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**Specialized Growth:**
Planning and Politics in Rochester, MN and the Growth Machine Theory

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*INTRODUCTION*

The goal of every city and municipal government is to create economic vitality so the city can prosper, and to provide a desirable urban environment for both residents and industry. While no city develops and grows in the same way, there are frameworks that have been established to better analyze and comprehend physical growth in cities. One of the most widely used and applicable frameworks is the urban growth machine theory, presented by John Logan and Harvey Molotch, which explains the social nature of land markets within an urban environment in the United States (Logan & Molotch 1987). While many cities and their respective government and agents follow this framework rather closely, some cities pursue growth in alternative ways.

Rochester, Minnesota, a city of about 100,000 located in the Southeastern part of the state, presents just such an atypical case; it demonstrates a distinctive situation in terms of its development and growth, and the actors that stand behind this growth. Rochester embodies the definition of a specialized-function city, and is dominated by the healthcare industry. While the Specialized Growth
myriad of political economy and urban theories, the growth machine included, have tried to explain the dynamics of municipal political affairs and economic expansion, few have focused on a specialized function city, making case studies about specialized cities – such as Rochester – important in framing further discussion about city development. Case studies are most often used to answer explanatory, how and why questions and this case study is also instrumental in providing new insights into the motivation behind growth in cities in relation to the urban growth machine theory (Yin, 2009 pg. 9).

Due to the nature of Rochester’s economic base and industry, the city government and the Mayo Clinic – a premier medical and research institution – forge a unique relationship and growth coalition, which is unlike that of other cities with a more diversified economic base. Using the case of Rochester, this research will illustrate how the proponents of growth within a specialized function city and the city government itself come together to form and effectuate development. I argue that the specialized nature of Rochester and the historic ties between the Mayo Clinic and the city enable industry and local government to form an alliance that not only promotes certain types of growth – but also do this in a way that diminishes the criticism and contestation associated with industry expansion.

This investigation will focus specifically on Zoning Ordinance #2726\(^1\), implemented in 1991, that creates development boundaries and eliminates growth inhibiting zoning regulations in the Central Business District for the Mayo Clinic. This ordinance is the perfect scenario in which to employ the urban growth machine thesis as it creates a Special District for the medical institution that promotes land use intensification, treats land as a commodity, and alters the

\(^1\) Note: Ordinance #2726, Special District, and zoning overlay will be used interchangeably for the remainder of the paper. All three refer to the special overlay zoning district and regulations provided for the Mayo Clinic in March of 1991. The district encompasses a majority of the CBD and the high-rise, compact vicinage.
standing of a specific place: it is also significant in creating a compact, and relatively high-rise, central core in a comparatively small city. The partnership behind the zoning overlay creation, in effect, also created a more condensed core in the city of Rochester. This project was also implemented quickly with support from multiple actors in the city, showing no clear issues of contestation and dissent.

Analyzing this case using facets of the urban growth machine will both prove and challenge the theory on many levels, adding to the larger body of thought surrounding the political economy of place. Using this framework will also highlight the distinctive aspects of the case and will add new insights into paths of development undertaken by specialized function cities and how theory can be amended to better understand these alternative routes to growth. Rochester, being a specialized-function city, has a growth coalition that behaves in a different way than would be predicted by the growth machine theory. While Rochester is a distinctive case, there is an entire class of specialized function cities that these amendments to the theory could apply to and there are numerous ways in which this body of work will contribute to a larger understanding of the role of urban politics and land markets in the economic and social climate of a city.

**Literature Review of Growth Machine Theory**

This case study is situated within a larger body of theory. As mentioned before, urban politics in Rochester surrounding the special zoning ordinance will be contextualized mainly using the urban growth machine theory. This analysis of Rochester will employ the tools and framework of this theory to try to understand the interactions and motivations behind the zoning
ordinance. The case of the Special District will show where the theory is applicable and where there are shortcomings due to Rochester’s specialized nature.

The urban growth machine theory is one of the only theories that analyzes the commodification of place and tries to explain its relationship with cultural, economic, and political institutions. The theory explains land markets as inherently monopolistic and uses terms from Marxian economics such as use value – utility – and exchange value – profit or other monetary gain – applied to the commodity of place, or land, in the city. “Individuals and groups vary on which aspect [use or exchange value] is most crucial” which causes tensions and contestation. The quest to maximize exchange values in the city does not always yield increased use values. The theory sets out to better understand these tensions and, in doing so, “better understand the political dynamics of cities and regions”. The theory’s sharpest contrast happens between city residents and place entrepreneurs. Place entrepreneurs, in general, “strive for financial return…achieved by intensifying the use to which their property is put.” Place entrepreneurs can be defined as land owners that derive profits from this ownership. (Logan & Molotch 1987 pg. 2)

Place entrepreneurs and several different municipal actors come together to create a growth machine; a “dynamic social force” (Logan & Molotch 1987 pg. 29). These groups form based on the common motivation of exchange values. Place entrepreneurs who seek exchange values also “share interests with others who control property” (Logan & Molotch 1987 pg. 32). The theory outlines the main components of this group formation and other actors who share interests with place entrepreneurs as politicians, media, and utilities. This growth apparatus with similar interests can form a coalition that will ensure conditions favorable to future land intensification and collection of more profits. While the interests are varied even among this Specialized Growth
coalition, the desire for growth overrides all other tensions. While in the theory, city government does not take on an especially strong role in this growth apparatus, politicians are still inherently part of the growth coalition. As will be discussed later, political entities in the form of city government councils and commissions take on a much stronger role in Rochester than is suggested by the theory.

