Announcer: You're listening to the Strong Towns Podcast.

Charles Marohn: Hey, everybody, this is Chuck Marohn with Strong Towns. This week we are talking about federal housing policy and I've got on the line with me, Daniel K. Hertz. Daniel is a senior fellow at City Observatory. He's a recent graduate of the MPP Program at the Harris School of Public Policy at the University of Chicago. Not only does he write for City Observatory he also has his own blog danielkhertz.com where he focuses on primarily Chicago housing issues. Daniel, welcome to the Strong Towns podcast.

Daniel Hertz: Thanks so much for having me.

Charles Marohn: Are you a Chicago native?

Daniel Hertz: I am a Chicago native, yeah. I grew up here. We moved around a little bit in high school so I actually spent 2 years in Madison, Wisconsin before we moved back to the Chicago area. We moved to Evanston when I was 16.

Charles Marohn: This is the first time you and I have ever chatted so I'm going to give you the ultimate test to determine, from Chicago, whether you and I are going to be friends or not. Are you a White Sox fan or a Cubs fan?

Daniel Hertz: I'm a Cubs fan.

Charles Marohn: Okay.

Daniel Hertz: I grew up on the north side.

Charles Marohn: Then we can be friends.

Daniel Hertz: Okay, glad to hear it. Definitely I grew up watching Mark Grace and all those.

Charles Marohn: Oh, great. I'm in the AL Central. I do not like the Chicago White Sox. No offense to ...

Daniel Hertz: Yeah, there you go. That's right.

Charles Marohn: ... people who do. But, yeah, I can't cheer for the White Sox in any way. I was in Chicago and I brought my daughter to a White Sox game and we wore our Twins jerseys and she is 6 years old, this cute little kid with a pink Twins jersey on. She got booed. We walking to our seats, they booed her. I thought, you guys.

Daniel Hertz: Yeah, Sox park can be a little rough I guess.

Charles Marohn: All right. I want to talk about housing policy and you've written some very insightful things on gentrification which is one of those kind of hot button issues. The thing I find most interesting about what you've written is that gentrification not only deals with displacement but there's also another element to it that's not often discussed. Can you talk a little bit about some of your insights?

Daniel Hertz: I've written about gentrification both from the perspective of Chicago and also sort of across the country. One of the things that we talk about at City Observatory is sort of the connection that's made between gentrification and displacement, the dominant narrative. I actually have a, not to give away too much, I have an article coming out in [inaudible 00:02:58] Magazine next month about this. If you ask urban planners or people who follow these issues what's one of the biggest issues, what's one of the biggest problems in American housing policy today and in American cities in general they'll say displacement caused by gentrification.

It's understandable because in some area you can have very high profile neighborhoods of New York and San Francisco and Chicago too. There really has been some pretty dramatic demographic changes over the last 20-30 years. A trend of young people and young professionals and higher income people moving into city centers and increasing demands for urban living is real, all of that is very real. We think that that focus is misguided or misleading in at least two ways. One of them is that the connection between gentrification and displacement is both weaker and different than is generally believed.

In all most all of the studies that we've seen that have been looking for the connection between gentrification and displacement have showed that, in fact, there isn't really a notable increase in out-migration from moderate and low income people in gentrifying neighborhoods and that really the force for demographic change is the change in the people who are moving in. Which has to do both with changing demands for who wants to live there but also then that is also a mechanism by which raising prices could price people out. People who previously would have considered moving to a neighborhood don't partly at least because of prices. That's a very different narrative and may lead to different policy solutions than the more common narrative.

The other maybe sort of bigger issue with the conventional narrative about gentrification is that it's misleading about what typically happens to low income segregated neighborhoods. At the Observatory we did a study called Lost in Place last year that found that of high poverty neighborhoods in the 1970s, only about 10% by 2010, had poverty rates below the national average which, I think, would be sort of a baseline for a gentrified neighborhood. Ninety percent, almost, about two-thirds in 2010 still had poverty rates of more than twice the national average and hen the difference, another 20% or so, had the declining poverty rate but were still above the national average.

More importantly, or also importantly, in those neighborhoods that remained very high poverty, those two-thirds of high poverty neighborhoods that remained high poverty, population in those neighborhoods plummeted, they just crashed. I think it's something like 40%. We would like to make the point that that is also a kind of displacement. Because those people are leaving because in many cases those high poverty neighborhoods are not providing basic quality of life for their residents in terms of public schools, in terms of everyday retail and grocery stores, in terms of access to jobs, public safety. That kind of, you can call that a kind of displacement, that kind of displacement is actually much more common than the gentrification displacement that gets more coverage.

