

## WCRER Annotated Bibliography Smart Growth

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Abbot, C., *The Portland region: Where City and Suburbs Talk to Each Other—and Often Agree*, **Housing Policy Debate**, 1997, 8:1, 11-51.

The Portland experience in growth management is examined. The article is structured around four questions which could be posed by other cities considering growth management: 1) What are Portland's major accomplishments? 2) What led to these accomplishments? 3) What are the potential costs associated with compact urban growth in the Portland area? 4) What lessons might other cities draw from the Portland experience?

In regards to the first question, the author cites Portland's favorable standing on a model of good urban form. A distinguishing factor of this city is the compactness of urban development with an economically and politically powerful city center. A vibrant "inner ring" of development surrounds this strong central core that has not undergone abandonment and only limited gentrification. This, in turn, is surrounded by affluent "middle-ring" neighborhoods not marked by a suburban exodus. Additionally, the "outer ring" of suburbs is closely tied to the central city. Portland is also home to relatively small but well-integrated minority populations.

An effective political process is pointed to as a major contributing factor to these accomplishments. The historical context of Portland's present policy orientation is discussed. During the late 1960s and early 1970s Portland was marked by a change in leadership and generational turnover that led to greater risk taking involving new ideas and public investments. "Portland stood out not for the content of its vision but for the effectiveness of its leaders in transforming the common vision into a comprehensive set of public policies and for constructing powerful political coalitions around several planning goals." Coalitions joining the interests of the central city, neighborhood organizations, and suburban areas coupled with a great deal of public debate appear have been key to Portland's accomplishments.

The costs associated with Portland's compact form of development are discussed. One cost is a loss of local open space and vacant land. Portland has also experienced a shortage of affordable homes for middle- and working-class families due to a steep inflation of housing and land prices. Another cost stems from the consensual politics involved in land management in Portland. Radically dissenting voices are seldom heard in this process.

A number of lessons to be considered by other cities are presented. First, experiences in Portland show that housing tastes are flexible. Traditional suburban development does not satisfy the entire market, with many individuals willing to trade large private space for high-quality public space. Second, Portland's use of Urban Growth Boundaries (UGBs) illustrates that these are "long-term commitments, not quick fixes." Additionally, UGBs work best when part of an integrated planning system that "includes public transit investment, infill development, and affordable housing strategies." UGBs must also be flexible to changing situations. The third lesson involves the growth management process. The value of an incremental approach beginning with "small but winnable issues" is stressed. This incremental approach allows a habit of planning to be developed with discussion and public input throughout the process. Finally, the building of coalitions focusing on common goals is seen as central to the process.

Adrangi, B. and N. Higgins, *Effect of Urban Growth Boundaries on Regional Housing Prices*, **Real Estate Review**, Summer 1999, 80-86.

This is a non-technical version of a research paper. The authors focus on broad aggregates and attempt to explain housing price changes throughout the metropolitan Portland region between 1979 and 1997. They make note of the fact that for the most part the greater Portland and Vancouver markets move in tandem,

but at different rates, acknowledge that between 1979 and 1994 a disproportionate share of growth was diverted to Vancouver to avoid growth controls in the Oregon portions of the MSA. Like other studies, they found that the 1994 implementation of urban growth boundaries in Clark county resulted in an immediate increase in Vancouver area housing prices, and a blip in Portland prices as well as the loophole was closed, with Portland prices increasing more rapidly than Vancouver since the entire area has been covered by a growth management scheme.

The historic success the Portland area claimed of administering growth management without distorting housing prices seems to have ended when the final outlet valve was closed in Clark County. The authors conclude, "It is clear that UGB imposes significant long-run economic costs on businesses and households by raising home prices."

Adrangi, B. and N. Higgins, *Effects of Urban Growth Boundaries on Real Estate Prices: The Case of Portland and Vancouver (USA)*, Working Paper, School of Business Administration, University of Portland, January 1999.

This is the technical version of the research cited above. A variety of statistical methods were employed to study the effect of Urban Growth Boundaries on housing prices in the metropolitan Portland-Vancouver area. Population and housing prices were analyzed for these conjoined areas across four time periods spanning 20 years (76-80; 81-85; 86-90; 91-96).

