadian dream.

#### NOTES

1. The term 'post-suburban' is used by Kling, Olin and Poster (1991) to describe development in Southern California that has occurred beyond the borders of Los Angeles County. While they refer mainly to Orange County, Riverside County has attracted a similar sprawling and fragmented pattern of development.

2. In Riverside County, a petition for incorporation must contain at least 25 per cent of registered voters in the affected territory. This petition is filed with the county and reviewed by the Local Agency Formation Commission (LAFCO) which determines whether the boundaries are appropriate and adequate provision is made for services. Two useful studies of the incorporation process in California are Hoch (1984) and Miller (1981). In his study, Hoch argues that the legal structure of municipal incorporation favours property owners: only those who own property can initiate the process of municipal formation. Miller suggests that incorporation has made it possible for property owners and residents to lower their tax bills by externalizing fiscal responsibility for certain

services to the county. In this manner it has been possible, on the one hand, to exploit economies of scale in service provision and, on the other hand, to adopt exclusionary zoning policies that ensure demands on local services remain low. LAFCOs often approve incorporations that follow proper legal procedures without a full assessment of the fiscal capacity of the jurisdiction in question to provide adequate services to its population. The question of local fiscal capacity has become much more of an issue in the wake of the passage of Proposition 13 in 1978 which had the effect of limiting the amount of revenue generated from property assessments. In this context, municipalities and counties in California have increasingly turned to other local revenues sources such as sales taxes and developer impact fees. In addition, redevelopment has become more widely used as a fiscal regeneration tool by suburban municipalities (see note 5 below, and Althubaity and Jonas, 1998).

3. In California, petitions to recall certain named councillors and bearing the signature of 25 per cent of registered voters may be presented if the electorate is not satisfied with the procedure and/or the result of a local election. The concept of 'recalling an elected public official' was first introduced in California in 1911. A Progressive Era concept, recall by petition arose in response to public distrust of local politicians, who were often seen to be influenced by special interests (e.g. political machines, greedy railroad monopolies, etc) (see Milau, 1966). In Moreno Valley, certain councillors were recalled because it was felt that they had not responded to the electorate's request for district elections and were unduly influenced by local business interests.

4. Figure 10.1 is my attempt to update the map of emerging edge cities in Southern California with the inclusion of Moreno Valley. No doubt other places could be added to the list, including Palmdale in Los Angeles County, Victorville in San Bernardino County, and Temecula in Riverside County, all of which have experienced quite dramatic growth rates in recent years.

5. In California, cities and counties can establish their own redevelopment agencies. Redevelopment projects are funded by the tax increment resulting from any increase in property values over and above a base value established at the start of a redevelopment project.

6. Birch is the author of an influential study on the contribution of small firms to the employment generation process (Birch, 1979).

7. Nevertheless, planning permission and development options on Moreno Highlands remain in place. Construction of the project could recommence at any time with the backing of a new development consortium.

#### REFERENCES

- Althubaity, A. and Jonas, A.E.G. (1998) Suburban entrepreneurialism: redevelopment regimes and co-ordinating metropolitan development in Southern California, in Hall, T. and Hubbard, P. (eds.) *The Entrepreneurial City: Geographies of Politics, Regime and Representation*. Oxford: Wiley, pp. 149-172.
- Beauregard, R.A. (1996) Edge cities: peripheralizing the center. *Urban Geography*, Vol. 16, pp. 708-721.
- Birch, D.L. (1979) *The Job Generation Process*. Cambridge, MA: MIT Program on Neighborhood and Regional Change.
- City of Moreno Valley (1989) *Demographic and Labor Analysis*. Moreno Valley, CA: City of Moreno Valley Economic Development Department.