Charles Marohn: Yeah. Let me say this back to you and make sure that I've got this right. You're essentially saying that neighborhoods that have been poor for a long time are tending to stay poor. Is that a fair ...?

Daniel Hertz: Yes.

Charles Marohn: Yes. Then where we do see gentrification we're not always seeing displacement. We may just be seeing a lot of wealthier people move in with some displacement but not statistically the overwhelming majority of displaced people. Is that kind of what you started with?

Daniel Hertz: Yeah. What we see is we don't see people leaving the neighborhood necessarily more quickly when it starts to gentrify. What we do see is we see lower income people no longer moving into the neighborhoods.

Charles Marohn: Ah, I see.

Daniel Hertz: Which could also be a result of high prices. We've made the point in many of these neighborhoods where housing demand is increasing very rapidly, the Bay Area is kind of a poster child for this, but it applies to lots of neighborhoods around the country. The number of jobs in increasing, the amount of housing demand is increasing but these neighborhoods and these cities aren't necessarily building more housing. When these more high income people show up in the neighborhood and decide they want to live there, there isn't as much new housing development that they might be interested in purchasing. Instead landlords decide essentially the newcomers outbid lower income potential newcomers for the same housing.

Charles Marohn: Is this kind of a function too of ... Most of the new stuff that we see in neighborhoods that are gentrifying tend to be higher end condo units, higher end apartments. In gentrifying neighborhoods we don't typically take the rundown place and fix it up a little bit. We tend to rip it down and build something that's for a quite different demographic. Is that part of that effect?

Daniel Hertz: It's definitely true that most new housing, not only in gentrifying neighborhoods but in general, most new housing is built for higher income people. That's stuff's basically always been true at least since modern building standards and that sort of thing were implemented. I've written about this process of filtering which I think ought to be better understood by people participating in this conversation. Most affordable housing in the country is not subsidized housing. It doesn't get special low income subsidies. It's just market rate housing that's cheap. Most market rate housing that's cheap was also built for upper middle or upper income people originally.

As it aged, and you can go into a central city neighborhood in almost any city in the country and find a neighborhood like this. Where that was originally built for relatively affluent people and that very same housing is now occupied by low income people. That's called filtering. As new housing gets older it gets cheaper because it's no longer in style, because it no longer has the latest amenities, because floors start to creak. It's just not as desirable for housing. The problem is that process of housing becoming cheaper as it gets older that depends on the constant supply of new housing for wealthier people to move into so they give up the older housing and the prices to fall.

In regions of the country, and there's actually a paper about this that came out a little bit ago that I covered, in regions of the country that have seen this decline in new construction which is particularly strong on the coasts, the filtering process of new housing becoming older and becoming cheaper has been slowed really dramatically. Buildings that are 40-50 years old, 60 years old, that should be getting much cheaper are not. That is creating a problem. Then on the flip side, something I think you might have alluded to, but anyway I'll allude to it, there is a problem in terms of new construction.

In terms of what kinds of buildings get built. There is something called the missing middle which is sort of medium sized, medium density, housing construction. Things like 2 flats, duplexes, small apartment buildings. I think some people would include backyard cottages and that. The missing middle construction is important for a lot of reasons. It's adding density and adding people to a neighborhood without imposing big building that lots of people don't feel comfortable with in their neighborhoods. It's also that is sort of the sweet spot for lowest cost per unit in terms of construction.

Unfortunately, as you might guess with the name missing middle, that's a kind of housing that American cities just haven't been building very much of for quite a while now. The most construction in American cities is in either single family homes which are inherently very expensive in urban areas because they take up a lot of land per unit and urban land is really expensive. Or, you get these downtown, very dense, high rises which are also pretty expensive per unit because that requires lots of engineering costs and you just need to do a lot more that's 20 stories high than one that's 3 or 4 stories high.

Missing middle housing is important for a couple reasons. One is that it's a way of adding density that doesn't have to be very imposing for neighborhoods but another is that it's relatively cheap and it an appreciate into something that's truly affordable once it's no longer brand new. Most American haven't been building that kind of housing for decades now. The affordable housing problem in many neighborhoods, that's a significant contributor to it in many places.