Case II t-tests were employed to assess whether mean price variables differed between the two locations during the time periods of interest. Results indicate that housing prices have moved in tandem between the two locales (no significant differences) over the entire 20-year span as a whole and in three of the four time periods. Significant differences ( $\alpha = .01$ ) were found in the 1981-1985 period, a period marked by recession and recovery. During this period, the mean housing price for Vancouver was higher than that for Portland at a statistically significant level. This was due to a 2.5% decline in housing prices in Vancouver during this period compared with an 8.1% decline in Portland. Augmented Dickey Fuller (ADF) and Phillips-Perron (PP) Tests of Unit Roots were utilized to assess whether housing prices in Portland and Vancouver are stationary. Results indicated nonstationary housing prices in both communities, showing trends of both increase and decrease over time. First differences of prices series were found to be stationary (e.g., not characterized by trends of increase or decrease) ( $\alpha = .10$ ), allowing further analysis on these difference variables. A maximum likelihood cointegration test lends some evidence that these price series are cointegrated, indicating long term co-movement between the price series of Portland and Vancouver. Regression analysis was also utilized. Results of regressing housing prices of the two areas on population variables indicate that an increase in population has a positive and significant effect on the housing prices in both areas. Finally, impulse response analysis and Granger causality tests were utilized, indicating that shocks to either housing market resound through both for at least five years.

Amos, P., *Suburban Sprawl in America*, presentation to Urban Public Policy & Private Development, Wharton School, University of Pennsylvania, March 2000.

Presentation began with two definitions of sprawl: 1) dispersed development outside of compact urban and village centers, along highways and in rural countryside; 2) low-density development beyond the edge of service and employment which separates where people live from where they shop, work, recreate and educate – thus requiring cars to move between zones.

Causes of decentralization: 1) population growth; 2) rising incomes; 3) investment in infrastructure.

Policies promoting sprawl: 1) mortgage interest deduction – higher cost . . . bigger deduction; 2) Federal highway policies – favor roads over public transit; 3) legacy of urban planning and zoning – reduction of mixed-use areas; 4) Federal poverty policies – segregation of rich/poor.

Market failures in development: 1) Failure to account for social value of open space – owners of undeveloped land receive no income from benefits derived from others so land price does not reflect social value; 2) Failure to account for social cost of freeway construction – commuting underpriced, resulting in excessive traffic; 3) Failure to fully account for infrastructure costs of new development – infrastructure priced at average cost not marginal cost means new development is underpriced and may be excessive.

Actually gained 70 million acres of green space since 1970 as marginal farms were abandoned and returned to wilderness. The problem here is location. Those abandoned farms tended to be far from urban areas, while green space close to cities became increasingly scarce.

Key survey question: “You have two options: buying a \$150,000 townhouse in an urban setting, close to public transportation, work and shopping or purchase a larger, more expensive single-family detached home in an outlying suburban area with larger distances to work, public transportation and shopping. Which do you choose?” 83% chose the suburbs. While people talk of reducing sprawl, they really mean reducing other people’s sprawl.

Anderson, G. and H. Tregoning, *Smart growth in our future?* in ULI-the Urban Land Institute, **ULI on the Future, Smart Growth: Economy, Community, Environment**, Washington, DC: ULI-the Urban Land Institute, 1998, 4-11.

The authors provide a background on smart growth and its impetus, namely the development patterns which have occurred during the 20<sup>th</sup> century. Federal subsidization of homeownership is discussed. The authors hold that a tax advantage for larger, more expensive homes has, understandably, led to an increase of low-density housing areas outside of the urban core city. Infrastructure policy are also said to have a similar effect, with telephone, electricity, and mail services available at the same cost regardless of location, though the cost of provision may vary by location. It is argued that considerable governmental support for suburban living has been one factor leading to suburbia.

Burgeoning suburban sprawl has led to the call for smart growth programs. Several factors fueling the smart growth movement are discussed, including:

- Growing concern for the environmental impacts of increased growth, especially in regards to open space and water quality.
- Increased traffic congestion and concern over air quality.
- Fiscal concerns about subsidizing development at the urban fringe at the expense of existing infrastructure.
- Shifting demographics and consumer preferences, with a decrease in percentage of “typical” families and a growing desire for a sense of community.
- Fiscal and social concerns over the decay of inner-suburban areas.
- Increasing conflict between various interest groups in regards to development policy.