The urban growth machine thesis is widely regarded as “one of the most influential approaches to the analysis of urban politics and local economic development in the United States” (Jonas and Wilson 1999). In a short article, Scott Rodgers explains the urban growth machine theory as a “new way to apprehend the agency of people and institution in urban politics” (Rodgers 2009 pg. 40). Rodgers also states that because of its qualities, the thesis is the perfect analytical frame with which to analyze an urban object (in this case the special zoning overlay ordinance) and has been widely used as a tool to critically assess elite power and resistance to growth machines. Prior to this thesis, “social scientists had ignored the decisive role of land, commercial developers, local government, and entrepreneurial coalitions [and how] they combined to shape the physical form and social organization of the city” (Walton et. al. 2000 pg. 240). The growth machine theory was the first to try to explain these complex relationships and patterns.

These words of praise are not to say that the theory is accepted without contestation. In his same article, Rodgers states that too much importance is placed on land property and that because the theory inherently places use values and exchange values at odds with each other this creates a distorted view of reality. As will be illustrated later, use and exchange values in Rochester are not inherently at odds with each other. This contestation between the two creates a “romanticized image of residents battling growth machines” and “leaves too many other forms of
urban politics out of the picture” (Rodgers 2009 pg. 43). This will be also be seen in the Rochester case study, as other forms of urban politics are present and instrumental in the creation of the zoning overlay. Another area of issue within the theory is that it places too much focus on human agency. The theory gives place entrepreneurs almost limitless power and action and omits “social relations that give rise to such forms of action in the first place” (Rodgers 2009 pg. 43).

In a short examination of the theory titled *Review of the Urban Growth Machine: Critical Perspectives Two Decades*, the authors of the piece claim that “growth machines do more to shape developmental priorities than to determine policy outcomes” (Walton et. al. 2000 pg. 240-41). Land interests are not necessarily the only and dominant coalition actor, as the theory suggests. In the book *Spatial Practices*, Raphael Fischler claims that “in planning, in particular, the expression is not the direct product of arbitrary will”, in this case land interests (Fischler 1995, pg 14). Numerous coalition actors create consensus around growth, however the planning is not a direct result of this desire to grow.

A similar case study, of Kansas City, Missouri which employed the urban growth machine theory, found that it is useful in analyzing the growth coalition surrounding redevelopment in the city, but it does not take into account “historical variation in the institutional agreement of local redevelopment and planning efforts,” which Kansas City’s redevelopment is contingent upon (Gotham 2000 pg. 290). Again in *Spatial Practices*, Fischler claims that “historical research can help explain what planners do” and that planning happens within historical institutions, not apart from them (Fischler 1995, pg. 49). Rochester’s growth coalition and Special District planning are also entrenched in a rich history and historical variation. This impacts the motivations and actions behind development, as well as the nature of the coalition. The Medical-Institutional Special District in the CBD was not an outcome purely
of the actors and growth coalition at the time, but rather was based on a long history and relationship between the city and the Mayo Clinic. Additionally, the Mayo Clinic has had a history of controlling land use in Rochester for many decades; this even includes the creation of neighborhoods for employees returning from World War II (Ellerbusch 2012b). The Special District and land-use regulations in the CBD would not have been so easily implemented without these past interactions and planning traditions.

This particular ordinance is especially appropriate for an evaluation of the urban growth machine theory because of its innate ability to intensify land uses in downtown. The theory and other works on urban form present this as the definition of growth. In the book *The Compact City; A Sustainable Urban Form?* the authors claim that “in existing cities, the process of compaction arises through processes that intensify development and bring in more people” (Jenks et. al. 1996 pg. 5). The ordinance realizes both of these points and creates a compact and high-rise downtown in Rochester. The creation of the zoning overlay, which inherently promotes private interests only, also produced a downtown that is dense in infrastructure (especially for a city of Rochester’s size) and walkable, and created large economic trickle-down effects for a majority of the population.

While the theory has been widely used and is instrumental in helping understand the complex patterns of development in cities, it is not without its faults, as can be illustrated in the numerous critiques presented briefly above. As with any body of knowledge, amendments need to made and continuously added in order to maintain relevancy and continue evolving. While Jonas and Wilson present such critiques and updates in *The Urban Growth Machine: Critical Perspectives Two Decades Late*, this research will provide further insights and additions to the theory and its relationship with and potential application to specialized function cities. Through Specialized Growth
this study and proposed amendments to theory, I hope to make the urban growth machine applicable in a wider range of settings and coalitions.