Charles Marohn: I think I understand the notion of new buildings being built in poor neighborhoods which are not accessible for people that are there because they're more expensive. I think I understand the notion of buildings that once used to degrade to the point where they became affordable. That phenomenon is not happening quite as often. You also mentioned dislocation in persistently poor neighborhoods where essentially people, for reasons of despair, in a sense, are choosing to leave because the opportunity is not there. Do I have that right? Is it really a despair kind of thing?

Daniel Hertz: Yeah. I won't speak for the emotional state of the people there, but yeah, I think it's ...

Charles Marohn: When I say despair I'm not talking about the emotions as much as just the lack of opportunities. If you live in a place where your property value is going down or you're renting and because values are stagnating the landlord is not making improvements or not taking care of the property, you have diminished job prospects, you have difficult schools to send you kids, these are places that just give rise to a certain level of desperation and despair. Those places you're talking about are actually losing population. Is that correct?

Daniel Hertz: Yeah. Take where I'm standing in Chicago right now, there has been lots and lots of press about gentrification in Chicago. There's been much less about what's going on on the south and west sides from that perspective, from the sort of housing perspective, housing perspective. There was a flurry of things after the 2010 census announced that Chicago had lost almost 7% of its population which surprised a lot of people. Because downtown and the north side are probably as economically healthy as they've ever been.

Charles Marohn: Housing is expensive, yeah.

Daniel Hertz: Right and housing prices are high, right. At the same time that people are writing about how housing prices are too high in downtown and the north side, we have the flip side of the problem on the south and west side. These segregated racially and increasingly economically neighborhoods, mostly black neighborhoods on the south and west side, are continuing to lose population. Not only have housing prices not reached their pre-housing bubble peak, they're basically flat from the previous housing cycle, from 2000. Which means that all of the people who live in these neighborhoods, the majority of Chicago's black population, have not built any housing wealth for 15 years.

Charles Marohn: Have seen half a generation of stagnation. Yeah.

Daniel Hertz: Yeah, exactly. If you're worried about racial inequality and economic inequality more broadly, but for those particularly racialized phenomenon, if you're worried about racial inequality, worried about the racial wealth gap, that's a huge issue. The fact that, you're right, basically almost a generation of black homeowners in Chicago, and I should clear this, it's not a Chicago phenomenon. This is something that you can see across the country and actually last year the Washington Post did an excellent series about this exact issue in the African-American suburbs of DC. You've had almost a generation of black homeowners that have basically not been able to build any housing wealth and that is a huge part of the racial wealth gap which at the moment ... I think the median white household net worth is something like 10 times higher than the median black household net worth. The phenomenon of high poverty neighborhoods becoming even more high poverty and losing population, losing housing demand, is a huge part of that.

Charles Marohn: I'd like to talk a little bit about federal policy and how this has shaped and really driven some of these outcomes. When we talk about the high end construction, the stuff that we think of when we think of gentrification. You come into a poor neighborhood, you rehab the place and make it really high end or you tear it down and build the new set of condo units. Does federal policy encourage that or facilitate that? Is that something that is consistent with what some of the programs facilitate?

Daniel Hertz: Yeah, that's a really interesting question. One of the sort of broader point that I and Joe Cortright also at City Observatory, have been making and trying to hit home is we really have this two-faced federal housing policy an local housing policy for that matter. On the one hand we want housing to be affordable. We want people to be able to buy homes or rent and so we give subsidies to people, not enough, but we give directs, subsidies in the form of housing vouchers. We give tax credits to people who are building low income housing.

On the other hand it's been federal policy for three-quarters of a century now that homes are probably the single biggest wealth building tool for Americans. How do you build wealth in your home? You build wealth in your home by having its price go up which is directly contradictory to the goal of having housing be more affordable. At the federal level one of the ways that that manifests is things like the mortgage interest tax deduction. Which ostensibly is meant to help people buy homes, encourage people to buy homes. In practice it ends up overwhelming going to wealthy people.

Charles Marohn: Right. Essentially the larger the debt you have the larger the house you buy, the more the tax credit helps you.

Daniel Hertz: Right, and you have to be making enough money to itemize your deductions to begin with.

Charles Marohn: Right.

Daniel Hertz: I want to say something like five-sixths, I don't have the numbers in front of me, but something like five-sixths of the benefit goes to people making over $100,000 a year. What researches shows is that in fact, the mortgage interest tax deduction, it doesn't actually encourage people to buy homes who otherwise would not have because it's going to these people who are making enough money that they could afford a home anyway. What it encourages people to do is it encourages wealthy people to buy bigger homes. It's a subsidy to the bigger home that they buy, the more savings they get. That's one area, for example, where federal priorities are really out of whack with the idea that we want to be encouraging affordable housing.