The authors advance smart growth as a plan by which to address these concerns. Typical elements of such a plan include environmental conservation, incentives for investment in existing areas, creation of regional attractions within a city center, higher-density development and mass transit, a focus on community, mixed-use developments, affordable housing, and infill development. Barriers to smart-growth are discussed. The author’s suggest that smart growth development is often an uphill battle and at times illegal, violating existing zoning laws. Examples of policy changes, which are moving towards smart growth, are provided from around the nation.

Antonelli, A. M., *Lessons from the Atlanta experiment*, in J. S. Shaw & R. D. Utt (Eds.), **A Guide to Smart Growth: Shattering Myths, Providing Solutions**, Washington, DC: The Heritage Foundation and The Political Economy Research Center, 2000, 135-52.

The issue of sprawl is of considerable interest to Atlanta residents, partially due to a 1998 ranking as the most “sprawl-threatened” large city by the Sierra Club. In 1999 legislation passed that created “what may be the most powerful regional growth management authority in the nation today,” the Georgia Regional Transportation Authority (GRTA). The author holds that the federal government’s involvement in Atlanta growth management is at an unprecedented level and finds in this a “chilling trend toward the federal takeover of metropolitan regions.” Atlanta is used as an example to illustrate the effects of certain growth management policies. Atlanta’s difficulties in meeting EPA air quality standards and resulting effects on development are outlined. A primary effect was to halt numerous road construction projects, resulting in an image problem for the region, which provided an impetus for a governmental shakeup, and the resulting management authority mentioned above.

The GRTA established a 15-member, governor appointed authority that plans and coordinates all transportation and air quality projects for 13 Georgia counties found to be non compliant with the Clean Air Act and any counties expected to become non compliant in a seven year time period. The author states that the GRTA “was determined to redirect state transportation money away from highways and toward public transportation.” The author holds that Atlanta’s attempts to control traffic congestion with light rail systems have been expensive and ineffective.

The author further contends that the federal government is forcing Atlanta to deal with growth aggressively to improve air quality. Atlanta is looking towards Portland’s example on how to deal with growth management. However, the author holds that Portland is not an appropriate model because of worsening environmental conditions in this area attributed to growth management.

The author intends Atlanta’s experience to serve as an example to other expanding metropolitan areas. The lesson to be learned is that if an area fails to develop a local or regional growth management plan, the federal government may step in and take over.

Avin, U. P. and D. R. Holden, *Does Your Growth Smart? To fight sprawl, you have to measure it*, **Planning**, January 2000, 26-29.

This article lays the foundation for an effective smart growth audit, using the example of Charlotte-Mecklenburg, NC. The authors emphasized the importance of identifying points of similarity in viewpoints of various constituencies, and to agree what the objectives of the audit are, to be inclusive in selecting members of the audit team, to review all documents critically, to interview key community leaders, then to perform an independent analysis as a team, identifying inconsistencies between agreed-to planning goals and current planning practices. When the audit is completed, a simple presentation should be made to the community at large. Members of the team should remember that one of the functions of the audit is to enable critical community comment, and pride of authorship should not impede community discussion.

Baden, B. M., D. L. Coursey and J. M. Kannegiesser, **Effects of Impact Fees on the Suburban Chicago Housing Market**, Heartland Institute, Chicago, Illinois, November 1999.

This study analyzes the effects of impact fees on eight Chicago suburbs. The document begins with a history of impact fees and policies that have led to the present situation. Also discussed are relevant court rulings establishing criteria for legal impact fees. Impact fee information was analyzed from a convenience sample of eight suburbs. Descriptive statistics from these areas indicates a positive relationship between higher impact fees and greater median family incomes. An economic model presenting the relationship between housing demand, housing quantity, housing price, and impact fees is presented. This model suggests that imposition of impact fees leads to increase in housing price and decrease in housing supply.

An empirical investigation of the effects of impact fees on the housing market in selected Chicago suburbs was conducted. Housing sale prices were regressed on housing attribute variables and fee structure variables. Results indicate that impact fees significantly increase prices of new and existing homes. Additionally, price increases often exceed the nominal fee level.

Case studies from five locales are presented to illustrate the differing effects of impact fees on home building within differing areas. These cases also indicate “advance knowledge of the costs of fees, regulations, and bureaucratic delays is not always possible.” Policy issues in regards to impact fees are also discussed. “These involve incentives for predatory behavior, ambiguity, and the distributive effects of impact fees upon consumers of housing.”