BACKGROUND: A MEDICAL MICROPOLIS

According to Glaeser et. al. and many other scholars, a specialized function city is defined by “the fraction of the city’s employment that this [specialization] represents in that city, relative to the share of the whole industry in national employment”, meaning that a majority of the people are employed by this industry as compared to a large scale average (Glaeser et. al. 1992 pg. 1140). By definition, Rochester is a prime example of a specialized function city. Over 20% of Rochester’s population is employed by the healthcare sector, as compared to 3.9% in the state of Minnesota, according to recent city data (Onboard Informatics 2012). The largest employer in the city, and one of the main place entrepreneurs, is the Mayo Clinic, a premier medical, research, and educational institution. The Mayo Clinic employs 34,245 people in Rochester and creates a need for “36,000 additional jobs needed to support Mayo’s business volume” (Battelle 2010 pg. 4). Additionally, according to the Rochester Area Chamber of Commerce, the Mayo Clinic accounts for 50% of Rochester’s economy; its influence cannot be understated. The Mayo Clinic has had a strong presence in the city and specifically the Central Business District (CBD) since around 1910. Rochester is currently in its fourth zoning ordinance, but since the 1960s, the city has had a “medical” land use designation present in the CBD (Ellerbusch 2012b).
This study explores the growth coalition of a specialized function city and how it compares to the status quo growth coalition (as presented by urban growth machine theory) and urban politics of a city with a more diversified economic base. This is a large undertaking, and as mentioned prior, the unit of analysis will, more specifically, be the growth coalition surrounding Ordinance #2726, that initiated a Medical-Institutional Special District and Support District for the Mayo Clinic in the CBD, and its subsequent amendments and hearings. Since March of 1991, this ordinance creates a special zoning overlay that expedites Mayo Clinic expansion and Specialized Growth.
development within downtown (Figure 1). This district creates favorable conditions to physical growth and negates the necessity of the Mayo Clinic to apply for zoning variances. The Special District zoning regulations “recognize how the medical center is uniquely developed as a campus on a collection of city blocks supported by a public street system” (Ellerbusch 2012a pg. 50) The central core really has no room to expand and “growth” in the core is really an amplification of different uses and services on the same footprint. The special zoning overlay increases land use intensification by creating boundaries, within which it becomes beneficial for the Mayo Clinic to develop, thus getting more exchange values from one plot.

While the ordinance has huge implications and impacts on the urban form of Rochester and its functions, surprisingly, the ordinance has now been largely accepted as beneficial for both City and Mayo Clinic. In the book *Alternative Routes to the Sustainable City*, Steven Moore claims that private interests are the driving force behind land use zoning, however, this type of combination of conventional and form-based coding (FBC)\(^2\) provides mutual benefits to both industry and city (Moore 2007). Although the theory may claim that in any normal growth machine the city is taken over by private interests, in Rochester, I do not think this is the case. While the City is supporting these private interests, it is doing so not because it has been taken over by them, but because it recognizes the immense benefits that doing so will bring to the city and local economy as a whole. While there is contestation between use and exchange values and between residents and entrepreneurs, this unique nature of Rochester’s growth coalition proves to be instrumental in the development and implementation of the zoning ordinance and also in its lessened controversy.

\(^2\) Conventional zoning focuses on “micromanagement and segregation of land uses”, while form-based codes use “physical form as the organizing principle for the code” (Form Based Codes Institute 2011). The Special District segregates land uses, but also addresses the built form in relation to its surroundings and public realm.

Specialized Growth
METHODS

Two qualitative methods were employed in this study; records research and informant interviews. In order to, in a way, reconstruct the growth coalition leading up to the zoning ordinance, I reviewed numerous city documents such as city plans, land use plans, city meeting minutes and local newspaper articles during the time period in question. I found that the city meeting minutes and newspaper articles were the most helpful in rebuilding the conversation about the Special District. While much of the material was available online, some of the early minutes were unavailable online and were only accessible in person at the City Clerk’s office. In this case, I used other city documents, plans, and also newspaper articles. In essence, I scanned the minutes/documents for keywords such as Mayo Clinic, Special District, or Five-Year Plan, and tried to review all of the agenda items with these keywords. Within these sources I was looking for aspects of the urban growth machine thesis; was there contestation between use and exchange values, what type of place entrepreneurs were present, who were the main actors and who were the auxiliary players, why did the ordinance and subsequent amendments pass, etc. By analyzing my sources through this critical lens, I was able to see how and when Rochester fit in to the theory and when there was a disconnect between theory and practice.

