Changes to the national economy and the approach to urban development over the last fifty years have created a disturbing social and economic split in American cities. Most cities are now building "new town" adjacent to or near "old town." Although this phenomenon is not with our historical precedent, it is happening today at an unprecedented scale and rate, isolating the two parts of the city from one another and creating fierce competition between them.

As old town has failed to respond effectively to national trends in the development, retaining and service industries, new town has emerged as the most economically viable portion of the city. Not surprisingly, many mayors come to the Mayors Institute concerned about old town — downtowns, civic centers and inner-city neighborhoods.

Many of the problems mayors bring resist from the attempt to hold and maintain two separate and self-sufficient downtowns, each trying to fulfill the roles old downtowns have traditionally served. The perception that costs for preservation, environmental clean-up, demolition or rehabilitation make development in old town overly expensive fuels a widening spiral of disinvestment that continues the continued erosion of old town's economic base. In contrast, new town continues to attract new business and development because of its proximity to middle-class labor and customer pools, lower development costs, minimal bureaucratic restrictions, greater financial incentives and subsidies, and better city services and business amenities.

All that has been accomplished is the distribution of investment and activity over a larger geographic area, with little economic growth for the region overall. This intramural competition also means that "a house divided against itself cannot stand." Of course, the fortunes of new town are not as far removed from those of old town as many believe — the economic burden of declining old towns can and do trickle up to limit the growth potential of new towns.

By recognizing that old and new towns are configured to meet different needs, mayors can minimize competition and allow each portion of the city to serve its proper role. Old town should remain the focus of civic life and community identity. It allows for activities that require a fine-grained mix of uses and buildings: urban residential development, loft housing, live-work arrangements, small business incubators, and tourism and entertainment attractions. In fact, many small- to medium-sized commercial enterprises initially located along the strip mall find the pedestrian traffic of old town to be a valuable business asset. New town offers different opportunities and
possibilities for attractive and functional urban design over the long term. However, for a new town to remain competitive and economically healthy, its design must evolve to work at the scale of the pedestrian as well as that of the automobile. For instance, connecting and relating large-scale, mixed developments by means of well-designed boulevards and streets that accommodate cars, pedestrians, and bikes would be a good start.

Many of the discussions at the Mayors Institute, therefore, examine strategies for locating and designing civic infrastructure. How can it accommodate higher densities of infill development, allowing for long-term, sustainable growth without sacrificing the immediate benefits of the strip? How can it allow for clear, attractive and convenient connections to old town, so the two parts of the city can grow together?

Where new town is outside the mayor’s jurisdiction, the solution to this problem is complex. Without a regional governing structure, it’s not always possible to coordinate development strategies and distribute development revenue more equitably, communities must work on their own to establish healthy relationships with their neighbors.

But when old and new town are under the same jurisdiction, city government controls the destinies of both. While cities are not always able to change development trends and policies, they can follow a number of strategies that allow each part of the city to do what it does best.

The mayor should assume responsibility for clarifying the uses, features and activities that are appropriate for old and new town and reinforcing them through city policies and spending. Mayors can help identify the design resources in each part of the city — such as an old, vacant downtown building or a popular park near the commercial strip — and put them to the best use.

Mayors have a variety of tools — planning, budgeting and management — to work with. An urban audit (or cost accounting) can help them determine the levels of capital investment, city services, tax revenue and financial incentives related to old and new town — and how to craft capital and annual budgets and development approvals processes that level the playing field.

Mayors should recognize that the public realm of streets, squares and parks in old town must be managed as carefully as the public realm of the shopping mall in new town. City building maintenance is often the first thing to be cut from the budget, even though poorly maintained public buildings send a negative message about the city’s image to potential businesses and residents.

Finally, mayors should remember that cities are systems of relationships. Old town should be linked to new town by simple and direct pedestrian and vehicular connections such as boulevards, transit rights of way or shared landscape features like riverfront greenways. These elements should create a sense of continuity and make the city structure legible — facilitating the flow of people, goods and businesses, and underscoring the common destiny of the old town and the new.