Just one other thing that I would add to that is there's been a massive, basically since the Regan era, there's been a massive decrease in funding available for directs, low income housing assistance also. In terms of the total number of people who would be eligible for directs, federal housing subsidies, whether it's public housing or vouchers or other forms of direct assistance. It's really shrunk and that has also had a big effect. In places like New York which has a huge, huge, huge public housing sector and never really ... Atlanta or Chicago or a lot of other cities that really tore down their public housing in the '90s and 2000s, New York still has it. It's public housing. You have neighborhoods where market prices have really, really shot up but a significant proportion of the housing, sometimes half the housing in the neighborhood in a place like Chelsea for example, is public housing. There is still room for low income people. That is basically unique to New York. In the rest of America that sort of support has just dried up.

Charles Marohn: It seems like if I'm going to have the developer go out and build the condo units it's fairly easy for me to go then and get the mortgage on it. There is the FHA programs, Fanny, Freddie, secondary markets, I can have little money down, get my interest tax deducted and there's a pretty streamlined process. If I'm interested in one of those missing middle kind of places and I've got to go in and buy a place and then put some money into it to fix it up to make it habitable and up to code and all. There really isn't a program that is as simple as the turnkey home mortgage for any of that kind of housing. Is that a fair statement?

Daniel Hertz: My impression is that, yes, it's right. A year or two ago while I was in grad school I was doing an internship at the Center for Neighborhood Technology here in Chicago which is a great urban think tank. I think they call them a thinking do-dank, is how they describe themselves. I was doing work on parking requirements and one of the things that we were looking at is the strings and requirements on federal subsidies specifically for low-income housing developers. This is specifically housing that you don't even have to wait for it to filter down. This is going to be affordable to start. There are all of these requirements from parking requirements to requirements that halve the amount of square footage that can be used for non-residential commercial or other uses. Essentially what it does is it makes it incredibly difficult to build mid-range, in terms of size, mid-range urban infill housing. If you think of it, what is it, sort of classic urban housing type it's maybe 2-3, maybe 4 stories with commercial retail or some sort of non-residential use on the first floor. Then some apartments or some condos above. It takes up most of the lot. It uses most of the lot that it's built on. If all of a sudden you can't do a non-residential use on the first floor and you have to add parking so that you either have to build a garage, structured parking, which is incredibly expensive, or you have to buy enough land to somehow make a shoehorn in a parking lot for a 20-unit building, that's a decent number of cars. For a low-income household, many of whom probably don't even own cars, it can make it really prohibitive to build urban housing using these federal programs. I think that definitely is a problem.

Charles Marohn: When we look at these neighborhoods in decline then, the ones where we're having displacement due to what I call despair or people leaving to seek better options, how do the federal programs affect those neighborhoods or fail to help those neighborhoods maybe is a better way to put it? Is there an interaction there between what our housing programs are and these places where we do see decline that has set in that's difficult to arrest?

Daniel Hertz: Yeah, certainly historical there's a huge, huge, huge connection. Redlining, which I would assume many of your listeners are familiar with, but just to recap.

Charles Marohn: Why don't you go ahead.

Daniel Hertz: Yeah, just to recap. In the 1920s and '30s the Federal Government took what had been private bank practice of rating neighborhoods based on basically the credit-worthiness of the neighborhood and institutionalized them. The Roosevelt Administration started the New Deal, basically institutionalized when they created the national secondary mortgage market and sort of revolutionized how easy it was to get a mortgage. As part of doing that they also institutionalized the practice of basically marking huge numbers of neighborhoods as no-go zones. Literally were colored red on the map. It was where you get the word redlining. The criteria by which they decided that a neighborhood was redlined was that A) that it had a traditional urban form. Literally if you took a new urbanist checklist of things that neighborhoods should have, buildings by the drop of a street, multi-family buildings, walkable block patterns, all of those things would get your neighborhood redlined. Would say the Federal Government will not insure loans to buy housing in these neighborhoods. The second was any kind of racial mix. This was not one of these things where they sort of used sneaky code words to not give loans to black people. This was literally if there are black people here, no. No, we won't do it. Or if it's racially mixed even we won't do it. Urban neighborhoods and particularly urban black neighborhoods were basically shut out of this revolutionary new mortgage system that FDR created.