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Organization/Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amy Williams</td>
<td>Mayo Clinic, Center for Innovation</td>
</tr>
<tr>
<td>Bryan Hoerl</td>
<td>Mayo Clinic, Department of Development</td>
</tr>
<tr>
<td>Bruce Rohde</td>
<td>Mayo Clinic, Facilities Division Chair</td>
</tr>
<tr>
<td>Lisa Clark</td>
<td>Destination Medical Community</td>
</tr>
<tr>
<td>Joe Marchesani</td>
<td>University of MN-Rochester, Program Director</td>
</tr>
</tbody>
</table>

Figure 2: List of Interviewees and Positions
I also interviewed several key informants. These interviewees represented varied and diverse interests (Figure 2). Through these interviews, I gathered more in-depth data and was able to assess numerous actors within Rochester’s growth coalition. While many of the interviews did not pertain to the 1991 ordinance, but rather to the current political situation within Rochester, they were still valuable in providing the mindset and context of different actors and their motivations and actions. By interviewing people from numerous organizations and fields, I am confident that my analysis on this issue is not biased or representative of one side. While many of these interviews are not quoted explicitly in this work, they do provide background and context for some of the claims that are made. These two methods combined, gave rise to a substantial body of work that I then analyzed in depth, using the growth machine theory as the framework for the inquiry. This type of methodology was influential in trying to define the growth coalition in Rochester and analyze its actions and motivations.

*Rochester’s Growth Coalition: A Partnership Between City and Clinic*

Rochester’s growth coalition, as alluded to beforehand, is distinct from the norm presented in the growth machine thesis (with place entrepreneurs as the leading actors). As explained in the theory, government institutions and politicians usually do not play such a strong role in the coalition, and the coalition is spearheaded by place entrepreneurs (Logan and Molotch 1987, pg. 62-63). However, in Rochester, the City and the Mayo Clinic work very closely together on everything from attracting business to the city to collaboration on city plans, infrastructural plans, and other documents. This special relationship is based on both historically entrenched values as well as on the nature of the economy/industry of the city. Having only one
large economic player enables the City to form a strong relationship with the Clinic, and vice versa. While the Special District zoning overlay is perhaps the epitome of this relationship, there are countless other examples.

An example of this collaborative effort and relationship between the two is a new bio-business center that nurtures exchange values. The Mayo Clinic promotes exchange values by giving the city money to turn unused space into supporting medical facilities. The Clinic gave the City $100,000 to create more offices to lease in the Minnesota Biobusiness Center, which the city will then manage and lease out (Kiger, 2012). The City and Clinic also partner on city planning documents. The most recent Rochester Downtown Master Plan is “the culmination of a nearly yearlong collaborative effort” with the two leading actors being the City of Rochester and the Mayo Clinic (City of Rochester, 2012). The City calls this type of partnership “unprecedented”. The plan includes aspects of the Special District and works with and around the Mayo Clinic and other actors such as the University of Minnesota-Rochester and Rochester Downtown Alliance to sponsor a development and revitalization effort in the CBD. The outcome of this Master Plan and its numerous facets is “a compact, walkable downtown situated in an attractive natural environment” with a “public and private institutions committed to maintaining downtown Rochester as the heart of the community” (City of Rochester 2012).

In a City Council meeting, past president John Hunziker states that “the City of Rochester embraces its partnership with Mayo Clinic” and recognizes that the “Mayo Clinic produces significant economic return for the City” (City Council, January 6th, 2003 pg. 2). The City is then more likely to cooperate with Mayo on varying infrastructural projects and take their requests seriously. Conversely, the Mayo Clinic appreciates its close relationship with the City of
Rochester and the ability to enter into discussion with the City (Ellerbusch 2012b). This creates a symbiotic relationship between the two.

Another aspect of the nature of the city which augments this relationship are the blended interests of entrepreneurs and politicians, specifically crossover between city government and the Mayo Clinic. “Because so much of the growth mobilization effort involves government, local elites [such as the Mayo Clinic] play a major role in electing officials” and inserting their interests into the political agenda (Logon and Molotch 1987, pg. 63). This can be highlighted by the crossover of different Mayo administrators into City politics. A prime example is current a current government official, Mayor Ardell Brede, who has been Mayor of Rochester since 2003 and prior to that served as an administrator at the Mayo Clinic for 44 years, and Dr. William Worrall Mayo, one of the founders of the Clinic who was also mayor of Rochester (City Council, January 6th, 2003 pg. 8). The theory states that politicians have free reign to give “a special hand to particular place entrepreneurs with whom a politician has a special relationship” (Logan & Molotch 1987 pg. 67). Yet another example is a Mayo employee who was a member of the Planning Commission during the passage of some of these amendments. Though there is obviously mixed interests, he claimed that “I do not stand to benefit personally from any decision associated with this item” (City Planning and Zoning Commission Minutes, December 14th, 2011 pg. 2). Not only do the City and Mayo Clinic seem to be pursuing the same interests, sometimes it is even the same people who are pursuing the interest on behalf of both sides. The closeness of the relationship between the Mayo Clinic and the City is exhibited by these crossovers between the two institutions and relationships between the two throughout time. This type of strong coalition between a municipal government and industry is perhaps not the typical organization of a growth coalition as presented by the theory; however, it still strives for the same things and
works in much the same way. Often times the same individual actor is supporting both leaders of the coalition.

