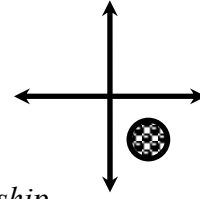


## PARADISE LOST

### Lower right quadrant combination:

horizontal—*Positive External Influences*

vertical—*More Fragmented Community, Regional Policy, Leadership*



*“Paradise Lost” reveals a world in which the Sacramento Region’s economy booms, but its leadership falters. Infighting, parochial thinking, and lack of support for necessary public services result in the State’s intervention to run a region that the locals could not.*

After saying her goodbyes, former Sacramento County Supervisor Wendy Monroe slid behind the wheel of her car, sighed, and began her journey. Two hours to Reno.

What went wrong? The year 2025 in Sacramento missed the mark of even some of her lowest expectations. In the crossroads of commerce, with a pleasant climate and a cost of living well below that of the Bay Area, the region’s suburbs were prime candidates to accommodate growing families and Bay Area expatriates at the turn of the century. But looking back now, how did they let the balance tip?

### **GOVERNMENT TOWN**

Block after block of government buildings gave way as Wendy drove to the freeway. There was a time when “government town” held another meaning; now it really was the government’s town. The State, throwing up its hands when local officials from the six counties failed to agree on an environmental resources management plan, imposed its own regional government. State-appointed representatives making future land-use decisions! It wasn’t her failure alone, but she felt the sting nonetheless. Virtually every domain for which she and other elected officials held responsibility was in disrepair, from the public schools to the

transportation system, from public health to air quality.

Now many seemed indifferent to the intervention. It was very different than the early part of the century, when voters wanted government to simply stay out of the way. Memories of the boom years of the nineties had fueled another round of speculative fever. The Dow crossed 12,000 in 2004 and flirted with 15,000 in 2006. Attention turned toward commerce and private gain.

### **REGIONAL LIVES**

Stopped at a light near the onramp, discomfort grew in Wendy’s chest. Her eyes darted from the woman behind the shopping cart filled with blankets and clothes to the halo of graffiti hovering on the wall above her. The car windows were closed, but she knew the smell of urban poverty and the decay of dreams. A horn startled her from behind. Had this really been her district?

Urban reinvestment was one example of blood spilled in Wendy’s political battles. Now infamous, this specific zip code had seen little investment when times were good, and in recent years, there had been none. Most of her neighbors were afraid to drive through the neighborhood, choosing instead to drive an extra 20 blocks on

surface streets before doubling back on the freeway just to avoid the reminders of poverty. They rejected this shorter route to their kid's school, their friends' houses, and their shopping malls, most in wealthier, shinier parts of the six-county region.

She was happy to get out of the capitol city, or at least in to the line of traffic on the freeway, all intent on leaving it for the night. Traffic congestion had increased during the boom years of the first decade of the century, and with no relief in sight, prospective employers could hardly woo employees to the area with promises about quality of life. By 2020, Sacramento passed Atlanta in hours per worker spent on crowded highways. In 2021, Money Magazine put Sacramento close to the bottom of its list of "livable places to work." This was success in a strong economy?

## **LOCAL BATTLES**

When Cisco decided to relocate its headquarters from Silicon Valley to Natomas in 2008, a majority of Sacramento County voters elected to end their commitment to farmland and open-space protection saying that the Urban Services Boundary was "no longer relevant." Majority rule did little to inhibit lawsuits, however, and for every two steps forward down the path of economic growth there were one or more steps back in the form of lawsuits by environmentalists, neighborhood groups, or low income housing advocates.

Struggling to retain its legitimacy, bending with the winds, The Sacramento Area Council of Government (SACOG) Board of Directors abandoned their more ambitious regional plan and approved a per-capita distribution of federal transportation funds. Wendy cringed at the thought. The Sacramento Region Blueprint Transportation and Land Use Plan had been

such an opportunity at the turn of the century. The process was only as good as its participants, and unfortunately, many of the region's residents and local governments chose to go it on their own without participating in the thought beyond their neighborhoods and jurisdictions. Now, the recently incorporated cities were happy to allocate the funds without reference to Valley Vision's regional open space plan. The dissenting voices of leadership calling for vision, collaboration, or long-term thinking were met with an unceremonious and public guffaw from well-orchestrated interests.

Access points along this freeway had been a prime motivator for several of the incorporations in the early part of the century. Why shouldn't each of these communities profit from a well-sited retail base like the others on this gentle rise to the Sierra? One incorporated after another. But look at the outcome: a big mess, one piece indistinguishable from another.

Originally from a family of cattlemen with land in this area east of the Sacramento, Wendy (Burnham) Monroe had worked in her later political life to create and further elegant arguments for conservation of the area's working landscapes. But the case fell short. Why work with neighboring communities to plan for the land between them when the short-term gain could be had by acting independently?

By 2007, SACOG looked more like a cross between a demolition derby and a well-scripted wrestling match than a cooperative council of governments. Seeing the infighting led critics to question the federal government's allocation of a billion dollars to Sacramento area infrastructure development. Environmentalists, too, joined the fight over a transportation plan that would only accelerate growth. The issues

were local, but the battle was on a regional scale.