- City of Moreno Valley (1991) *Moreno Valley Statistical Profile*. Moreno Valley, CA: City of Moreno Valley Economic Development Department.
- City of Moreno Valley (1996) *Memorandum: 1996-97 Budget Message*. Moreno Valley, CA: Office of City Manager, April 12 (copy available in Moreno Valley Public Library).
- Cox, K.R. and Jonas, A.E.G. (1993) Urban development, collective consumption and the politics of metropolitan fragmentation. *Political Geography*, Vol. 12, pp. 8-37.
- Cox, K.R. and Mair, A.J. (1988) Locality and community in the politics of local economic development. *Annals of the Association of American Geographers*, Vol. 78, pp. 307-325.
- Cummings, S. (ed.) (1988) *Business Elites and Urban Development: Case Studies and Critical Perspectives*. Albany, NY: State University of New York Press.
- Davis, M. (1990) *City of Quartz: Excavating the Future in Los Angeles*. London and New York: Verso.
- Elkin, S.L. (1987) *City and Regime in the American Republic*. Chicago: University of Chicago Press.
- Feldman, T. (1995) Local Solutions to Land Use Conflict Under the Endangered Species Act: Habitat Conservation Planning in Riverside County. Unpublished Ph.D. thesis, University of California at Riverside.
- Fulton, W. (1990) The long commute. *Planning (U.S.)*, July, pp. 6-11.
- Fulton, W. (1991) *Guide to California Planning*. Point Arena, CA: Solano Press.
- Fulton, W. (1996) Are edge cities losing their edge? *Planning (U.S.)*, May, pp. 4-7.
- Garreau, J. (1991) *Edge City: Life on the New Frontier*. New York: Doubleday.
- Gorman, T. (1996) Moreno Valley: boomtown going bust turns to voters. *Los Angeles Times*, 28 October.
- Hoch, C. (1984) City limits: municipal boundary formation and class segregation, in Tabb, W.K. and Sawers, L. (eds.) *Marxism and the Metropolis*. New York: Oxford University Press, pp. 298-322.
- Jonas, A.E.G. (1991) Urban growth coalitions and urban development policy: postwar growth and the politics of annexation in metropolitan Columbus. *Urban Geography*, Vol. 12, pp. 197-226.
- Jonas, A.E.G. (1997) Regulating suburban politics: 'suburban-defense transition', institutional capacities, and territorial reorganization in Southern California, in Lauria, M. (ed.) *Reconstructing Urban Regime Theory: Regulating Urban Politics in a Global Economy*. Thousand Oaks, CA: Sage, pp. 206-230.
- Jonas, A.E.G. and Wilson, D. (eds.) (1999) *The Urban Growth Machine: Critical Perspectives Two Decades Later*. Albany, NY: State University of New York Press.
- Kling, R., Olin, S. and Poster, M. (eds.) (1991) *Postsuburban California: The Transformation of Orange County Since World War II*. Berkeley: University of California Press.
- Lee, G. (1991) Moreno Valley: Home of the Y-CHOP. *Time Magazine*, 18 November.
- Logan, J.R., Bridges Whaley, R. and Crowder, K. (1997) The character and consequences of growth regimes: an assessment of 20 years of research. *Urban Affairs Review*, Vol. 32, pp. 603-630.
- Logan, J.R. and Molotch, H.L. (1987) *Urban Fortunes: The Political Economy of Place*. Berkeley: University of California Press.
- McDonnell, P.J. (1992) Backlash hits growth-loving Moreno Valley, *Los Angeles Times*, 13 January.
- Miller, G. (1981) *Cities by Contract: The Politics of Municipal Incorporation*. Cambridge: MIT Press.

- Milau, G.T. (1996) *State and Local Government: Politics and Processes*. New York: Scribners.
- Molotch, H.L. (1976) The city as a growth machine: towards a political economy of place. *American Journal of Sociology*, Vol. 82, pp. 309-331.
- Molotch, H.L. and Logan, J.R. (1984) Tensions in the growth machine: overcoming resistance to value-free development. *Social Problems*, Vol. 31, pp. 483-499.
- Pecorella, R.F. (1987) Fiscal crisis and regime change: a contextual approach, in Stone, C.N. and Sanders, H.T. (eds.) *The Politics of Urban Development*. Lawrence, KS: University of Kansas Press, pp. 52-72.
- Stone, C.N. (1989) *Regime Politics: Governing Atlanta, 1946-1988*. Lawrence: University of Kansas Press.
- Stone, C.N. (1993) Urban regimes and the capacity to govern: a political economy approach. *Journal of Urban Affairs*, Vol. 15, pp. 1-28.
- Stone, C.N. and Sanders, H.T. (eds.) (1987) *The Politics of Urban Development*. Lawrence: University Press of Kansas.
- Wainer, K. and Molotch, H.L. (1995) Power to build: how development persists despite local controls. *Urban Affairs Review*, Vol. 30, pp. 378-406.

## ACKNOWLEDGEMENTS

The financial support of the National Science Foundation (Award No. SBR-9512033) is acknowledged. The present chapter is based on research conducted whilst the author was Assistant Professor in the Department of Earth Sciences at the University of California, Riverside. Thanks are due to anonymous residents and employees of the City of Moreno Valley for helping me to understand some of the issues which have influenced that city's growth. Keith Scurr drew the maps and John Garner produced black and white prints from my colour slides. The usual disclaimers apply.