As the theory suggests, related interests in Rochester have come together to promote and plan growth in the city. The Mayo Clinic and the City both aim to increase business volume and vitality in the CBD. While the City’s motivations are obvious, the Mayo Clinic also wants to create a desirable, cosmopolitan downtown for its patients and visitors (Destination Medical Community 2012). These motivations and location create a collective interest between the Clinic and the City that spearheads Rochester’s growth coalition. As in the theory, there are main and auxiliary players in Rochester’s coalition, but all want to see increased growth and vitality in the CBD.

The actions and statements surrounding the Special District ordinance provide an even more in-depth look at the nature of this strong relationship, and how it is inherently more feasible in a specialized function city. However, before analyzing the ordinance and its following amendments, it is important to understand the role that the Mayo Clinic and City play in the CBD – as it relates to the political economy of place theory. Where and how exactly do Rochester and the downtown actors fit into this theory?

**THE CENTRAL BUSINESS DISTRICT**

The Mayo Clinic acts as a “structural speculator” – a land-owner that directly interferes and alters in the future of the land market – in downtown Rochester (Harvey & Molotch 1987 pg. 30). The Mayo Foundation controls all assets and institutions associated with the Mayo Clinic and is in charge of buying land for future development. Mayo’s philosophy is “form follows function” and this promotes a very futuristic land acquisition process (Personal communication,
July 27, 2012). This means that the Mayo Clinic acquires new lots without concrete plans for them, with the intention to use them later when physical expansion is necessary. The site selection process is very lengthy and ultimately, because of Mayo’s clout and economic influence, they are able to hold new lots until they are needed. This is something regular developers and entrepreneurs shy away from as it freezes huge amounts of capital. Due to the zoning ordinance, these “holding lots” usually occur within the Special District or in the transition zones (see Figure 1). The Mayo Clinic, essentially, creates a monopoly, “a unique locational advantage” in Rochester’s CBD (Harvey & Molotch 1987 pg. 31). Through its political clout, financial capital, and the special zoning overlay, Mayo excludes other industries and businesses from the CBD. The urban growth machine thesis also claims that “land markets are inherently monopolistic…the individual owner has a monopoly over a subsection of the marketplace” (Logan and Molotch 1987 pg. 23). Again, this facet of the theory is exacerbated in the case of Rochester.

Because of Mayo’s thirty-five building campus in downtown, the institution has a huge presence in the CBD. As the owner of a majority of the land, the Mayo Clinic controls the “set of spatial relations” of the land (Logan and Molotch 1987 pg. 24). This is, of course, facilitated by the special zoning overlay which does not innately create this land market monopoly, but contributes to medical land use intensification in the CBD. The ordinance encourages the Mayo Clinic to develop within specific boundaries, which the theory recognizes as social constraints and not real boundaries (Logan and Molotch 1987, pg. 44). Within these boundaries, like any other place entrepreneur, the Mayo Clinic is able to “change content of their holdings” through “building higher or more densely” or creating a medical campus that better accommodates the nature of their business (Logan and Molotch 1987, pg. 24). Within the Special District, there are
no height restrictions, Floor Area Ratios, or other such building regulations and so the Mayo Clinic as a place entrepreneur truly does have ultimate control of its holdings.

In the theory, place is described as “idiosyncratic” (Harvey & Molotch, 1987 pg. 18). The Mayo Clinic, as the place entrepreneur, values these idiosyncrasies such as access to a workforce, connections, a long history within Rochester, etcetera. Logan and Molotch claim that “location establishes a special collective interest among individuals” which is true in the case of Rochester (Logan and Molotch 1987 pg. 19). In a City Council meeting in November of 2011, City Council President Hanson said “the Mayo Clinic’s home is Rochester and always will be”, highlighting how tied to place the Mayo Clinic is (City Council, November 21st, 2011 pg. 9215).

While they are a place entrepreneur that intervenes in the development trends, they are also an entrepreneur that has place specific connections. Due to the nature of its business, the Clinic cannot easily relocate, as is the case with many industries; “place” provides the Mayo Clinic with numerous aspects that are integral to its business plan.

The above analysis illustrates that the Mayo Clinic plays a decisive and unique role in Rochester’s CBD. Its actions not only affect the physical urban infrastructure, but the social and political climate in the city as well. This is intensified by the special zoning overlay ordinance. While some private institutions are allotted these zoning exceptions and districts, most are present in larger cities and do not encompass the vast majority of the CBD (see Figure 1). The Special District was possible in large part due to the coalition that the City and Clinic have built with each other over the past several decades and because of the specific roles the Mayo Clinic and City play in downtown Rochester.

*ORDINANCE #2728*

Specialized Growth
While there was contestation and backlash to the ordinance, largely it exists without any greater conflict or controversies, as might have been predicted by Logon and Molotch’s theory. This is due to the specialized nature of the city and the strong collaboration, both presently and historically, between the City and the Mayo Clinic – which was illustrated earlier. The Special District offers an advantage to the Mayo Clinic, but is also a tool of economic development for the city as a whole.