Baker, L., *The Fast-Moving Fight to Stop Urban Sprawl*, **E Magazine**, May/June 2000, 26-33.

This article presents an overview of the growing smart growth movement in the nation. This movement is characterized as resulting from a slow awakening of the populace to the problems of suburban sprawl. The historical and legislative underpinnings of sprawl are discussed. Sprawling development is seen as legally mandated through federal transportation and mortgage policies. Challenges to the smart growth movement are also discussed. The passing and enforcement of smart growth legislation is not a foregone conclusion. Advocates of this movement face an uphill battle in many instances. There is presently no well-organized “anti-smart growth” movement. Nonetheless, property rights advocates and homebuilder associations pose significant threats to growth management initiatives. The smart growth movement is likened to “an epic battle between centripetal and centrifugal forces.” Two forces are at work in this movement: urban planners seeking to contain growth and create high-density urban developments; and environmentalists working at the city fringes to protect open land for non-urban use.

Bank of America, Greenbelt Alliance, California Resources Agency and Low Income Housing Fund, **Beyond Sprawl: New Patterns of Growth to Fit the New California**, 1995.

This report makes the case that, while sprawling development fostered economic and social development in the “old” California (post WWII), it no longer fits the needs of the “new” California. The authors call for strategic managed growth in the face of a changing state becoming increasingly burdened by the consequences of sprawl. California, the most urbanized and populous state in the nation, is undergoing significant changes as it moves out of the recession of the early 1990s. The population is growing at an astounding pace. This population increase is changing the demographic makeup of the state, with most new residents coming from other countries and the state becoming “one of the world’s most multicultural societies.” The birth rate is also increasing the population by roughly 400,000 people a year. California underwent massive economic restructuring due to the recession of the 1990s. Additionally, California is increasingly urbanized. These forces have put immense pressure on land-use patterns. The authors state that the state “cannot afford another generation of sprawl.”

Typical effects of sprawl over the last 10 to 20 years are discussed. The following trends are noted: a) decentralization of employment centers; b) new housing tracts build deeper into agricultural and environmentally sensitive areas; c) increasing dependence on the automobile; d) isolation of older communities. The authors further state that everyone is affected by sprawl and outline the ways in which the costs of sprawl are felt by a number of groups: taxpayers, businesses, residents of new suburbs; central city and older suburb residents; and farmers. A brief discussion of the impacts upon the environment (land, air, and water) is also presented.

An ideological framework from which to address future development is proposed. This framework is supported by four broad goals.

1. Greater certainty in the determination of where future development should and should not occur.
2. More efficient use of land already developed.
3. Establishment of legal and procedural frameworks to guide growth and send the correct economic signals to potential investors.

4. Construction of a broad-based constituency to combat sprawl.

The authors stress the point that growth cannot be halted. The challenge is not to limit growth, but to guide growth to achieve a sustainable future. Central to this is the use of existing urban land and the development of fringe areas at density levels that do not lead to further sprawl.

Bast, J. L., *Growth Management: An Introduction*, The Heartland Institute, April 1998.

This article would perhaps be more suitably entitled, "Growth Management: An Indictment," rather than "An Introduction." Government land-use controls are depicted as arising originally from elitist segregation policies and "driven more by private agendas than by any concern for the public good." The author cautions against assuming increased government control over land as the solution to growth-related problems because, in such a situation, "planning disasters" are inevitable. The author dismisses many of the concerns driving the growth management movement as inaccurate or overstated. For example, he holds that there is little cause for environmental concern over converted land. Statistics are cited stating that, from 1945 to 1992, national percentage of urban land use increased from 1% to only 3%, forested land dropped from 34% to 30%, and cropland remained stable at 24%. The author also dismisses air quality concerns, stating "Air quality in nearly all major American cities has dramatically improved during the past twenty years, even as suburban 'sprawl' boomed."

In regard to social and economic concerns, the author states that business migration from city to suburb is inevitable. The loss of tax revenues is not inevitable. The author mentions many inherent advantages that central cities have over suburbs. When the tax base degrades it is not as a result of suburbanization, but rather because of a failure to provide adequate safety, transportation, and quality schools. Additionally, the author dismisses as myth the idea that infrastructure costs are significantly higher for low-density development in comparison with centralized high-density development.