Charles Marohn: It's hard for us to get our minds around that today because that seems so bizarre.

Daniel Hertz: Right.

Charles Marohn: I know at the time the argument that the economists were making was that the Federal Government is getting involved in housing, we're actually going to take on the liability here, and so these are considered high-risk places. These policies, we can look today and say this is just horrific, but at the time they were actually trying to build a new America. They bought into the suburban notion that this is how everybody should live. Essentially this was walking away from traditional neighborhoods, right?

Daniel Hertz: Yeah, absolutely. High density was considered inherently a bad bet. Mixed use neighborhoods, having a corner store that you could walk to on your otherwise residential block, the FHA gave really heavy incentives to get rid of that. They were not only giving huge financial boosts to the suburbs and new greenfield construction which they could build from scratch to look like what they thought a neighborhood should look like which is all single-family homes, residential uses completely separate from commercial uses. They also used their influence to try and retrofit urban neighborhoods that didn't fit that mold to make them fit that mold. You've got everything from spot changes of corner stores to residential uses to urban renewal demolition of entire neighborhoods to be reconstructed.

Charles Marohn: We walked away from these neighborhoods and it was federal policy to do this. Over time we've seen many of these neighborhoods stagnate to the point where we see persistent poverty over generations now. What is being done or what can be done to arrest this, to turn this around and bring it in a different direction?

Daniel Hertz: One thing that I have been increasingly interested in over the last 3 years is a question of stigma. We [inaudible 00:29:13] of these over 20, mostly sort of work from the perspective of economics and data and the question of stigma and why certain neighborhoods are so persistently ... Even neighborhoods that are relatively, I'm speaking from Chicago so I can think of neighborhoods on the south and west sides that actually have kind of connections to downtown that has nice housing stock but that have basically been shunned for generations.

There are some really, really interesting work by this guy, Robert Simpson who is a sociologist, who was at the University of Chicago and then he was at Harvard, about the role that stigma plays in the tasks of neighborhoods. One of these things that he found, this was pre-Google street view, but he did these surveys where he asked people what they thought about given neighborhoods. Is this the kind of neighborhood where you would expect X-Y-Z to happen? Where people would be loitering on the corners or where there would be trash strewn or where there would be graffiti. Then he had his grad student RAs basically, literally drive up and down every street actually observing which neighborhoods really have all of these qualities. He found that the places that actually had those qualities and the places that were reputed to have those qualities were not necessarily the same ones. The other influences on reputation were largely things that you would guess, race, the concentration of immigrants, things like that.

That's sort of interesting on its own but then even more interesting was that he could show that if you wanted, he did this over the course of several years, it showed that if you wanted to predict what would happen to a neighborhood's poverty rate, say, or crime rate it was actually just as useful to know what people thought of that neighborhood, what its reputation was as what actually was going on there in the beginning. It was more useful to know or just as useful to know what a neighborhood's reputation for crime was as it was to know how much crime actually went on there in order to predict what would happen to its crime rate in the future.

There sort of evidence that there is this sort of self-fulfilling prophecy as neighborhoods that are stigmatized as bad, people avoid them. Businesses, investors avoid them. The city may even avoid them in terms of public services and those things then create a neighborhood that's less desirable to live in and that has more problems. One of the things that I'm interested in researching going forward, and I don't know that I have any great answers to it right now, but one of the things that I'm interested in looking at is what do you do about neighborhoods that are so heavily stigmatized where the stigma itself is becoming part of the self-fulfilling prophecy of those neighborhood's lack of resources and lack of quality of life. Obviously that's deeply entwined with race in most American cities which suggests that it may be a tough go to try and challenge that. I think that's really important and I think it's under talked about probably precisely because it's so hard to measure. It's so hard to measure what stigma means and what sort of effect it has.

Charles Marohn: Right. The kind of handmaiden of the stigma is just the inability to get capital. It's a chicken and an egg kind of thing but it's very hard to make a loan in a neighborhood with a deep level of stigma and persistent poverty. One of the characteristics of our secondary market financing is, and we say this in the housing bubble. We see this now in the second housing bubble. There is kind of a self-fulfilling prophecy upward where you don't have to have a lot of equity in a house because you stick with it for 5 years and because everything is appreciating all of a sudden you'll have all this equity. It gives the banks, it gives the secondary market some assurance that there is margin for error here. As long as the market is liquid and people can refinance we're not going to run into too many troubles. In those neighborhoods where you have persistent poverty and stagnating property values you don't have that appreciation and all of a sudden the lack of a down payment becomes a real, or a very small down payment, becomes a very big issue because not only is it more difficult to come by in those areas because people don't have thousands of dollars just sitting around, but you also aren't going to have an upwardly mobile market bail you out from any bad decisions.

