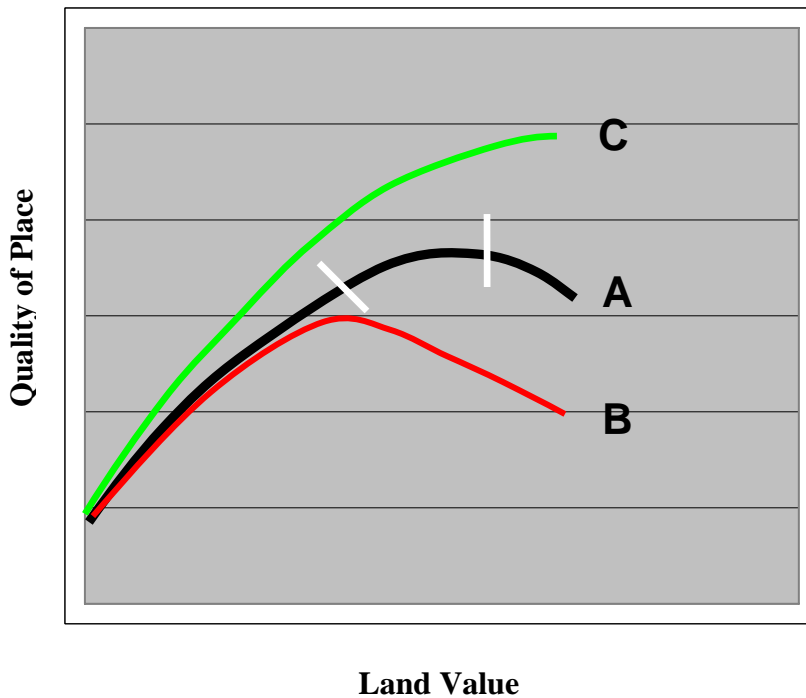


## A Proposed Framework for Considering Quality of Place Governor’s Council on Quality of Place

“Quality of place” is the commingling of the many factors that produce the desirability of living in, working in, and identifying with a place. We live in a “place” simultaneously at several scales: home, street, neighborhood, community, and region, and even of state, nation, and world. For our purpose, we will be concerned with scales from region to neighborhood. We start at the regional scale, because it is the scale at which many of the economic and natural resource components of quality of place over which we have some control operate; and because the “personal geographies” of the typical Mainer are regional. But the way an individual experiences a place at any given time quickly contracts to the smaller scales of community and neighborhood.

A universal metric for quality of place is land value. “Place” is intimately connected to geography, and thus to location and the land occupied by neighborhoods, communities, and regions. High quality of place is a scarce resource: there is great demand for it (everyone wants it), but the physical, social, and economic attributes that produce high quality of place are limited. The pursuit of quality of place thus is reflected in land values, and the places deemed by the many interactions of the marketplace to be of highest quality produce the highest land values.



- A = Average perception of Q of P
- B = Perception of people who are more sensitive to changes in Q of P
- C = Perception of people who are less sensitive to changes in Q of P

The chart above illustrates the hypothetical quality-of-place – land value curve, including two limitations to the general proposition that quality of place and land value rise in tandem:

(1) There is a point at which quality of place begins to erode as land value continues to rise. This is the point at which the economic activity that produces wealth begins to overwhelm the non-economic components of quality of place.<sup>1</sup> This is illustrated in the chart by the downward curves. They suggest that quality of place has a carrying capacity that can be exceeded.<sup>2</sup>

(2) Different people, depending on their circumstances, outlooks, and stage of life, define the “carrying capacity” of “quality of place” differently. This probably varies with level of satisfaction with and confidence about personal finances – for example, current earning power, ability to pay costs of housing and health care and other basic costs of living, and with the ability/willingness to give emphasis to the non-economic components of quality of place. The three curves on the graph represent different ways in which the quality-of-place – land value curve can vary.

Let’s say Curve A represents an average perception: overall quality of place rises as the economy expands and land values rise, but there is a point at which a large part of the population senses something wrong, that something is being lost, and that actions need to be taken to remedy the situation.

By contrast, Curve B represents the perceptions of those particularly sensitive to or victims of the implications of rising land values for housing costs, traffic congestion, intrusion of commercial development, and loss of open space. As a result, they experience a loss of quality of place as the economy continues to expand. Those who hold these perceptions assign relatively lower carrying capacity to quality of place.

Curve C represents the opposite perceptions, held by those who value the economic opportunity component of quality of place, tend to assign large carrying capacity to quality of place, and are more willing than others to tolerate compromises in the non-economic components of quality of place to increase the economic components.

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<sup>1</sup> The boundaries between economic and non-economic components of “quality of place” can become fuzzy. The Brookings Report is based on the notion that non-economic components that define Maine – give Maine its “brand” – in fact help to drive the economy and at some point are indistinguishable from the economic components. This is especially true of nature-based visitor economies and of “knowledge-based” economies, where non-economic components are the magnet for the workers needed for the economy to function and grow.

<sup>2</sup> In places of declining or low land value, reflecting missing pieces in “quality of place,” much public policy effort is devoted to filling in those missing pieces –e.g., creating economic opportunity, overcoming locational disadvantage with better transportation systems, increasing educational quality. In places of rising or high land value, reflecting high quality of place, much public policy is devoted to forestalling the point of erosion in the quality-of-place – land value curve – e.g., controlling traffic congestion, providing affordable housing, saving open space, cleaning up the environment.

Draft for Consideration – E. Richert  
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If this framework for quality of place is valid, the work of the Council could take many tacks. But the charge to the Council seems to take us to one part of the illustrative curve: the part between the two white lines on Curve A. This is the point at which (1) it is especially possible to consider how to leverage non-economic components of quality of place to simultaneously continue to expand economic well-being and quality of place; and (2) to consider the question of carrying capacity of quality of place and the measures necessary to keep it from eroding (i.e., from keeping the curve from turning downward).

The key questions for the Council to consider might be:

1. What are the most important non-economic components of quality of place that actually lie behind a healthy economy and can continue to push both quality of place and economic well-being to higher levels? How are these components distributed at the regional, community, and neighborhood levels?
2. How should we think about the carrying capacity of quality of place? What are its principles? What especially defines carrying capacity at the regional, community, and neighborhood levels, and how do we know when it is being pressed to its limits and exceeded?
3. What are the most effective strategies to advance and prevent erosion of quality of place as the economy expands? What categories of problems require state action vs. leaving the matter to local governments and private property owners?

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The purpose of this short paper has been to give context or a framework to the focus areas identified at the June meeting of the Council. The focus areas become the answers to question 3. Implicitly, we've said that landscape-level approaches to land use and conservation, some form of regional planning and governance of land use, investment in downtowns, and asset-based development of tourism and the creative economy are the ways to use quality of place to advance the economy, and to make sure that the economic components of quality of place do not overwhelm the non-economic components of quality of place.

We've also had some presentations that shine light on question 1; and Brookings certainly addresses this question, too. I do think it would be worthwhile to think through (or finish thinking through) questions 1 and 2 to make sure that we are on firm footing as we move ahead with the focus areas.

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