In regards to transportation issues, the author makes the case for the automobile. He rejects the assertion that automobile travel is subsidized. Further, the indirect costs of automobile travel are difficult, at best, to quantify, and the costs of alternative modes of travel are often overlooked. He views mass transit as "a poor substitute" for the benefits of the automobile.

Finally, the issue of impact fees is addressed. "We can predict, but we cannot be certain, that the taxes paid by new development tend to be sufficient to pay for the true cost of development." Impact fees, in the author's view, are often unjust methods to raise revenue or value for certain groups at the expense of others. In conclusion, the author states: "Policymakers should avoid high impact fees, Portland-style 'urban growth-boundaries,' and other schemes aimed at limiting suburban development. There is very little to be gained by increasing government's authority over where people live and work, and much to be lost."

Brueckner, J. K., *Urban sprawl: Diagnosis and remedies*, **International Regional Science Review**, April 2000, 23:2, 160-71.

This article maintains that urban spatial expansion is primarily due to a growing population, rising incomes, and decreasing commuting costs. Urban growth resulting from these forces cannot be characterized as socially undesirable. However, three market failures are discussed which disrupt the natural allocation of land between agricultural and urban use. Recommendations for effectively dealing with these market failures are provided.

The first market failure involves the failure to account for the social value of open space in the conversion of agricultural land to urban use. The value of open space is not monetarily accrued by the land when it is in agricultural use. Thus, the loss of these benefits does not show up monetarily when the land is converted to urban use. The author suggests implementing a development tax that calculates the cost of losing open space. The difficulty is reliably calculating this subjective value.

The second market failure involves a failure of commuters to account for the social costs of congestion. While the commuter shoulders vehicle operation and “time costs”, the social costs of increased congestion are not levied upon him or her. Thus, no incentive exists to take the costs to others into account, representing a market failure. The author suggests diverting some traffic to off-peak hours and imposing some sort of “congestion toll” for peak hour driving.

The third market failure involves a failure of developers to account for the increased infrastructure costs of new urban fringe development. The cost to new homeowners is not equal to the true cost of providing infrastructure to the new developments. An alteration of the infrastructure financing system, such as the imposition of impact fees is suggested to correct this market failure.

The wish of the affluent to form separate jurisdiction also contributes to sprawl but does not represent a market failure. Suggested methods for dealing with this include formation of metropolitan-area government with power to tax suburban neighborhoods and tax base sharing across areas.

The author suggests use of these pricing mechanisms to combat sprawl instead of the “blunter instrument” of urban growth boundaries (UGBs). These boundaries have “great potential for misuse.” The author argues for a cautious approach to combating sprawl, given the fact that three benign forces primarily drive it: increasing population, increasing income, and decreasing commuting cost.

**Burchell, R. W., *Costs and Benefits of Alternative Development Patterns: Sprawl Versus Smart Growth, Metropolitan Development Patterns – 2000 Annual Roundtable*, Lincoln Institute of Land Policy, 2000, 40-49.**

The author outlines a vision of smart versus sprawl growth. Central to this is the redirection of a portion of a region’s growth to inner-metropolitan areas while controlling movement outward. Growth following this prescription consumes less capital and natural resources, meets the needs of households, and revitalizes urban core areas. A market exists for housing both in central cities and suburban locales. What is needed is “a concerted effort to rebuild inner-suburban and central-city markets via infill and redevelopment, and to channel suburban development to the most efficient and easiest-to-service locations.”

The author goes on to define sprawl and discuss the resulting impacts. Low-density is characteristic of sprawl but must be viewed in a national and regional context. Sprawl is development that is relatively low-density given this context and “one that may be too costly to maintain.” Another characteristic of sprawl is a leapfrog pattern of development that expands in an unlimited and noncontiguous fashion from an urban core. Sprawl may be residential or nonresidential and is typified by spatial segregation of land use. Sprawl also consumes “exurban agricultural and other frail environmental lands” at the developmental edges. Nearly complete reliance on the automobile is another characteristic of sprawl. Finally, fragmented land-use control is associated with sprawl.