Daniel Hertz: Yeah, exactly. It is a sort of self-fulfilling prophecy. If one of the reasons you don't have a down payment is that your previous house or current house didn't appreciate to begin with or you don't make the kind of profit that homeowners in other neighborhoods might expect. It's almost worse than no appreciation at all or just sort of flat prices because during the mortgage bubble in the 2000s there were big price run ups in some of these neighborhoods as a result of easier credit and that sort of thing and sort of manipulative prices. A lot of people bought and then it crashed and it hasn't really recovered and so you have lots of people who not only have zero equity in their homes but they have negative equity in their homes which is obviously an even more precarious situation to be in.

Charles Marohn: Let me ask you this as kind of a last question. I look at the current mortgage market and I see the way it is wired to work really, really well for suburban expansion, for the single family. The cornfield being turned into a bunch of single family homes, the rundown neighborhood getting rebuilt in the high end condominiums. I see these systems working really well for the perpetuation of that. I'm wondering for people who care about persistent poverty and want to see investments in neighborhoods where there is poverty that benefits the people that are there. Is that something that is likely to emerge or be able to be solved at the federal level or is that something that literally we're going to have to figure out on a city by city, neighborhood by neighborhood kind of basis? Is this something that lends itself to a tweaking of federal policy or is this an issue that really is going to come down to us and what we're able to do here in our communities?

Daniel Hertz: I guess the cop out but true answer is both.

Charles Marohn: Yeah, that's fair.

Daniel Hertz: So much of housing policy from zoning and otherwise is really very locally controlled. It comes down to not even necessarily your city council, but depending on where you live maybe your specific councilman has control over what can and can't happen in your neighborhood. At the same time, the Federal Government has a huge role to play in housing obviously in terms of housing finance, but also in terms of anti-discrimination enforcement. Look at what the Obama administration has done in places like West Chester County, New York where one of the things they said, they sued West Chester County on discrimination grounds, and one of the things they said was, "Your zoning promotes segregation in part by not allowing multi-family buildings in vast parts of the county." I think the Federal Government has a role to play in both of those things but it may also have a role to play in capacity building for local governments. A lot of localities that may want to change some of their housing strategies but don't really know how or don't have the resources federal programs I think can give credence or assistance in some of that. I guess I would also say that I think we need to think of federal approaches to housing and federal housing policies is also us. We can act at the local level and we do and we have to act at the local level but we also have to have our eye and have to make our voices heard at the federal level because so much of housing policy, as we've discussed today, originates or is heavily, heavily influenced by federal boobs. We can't just say we'll never get anything done there. We basically give up on the Federal Government. Even if it doesn't look like any major reforms are imminent I think it's really important for urbanists and people who care about even just their own neighborhood to think about what they need and want from the Federal Government. To at least have a wish list that they can send to their elected officials. Whether or not that is going to immediately implemented. It's never going to be implemented, it's never going to get better unless we know what we want and we say out loud that there needs to be change at the federal level as well as in local governments.

Charles Marohn: Daniel, I want to thank you for being on the podcast today. I want to remind people if they'd like to hear more from you they can do that at City Observatory which is cityobservatory.org and then also you've got your own blog at danielkhertz.com. We'll put both of those links up on the site with your interview. Thanks so much for taking the time, I really appreciate it.

Daniel Hertz: Thank you so much for having me in.

Charles Marohn: All right, I'll talk to you soon. Take care.

Daniel Hertz: All right. Bye.

Charles Marohn: Bye-bye. Thank you everyone for listening. Keep doing what you can to build strong towns. Take care.

Announcer: We need your help. If you think the Strong Towns message is important don't keep it to yourself. Pass it on. You can get more information and sign up to be a member of Strong Towns at strongtowns.org.

Speaker 4: They know that America is one big pothole right now. Build, build, build. That's a start.

Speaker 5: Chuck Marohn, this has been fascinating.

Speaker 6: Oh, [inaudible 00:40:27].

Speaker 7: I like you. I like your vision of the world.

Speaker 8: The United Nations Earth Summit. Agenda 21. Yeah.