The theory states that “because of the limited amount of mobile capital, the growth apparatus in each area much compete with that of other areas to attract scarce investment” (Harvey & Molotch, 1987 pg. 34). The city recognizes this necessity to remain competitive. In a City Council meeting in 2003, former President John Hunziker recognizes “the need for our largest employer to be not only competitive but also a leader in the medical industry” (City Council, January 6th, 2003 pg. 2). The Mayo Clinic, in a broad sense, is a huge part of Rochester’s growth apparatus and has been doing an incredible job in terms of attracting investment, new industries, and new employees. The zoning overlay enables the Clinic to develop at a much faster rate than other medical institutions, and therefore gives it, and the city, a competitive edge.

This move, of course, also aligns with the desires of Rochester’s city government to “grow”. The 1991 zoning ordinance is a prime example of a project that fulfills both the City’s aspirations for growth and economic vitality and the Clinic’s desires for an expedited expansion process. While the Mayo Clinic sets itself apart from competitors by being one of few medical campuses that is allotted this expansion ordinance, the City government benefits economically...
through this partnership and being more involved in the planning process of the CBD (Ellerbusch 2012b)\textsuperscript{3}.

Numerous actors besides the City and Clinic were and are in favor of such land intensification in downtown. President of the Rochester Area of Commerce John Wade claims that the CBD creates an environment for all business (Wade August 7\textsuperscript{th}, 2012). Different businesses in the downtown area benefit from the volume of traffic caused by Mayo Clinic employees, patients, and visitors.

While these groups were interested in this type of ordinance, the theory states that the sharpest clash of interests is against residents. The growth coalition had to now convince neighboring groups in favor of this ordinance and general growth. Jonas and Wilson state that the goal of the coalition is not only to create physical preconditions for growth, but also “to convince people of the importance of growth to their well-being” (Jonas and Wilson 1999 pg 8). While there was some backlash at first, eventually even most surrounding neighborhood groups showed support for the ordinance and subsequent amendments. In City Planning and Zoning Commission meeting notes from December 2011, Dave Edmondson, from the Kutzky Park Neighborhood Association stated that “they supported the proposed plan [referring to modification and expansion of the Special District]” (City Planning and Zoning Commission Minutes, December 14\textsuperscript{th}, 2011).

The city goes a step further and even explains the zoning ordinance to be of public interest claiming that;

\textsuperscript{3} Prior to Ordinance #2726, the City was in a reactionary state and had to operate in response to Mayo's capital investment projects. After 1991, due to certain provisions of the ordinance, the City is more involved and aware of downtown projects planned by Mayo.
“The growth of the Mayo Clinic in the past 20 years has changed the area to the point that it is in the public interest to expand the overlay special district provisions and the uses proposed are appropriate and compatible with the neighborhood and adjacent properties” (Ellerbusch, 2012 pg. 52).

This quote illustrates this need to convince the general population in favor of a growth project by presenting it as integral to their well-being. It illustrates that growth is seen as good for all parties, yet another aspect of the growth machine theory. Harvey and Molotch state that “the desire for growth creates consensus among a wide range of elite groups” (Harvey & Molotch 1987 pg. 50-51). Growth is a common factor for these parts of the coalition, even if there is disunity on other issues. This quote represents the City’s perspective of the Special District as beneficial and that it should be of interest to all (consensus among many groups).

What is interesting in the case of Rochester is that non-elite groups also tend to favor the Special District. This mentality of “growth as innately good” that the theory presents is very apparent in the case of Rochester.

This is not to say that there is no contestation between use and exchange values in Rochester’s core and between different actors within the city. As the theory would suggest, use values and exchange values are also at odds with each other in Rochester, and while the clash between residents and entrepreneurs may not be as sharp as is expected through the theory, the contestation does exist. While these quotes allude to a broad cooperation and satisfaction of all interests, the process is much more complicated. While the general perception on the Special District that I gathered through my research was one of acceptance, there were a few areas of dissent. These instances are best illustrated using concrete examples.
In a City Council meeting in November of 2006, a new Five-Year Plan was presented by May Clinic’s Head of Facilities. During the presentation, talks of building outside the district and creating a second special district within the CBD were brought up. This prompted community response.

A member of the Board of the Historic Southwest Neighborhood Association cautioned the City Council and asked the Council members to consider that as the Mayo Clinic continues to grow, “how some of the growth impacts the core neighborhoods around the downtown area” and as a specific example presents “volume of traffic” (City Council Minutes, November 20th, 2006 pg. 7834). The Mayo Clinic and City initiated push for economic benefits (exchange values), in effect, disregards citizens’ needs and wants (use values) of their own neighborhood; in this specific case road safety.