The counties last into SACOG, were the first out. Citing local control and the interests of their residents, they withdrew their time, their money, and their dedication to a larger regional vision. The more rural counties abandoned their long-term policies of limiting growth to urban areas. The Yolo County Board—an ag-land conservation leader in the first part of the century—opted to allow residential urbanization outside of city limits...especially when there were opportunities to raise short-term cash.

Push, pull; forward, back. The Sacramento Bee's pages had plenty of conflicts to cover, but after feuds inside the McClatchy family led to a sale of the paper to the Chicago Tribune, they lacked the editorial leadership to take a stand.

With the Sacramento Region unable to reach agreement on the Blueprint, the federal funds, whose promise had risen to \$3 billion, were cast into jeopardy. The feds only approved Sacramento's plan for air pollution reduction because advances in fuel technology made it possible to avoid any hard political decisions. And with the Tribune's growing chain of papers doing such a sensational job of covering the dog fights in Sacramento, legislators in Washington found good cause to hold back on spending those promised billions for transportation infrastructure in California.

## **NET LOSS**

In retrospect, the loss of those federal funds for transportation infrastructure probably marked the turning point in the fortunes of the Sacramento area. After Alcatel merged with Cisco, their headquarters also shrank. The California Fuel Cell Partnership decided to move its headquarters from West

Sacramento to Riverside. High housing costs, traffic congestion and poor air quality led Intel to close its operations in the area. A leading-edge biotechnology firm that had been intending to locate north of the airport chose Iowa instead, citing nervousness over the area's "lack of civic cohesion" and "inter-jurisdictional bickering."

The loss of tax revenues from both business and newly incorporated cities left the region facing a downward spiral of under-funded social services and poor prospects for luring new businesses. In a bitter fight for business development, the City of Sacramento filed suit against West Sacramento on the proposed development of a Microsoft campus. As a result, Microsoft relocated a division to Colorado Springs instead. Wendy's oldest son went with it.

Many residents relocated to Nevada and points east in quest of jobs, cleaner air, and a lower cost of living. Not even the remaining farmers could make ends meet. Water costs and pollution damage to crops caused by left them borrowing their way into bankruptcy court.

Wendy's mind shifted to the very recent past as she passed the billboard advertising the Bee. The paper's headline the day after she resigned her office was taken directly from her prepared statement and it rang in her head, "THIS COUNTY IS UNMANAGEABLE." The reporter chose to focus on internal county relations as the reason for her departure. The rest of the quote which did not run in the paper said much more, "Without regional action, we can make no lasting strides and will instead be doomed to lost opportunities, inter-jurisdictional bickering, and our very own tract of hell." The message had a small audience it seemed.

“That’s behind me now,” thought the former supervisor. She released the cruise control and gently depressed the accelerator as she

felt the car quietly struggling to keep speed on the steepening slope.

### **WHAT DOES "PARADISE LOST" MEAN?**

- Management by crisis (rather than by long-term plan)
- Declining infrastructure (i.e., transit, parks, etc.)
- Approving development for short-term gain, without attention to long-term effects, can have dire consequences
- More conflict equals more uncertainty, which scares off investment from outside the region and drives existing investment out
- This scenario discourages civic involvement; particular difficulty attracting political officials
- War of all against all to attract business; “chasing smoke stacks”; trend of ever-increasing incentives that are not in the city or county’s long-term interest
- Generally looking out for oneself only, from the neighborhood on up
- Fragmented natural habitat and open space, lost resources

### **POSSIBLE EARLY INDICATORS OF PARADISE LOST**

- Counties withdrawing from SACOG
- Sacramento County found to be out of compliance with state standards for affordable housing
- SAFCA (current cooperative effort on flood control) talks end in gridlock
- Efforts by jurisdictions to create inclusionary housing ordinances are revoked
- More inter-jurisdictional lawsuits
- No jurisdiction can pass bonds for parks, schools, etc.
- Kings miss playoffs two years in a row—interest in multi-county financed sports/entertainment/transportation center wanes
- Federal funds for open space withheld because there is a perception that the county cannot maintain them
- Low national unemployment rate—the regional unemployment rises
- Private colleges choose to locate in region
- California state budget balanced

*If a significant number of these early indicators were to appear, then the following strategic options would be an appropriate response to the increasing likelihood of the Paradise Lost scenario playing out.*

### **STRATEGIC OPTIONS FOR PARADISE LOST**

- Develop a six-county business development plan, strategy, and standards (to cut down inter-county competition/smokestack chasing)

- Build process for public (neighborhoods and elites) to understand the regional stakes and options (leadership role of media)
- Mobilize private individuals and organizations, NGO leadership, and unconventional alliances (i.e., farmers and environmentalists, land use activists and housing advocates) to participate in regional strategy development
- Mobilize/lobby the state by to reshape institutions with a regional perspective
- Create a coalition to represent the region on state and federal issues
- Build satellite-spokes from central hub (i.e., regional tax for the arts) spent on a central facility and smaller facilities along same theme in each/all jurisdictions
- Understand how the decisions made today will shape the area in 2025
- Make the connection between the choices of the individual and the future of the region