Numerous impacts of sprawl are discussed. The author reviews the literature on these impacts, many of which are contentious. The impacts of sprawl are discussed under the following headings: public capital and operating costs; agriculture and fragile environmental land loss; residential and nonresidential development costs; travel distances, travel time and congestion; quality of life; energy consumption and air/water pollution; suburban exclusion, spatial mismatch, and inner-city deterioration.

Smart growth is advanced as an alternative to sprawl. Typical components of smart growth are: concentration of development in previously developed areas; protection of sensitive environmental areas; channeling of rural growth to existing population centers; conservation of resources; streamlining of development regulations to encourage economic growth; and funding mechanisms to achieve the desired type of growth.

An analysis was conducted upon the relative savings of alternative development in comparison to sprawl. These savings are brought about through less resource consumption in the alternative development. The

analysis indicates that alternative development, in comparison with sprawl, results in savings in land consumption, road costs, infrastructure costs, development costs, and public service costs.

Canter, L. W., S. F. Atkinson and F. L. Leistritz, **Impact of Growth: A Guide for Socio-Economic Impact Assessment and Planning**, Lewis Publishers: Chelsea, Michigan, 1985.

This text presents a systematic approach to addressing and mitigating potential socioeconomic impacts of growth resulting from major development projects. In chapter one, the authors summarize a number of technical approaches to predict socioeconomic impacts of growth and provide a framework for the assessment of impacts. Chapter two describes mathematical models for the prediction of economic and demographic change. Chapters three, four, and five delineate approaches for addressing public service, social, and fiscal impacts, respectively. Quality-of-life is treated as a composite variable including economic, demographic, public service, social, fiscal, and well being impacts and is the topic of chapter six. Importance weighting and decision-making techniques for use in impact assessment are covered in chapter seven. Informative appendices are also included that summarize socioeconomic factors used in impact studies and discuss features of quality of life impact approaches.

Carliner, M. S., *Comment on Retracting Suburbia, Housing Policy Debate*, Fannie Mae Foundation, Washington, DC, 1999, 10:3, 1999, 549-54.

This article argues that regulatory changes requiring higher density housing runs counter to market forces and consumer wishes. Survey results are cited that indicate that consumers prefer low-density housing for themselves and their neighbors and are unwilling to sacrifice lot size for the amenities of higher density life. Consumer preference has led to the current set of regulations, favoring low-density development. Where higher density is legally allowed, it has often not been built due to regulatory delays of approval for this type of construction. The gist of the article seems to be that the market is better able to meet the consumer preference rather than imposing smart growth regulations to alter these preferences. The author cites a move toward more economic use of land in construction due to market forces in addition to a rise in the number of building permits issued for central city construction. Finally, the author states “there are financial advantages, for both communities and current residents, in maintaining low-density, exclusionary land use regulations.”

Charles, J. A., *Beyond Zoning: Land Use Controls in the Digital Economy, Policy Insight*, Cascade Policy Institute: Portland, June 1998, No. 106.

The case is made that Oregon’s land-use regulation is based upon faulty assumptions and that it is out of date given the present digital economy. The present system of exclusionary zoning to restrict land available for urban production should be dismantled and replaced. Suggestions are given as to policies that could replace the present system.

The present system is based in part on the assumption that farm and forested land is becoming endangered and must be protected. The author contends that, in fact, Oregon is not facing a shortage of agricultural land. Low prices for farm real estate indicate that a scarcity does not exist. Additionally, the case is made that, in the present economy, raw land is becoming less important in agricultural production and decreasing food costs indicate a surplus rather than shortage. In regard to forests, timber prices indicate plenty rather than scarcity. Further, a great deal of this land is publicly owned, making zoning redundant. Further, these farm and forested land are becoming less important to Oregon’s overall economy. A lack of open space is another justification for land-use regulations, but the amount of publicly owned recreational land has sharply increased during the latter half of the 20<sup>th</sup> century. Private residential open space, another valued commodity, is threatened rather than protected by Oregon’s land-use laws.

Another justification of land-use regulations is to protect community values threatened by self-serving landowners, thus forestalling “market failures.” The author holds that regulatory intervention creates “government failures.” For example, a knowledge problem exists. Every land parcel has many possible

uses. Deciding which use is appropriate for every piece of land is a daunting, if not impossible, task. This knowledge problem leads to subjective zoning decisions that in turn create “an artificial scarcity of buildable land.” A “commons” problem also exists, in which incentives to maximize personal gain at the expense of others occur because of ill-defined property rights. Additionally, zoning does little to address environmental problems because it “focuses on land use, not the *effects* of land use.” Finally, zoning creates an “exclusionary” problem, being “inherently elitist” and serving to protect the status quo.