The second example pertains to historical preservation in Rochester. According to the Preservation Alliance of Minnesota, Rochester is the only city of its size (in Minnesota) that does not have a historic preservation ordinance. This has been highly debated recently, and a preservation ordinance has been proposed to the City Council. Historic preservation is something with use value. Historic buildings in downtown Rochester are often not the most profitable endeavors, but rather they provide a sense of place, history, and perhaps even educational value. This issue pertains to the Special District because most of Rochester’s historical structures are located within the delineated CBD or transition zones. The contestation of these values comes in to play because of Mayo’s rapid development. City Administrator, Stevan Kvenvold, claims that “we have lost a lot of historical properties; most of the loss has been because of the advance in economics of the city, a lot of it driven by Mayo Clinic” (Grossfield, 2012).
The Mayo Clinic and the Downtown Alliance oppose such an ordinance and linked it directly to growth, stating they were “concerned that the ordinance and permit process would create another level of government and slow down development in the city” (Grossfield 2012). This should be expected when looking at the theory as it suggests that place entrepreneurs will “tend to oppose any intervention that might regulate development of behalf of use values” (Logan and Molotch 1987, pg. 32). This example puts these exchange values and “growth” favored by the Mayo Clinic and the City in direct conflict with use values and preservation favored by some citizen groups such as the Heritage Preservation Committee.

As in any city, interests of these varied groups are not always aligned, however, there is a general sense of acceptance regarding the zoning overlay. Both the City and the Mayo Clinic contribute a lot to easing citizens’ and business’ concerns. Don DeCramer, Division Chair of Facilities at Mayo Clinic, in 2011 stated that the “Mayo Clinic does not intend to interfere with the growth of the University of Minnesota downtown campus” and that Mayo “plans to vacate areas downtown that could be used for retail space” (City Planning and Zoning Commission Minutes, December 14th, 2011 pg. 73). In the same document, minutes and a question and answer session from a neighborhood informational meeting were included, showing the collaborative effort of the City and Clinic in answering these questions and appeasing people’s fears and apprehensions. While residents often view industry as untrustworthy and only pursuing their private interests, this close collaboration with the City instills a sense of trust in surrounding communities. Having a fairly transparent process - the Five Year Updates, Special District plans and proposed changes, and meetings are readily accessible to the citizen population – also contributes to what I call an atmosphere of knowledge and trust within the community. John Forester claims that “what gets done depends heavily on what gets said, how it is said, and who

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http://digitalcommons.macalester.edu/cities/vol3/iss1/4
says it” (Forester 1989, pg. 23). The language and actors in the previously analyzed quotes lead to this idea of how and what is developed. On top of this, the Mayo Clinic also funds numerous city improvement and charity projects. The first public park in Rochester was created on land given to the City by the Mayo family; ever since then, the Mayo Clinic has been a generous and supportive organization in the city. The Mayo Clinic stands to gain a lot through this philanthropy from community support to a better working relationship with city administrators. The institution has had a long and healthy relationship with the City, which has contributed to the current political and social climate of the city and an environment conducive to its growth.

By both institutions claiming public good with this project and standing firmly behind the zoning overlay, it is not given much thought in the community today. The Mayo Clinic Five Year Updates, which provide the future projects and plans, and Special District Amendments usually pass with a unanimous vote. During the December 14th, 2011 Planning Council meeting, the 2011-2016 Five Year Plan Update and Special District changes were approved 6-0 (City Planning and Zoning Commission Minutes, December 14th, 2011). This is a common theme throughout the materials that I analyzed. The environment that the zoning overlay creates in downtown is conducive to all businesses and President of the Rochester Area Chamber of Commerce John Wade says that this type of ordinance in the CBD is working. The public good aspect exists both in terms of urban form; citizens benefit from what is created by Ordinance #2726; “a compact, walkable downtown”, and economic trickle down effects (City of Rochester, 2012).

CONCLUSION

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While many frameworks have been developed for studying cities, not many of them address politics and motivations behind growth in specialized function cities. While the growth machine theory has proven to be instrumental in understanding development and municipal affairs in cities, this research shows that there are ways in which the theory could be amended in order to better illuminate urban politics and development in specialized-function cities.

Recent research conducted by Harvard Business School indicates that areas with a strong specialization produce more economic growth, jobs, entrepreneurial activity, and creative property (Delgado et al. 2011). This could mean that more and more cities in the near future would be shifting towards a specialization or industry cluster, making this study imperative for understanding the inner workings of the specialized city.

While the theory does claim that a strong relationship is formed between local politicians and place entrepreneurs, it explicitly gives more agency to local growth elites. While this may be the case in diversified cities where there is competition amongst industries and entrepreneurs to attain land, I would argue that in a specialized function city the government is just as interested in the success of place entrepreneurs as the place entrepreneur himself. Because there is only one industry, the gains of the industry are what drive the city, both economically and socially. Therefore, the city has just as much agency and motivation to push through plans that benefit place entrepreneurs and isn’t second in command in the growth coalition, but rather a co-leader. With less industry actors, it is much also easier for a strong relationship to form between the City and the economic actor.

Although the theory fundamentally pits residents and entrepreneurs against each other in a sharp clash of use and exchange values, I would argue that this clash is attenuated in a specialized function city (Logan and Molotch 1987 pg. 2). This is due in large part to the
government support and backing that industry receives in a specialized function city, such as Rochester, that has the potential to appease citizen concerns and present a more universal outcome, not one that just benefits the industry and entrepreneurs. With such support, the contestation between residents and entrepreneurs never escalates into a substantial conflict, and, as in Rochester, can be removed almost completely.

I also believe that some of the definitions in the theory need to be amended in order to better incorporate actors. While it acts as a structural speculator, Mayo does not perfectly fit into the growth machine theory because it is not necessarily the same type of place entrepreneur described in the theory. Mayo acts as a structural speculator according to the growth machine thesis; however, it does not collect rents but rather uses the land it speculates. Rather the land is turned into profit by offering a specialized, place-specific service. In Rochester’s case, this service accounts for a large portion of the local economy and draws from a large hinterland. These types of place entrepreneurs can have a huge impact on the coalition, but do not necessarily collect profits in the form of rent. Perhaps the definition of a place entrepreneur should be amended in order to be able to include these types of speculators.

Lastly, I would argue the value of land-use regulation that the theory presents. Logan and Molotch claim that in the eyes of the entrepreneur, “land-use regulation endangers both society at large and the specific localities” and that entrepreneurs would prefer land markets to be to be left “alone” (Logan and Molotch 1987 pg. 32). While I agree that in general, land and zoning regulations are exclusionary and are meant to inhibit growth in some way, new coding regulations actually have the potential to aid place entrepreneurs in ways that no other law or regulation can. This is why I think in the future more and more industries and place entrepreneurs will be striving for these form based regulations, such as the Special District. In a
similar case, Cleveland Clinic and surrounding businesses formed a growth coalition to engender an area known as the Health-Tech Corridor, a three-mile long biomedical, healthcare and technology area (Cleveland Health-Tech Corridor, 2012). I think that the value of these special land-use regulations has been realized by place entrepreneurs. Cities, in the future, will see more of these special districts, corridors, and clusters slotted for industry expansion.

My research suggests that perhaps there is room in the theory to include land-regulations as beneficial for society and specific localities and entrepreneurs. While the theory suggests that place entrepreneurs strive for “value-free development” and a free market that determines land uses, these new advances in form-based coding and special districting (Foster 1997, Porter et. al. 1992, Llobrera et. al. 2000) may become the new norm and the new desired market characteristic for place entrepreneurs. Surely, Rochester proves this point; the place entrepreneur sought land regulations that directly amplified their ability to gain exchange values. The way that downtown is now developed, because of the zoning overlay, is not a value-free market – there are mechanisms in place that limit the “invisible hand” of the land market. However, this seems to be working for the place entrepreneur. I think more and more regulations and zoning laws will be imposed on the land market, however, they will not be as vehemently opposed by place entrepreneurs as the theory suggests. As the theory suggests, “people who control places try to trap growth” and I believe that land-use regulations have the ability in aiding this process and benefitting place entrepreneurs (Logan and Molotch 1987, pg. 34).

Providing these amendments and nuances to the theory will enable it to be better utilized in the case of specialized function cities. Different aspects of the politics and rationale behind certain ventures will be better explained using these amended statements, than through using the growth machine theory as presented by Logan and Molotch. Due to Rochester’s specialized
nature, its growth coalition exhibits a strong partnership between a place entrepreneur and the city government. The case of Rochester illustrated how the proponents of growth within a specialized function city and the city government itself come together to form and effectuate development and strive for land-use regulations. The specialized nature of Rochester, and the historic ties between the Mayo Clinic and the city, enable industry and City to form an alliance that not only promotes certain types of growth – such as the zoning overlay – but also do this in a way that diminishes the criticism and contestation associated with industry expansion.

While there is value in these amendments and analysis, there are, of course, limitations. Firstly, the new ideas or framework presented by the case is limited in scope to specialized function cities. The original theory itself does a better job of assessing urban politics and land markets in the “typical” economically diverse city. Secondly, while through my assessment I explain the private-city coalition as mutually beneficial for both the Mayo Clinic and City, this could, in fact, just be a strategy that the City and Clinic use to justify their relationship and decrease dissent. It is important to understand these critical views when taking away anything from this research.

**Future Investigation**

A future collaboration that would be worth exploring is a new project in Rochester titled Destination Medical Community. This is yet another city wide initiative that puts the Mayo Clinic and city officials in a close, working relationship, similar to the growth coalition behind Ordinance #2726. The project’s website states that this is “an innovative economic development initiative creating a dynamic partnership between Mayo Clinic and the City of Rochester to help position our community over the next several decades as one of the two or three world’s leading Specialized Growth
medical destinations” (Destination Medical Community, 2012). In November 2012, a tax
referendum that allotted this project $20 million – among other things included in the referendum
- was passed by the citizens of Rochester. While this project is just in its beginning stages, in the
future, it would be interesting to analyze it using the same lens as presented in this paper and
compare whether sentiments and motivations behind the project were similar to that of the
special zoning overlay and whether contestation between residents and entrepreneurs will play
out in a similar way as with the overlay.

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