Five alternative approaches to land-use regulation are discussed which put the focus of government on controlling negative spillovers, or externalities (presented verbatim below). In this, government becomes the referee of improper land-use rather than the arbiter of all land use decisions.

1. Adopting the use of performance-based zoning for *prospective* land-uses.
2. Re-instituting the use of common law nuisance and trespass principles to control negative spillovers from *existing* land-uses.
3. Using market-based pricing of infrastructure to ensure that we all “pay our way” as we develop land.
4. Using public/private land swaps, asset sales and other innovative financing techniques to purchase land for public purposes.
5. Ending government-sponsored economic development programs.

Charles, J. A., *Lessons From the Portland Experience*, In J. S. Shaw and R. D. Utt (Eds.) **A Guide to Smart Growth: Shattering Myths, Providing Solutions**, Washington, DC: The Heritage Foundation and The Political Economy Research Center, 2000, 119-34.

The author examines Portland’s 20-year growth management plan and concludes that it has generally failed in its objectives and has worsened traffic congestion and affordability of housing. The use of urban growth boundaries (UGBs) and development of light rail systems as primary tools for smart growth are of particular concern to the author. The author finds UGBs to be ineffective because of three factors presented verbatim below:

- It is difficult to know where to set such a boundary.
- Once established, the boundary creates a political constituency that fiercely opposes any future boundary changes.
- To the extent that the boundary succeeds in containing growth inside its limits, it leads to higher home prices.

The author takes issue with what he sees as a misguided obsession with light rail systems. He examines the light rail system in Portland to counter a number of assertions made about this mode of transport. The author contends that light rail systems: increase traffic congestion; results in a net increase in commuting time; is high-cost rather than high-capacity; uneconomical to develop in comparison to many alternatives; does not lead to economic revitalization; and does not attract a great number of new transit users.

Colwell, P. F. and J. W. Trefzger, *Land Speculators: Urban Sprawl’s Unsung Heroes*, **Illinois Real Estate Letter**, Office of Real Estate Research, University of Illinois at Urbana-Champaign, Summer 1999, 9-10.

Critics of land speculation complain that speculators purchase properties and leave them vacant for long periods of time, which means a loss of tax revenue. Critics also complain that waiting to develop these parcels causes non-contiguous development (or leapfrogging) and contributes to urban sprawl. The solution offered is to levy a land value tax to compensate for lost property taxes and costs associated with sprawl. The author of this article, however, contends that speculators are providing a service and that a land tax would reduce speculation to undesirable levels. Speculators reserve land for optimal uses and prevent society from wasting resources on development that has to be demolished at a later date when better uses are discovered. Speculation also reduces land market volatility.

Critics have also claimed that speculators amass dangerous and unkempt lots in urban areas, and maintain that a land value tax would bring land prices down to levels where the government could afford to purchase these lots for public use. The author, however, does not trust the government to be a wise or efficient speculator. He also point out that, ironically, the worst of these lots tend to be those that have become *public* through tax default, Superfund liability, etc.

Finally, the author does concede that there are costs associated with sprawl and suggests imposing development impact fees to compensate for these costs. Impact fees, of course, have their own particular difficulties.

Competitive Enterprise Institute, *Fact and Fiction on “Smart Growth” & “Urban Sprawl,”* April 19, 1999. ([www.cei.org/PRReader.asp?ID669%20](http://www.cei.org/PRReader.asp?ID669%20)).

This press release presents five claims of benefits of smart growth and refutations of the claims. Regarding open space protection, they indicate that parkland per resident within urban areas is declining, and that the lawns around homes are green space, too. Regarding protecting farmland, their argument is that the proportion of total US land devoted to agriculture has been stable for 55 years, and then mentions programs, which pay farmers not to produce. Regarding density and the environment, they cite facts that air pollution in worse in densely populated areas. Regarding mass transit, they discuss declining ridership and poor speed and flexibility of public transit and conclude people won't use it, so why bother. Regarding federal action to reduce sprawl, they cite a poll they commissioned which indicated only 8 percent of registered voters believe it is a federal responsibility to control sprawl.

Congress for the New Urbanism, *Mixed use is obstacle to financing, study finds, New Urban News*, September-October 1999, 2 ([www.cnu.org/news/nun/nun9-p2-99.html](http://www.cnu.org/news/nun/nun9-p2-99.html)).

Initial findings of a Wharton School study reveal that while new urbanist (or smart growth) projects are viewed as riskier, bankers feel more comfortable when these mixed-use projects are located in cities. The study consisted of a literature review and interviews with developers, investors, and lenders. Bankers felt that the risk associated with these projects was lower in urban areas where higher densities and markets for mixed-use were already established. Bankers were also looking for developers who are familiar with complex mixed-use projects. The study offered two recommendations: 1) the financial community needs an in-depth education on new urbanist projects and success stories, and 2) developers need to tackle projects commensurate with experience, focusing on the standard elements instead of the unique. In addition, the study suggests that in order to combat bankers' perceptions that greenfield projects are at a disadvantage, governments need to incorporate policies to curb sprawl.

Cox, W., *Coping With Traffic Congestion*, in J. S. Shaw & R. D. Utt (Eds.), **A Guide to Smart Growth: Shattering Myths, Providing Solutions**, Washington, DC: The Heritage Foundation and The Political Economy Research Center, 2000, 39-60.

This chapter deals with the traffic congestion variable of the urban sprawl vs. smart growth equation. Traffic congestion is identified as one of the most unfavorable aspects of urban and suburban life. The author outlines the suggestions of new urbanists to deal with this problem, namely higher population density, mass transit systems, less new highway development, and higher fees for highway users. The author holds that these suggestions will be ineffective in dealing with congestion.

A number of arguments against the new urbanist agenda for traffic reform are discussed in this chapter. The author points to higher Roadway Congestion Index values for denser urbanized areas in comparison with less dense urban areas to show that higher population density will lead to increased, rather than lessened, traffic congestion. Associated with this is the author's conclusion that, while greater population density makes travel distance shorter, the time will increase for commuting because of increased congestion. Supporting this is the fact that transit times in Paris, a very dense city with a comprehensive transit system, are more than twice as long as automobile travel times. Further, the author points to factors

such as inclement weather, great travel time and distance, and a general rejection of apartment-based urban dwelling as precluding walking or bicycling as feasible alternatives to driving. It is further argued that increasing population density will increase air pollution, due to increased miles traveled per square mile and a reduction in average speed of travel caused by traffic congestion.

The author goes on to show compelling evidence that transit systems such as light rail are not functioning as substitutes for automobile travel. These systems are underutilized and not cost-effective. The author states that much of this is attributable to two reasons: 1) mass transit systems are slow; and 2) mass transit systems lack the structural capability to deliver enough people to their destinations. "In contrast to transit's failure to deliver on its promises, highways and roads still offer the most convenient, timely, and cost-effective mode of surface transportation for most Americans." The author sites evidence suggesting that road and freeway development is an effective method of dealing with congestion. Reducing congestion through raising the cost of driving is also dismissed. The author points to Europe and Japan, areas with much greater density than the U.S.A., higher gas taxes, more expensive vehicles but with continued reliance on the automobile for the great majority of travel. The chapter concludes with two categories of possibilities for improving driving conditions and thus reducing congestion that should be investigated. The two categories are expanding roadways and improving roadway efficiency.

Cox, W., *The President's New Sprawl Initiative: A Program in Search of a Problem*, **The Heritage Foundation Backgrounder**, March 18, 1999, No. 1263.

The author spends very little time discussing President Clinton's Livability Initiative, but spends considerable time attacking the tenets of New Urbanism, upon which it is assumedly based. The author states that the facts demonstrate that new urbanist tenets are based on false premises. Contrary to New Urbanism, the author holds that traffic congestion is greater in denser cities, as is air pollution. Further, the expansion of suburbia does not threaten agricultural production, which has increased dramatically as land under agricultural production has fallen. Additionally, the author worries that smart growth policies may negatively impact or completely halt economic growth. The author also makes the case that Europe is not an appropriate model for shaping American cities. In fact, the reverse appears to be more the case. European cities are rapidly suburbanizing, despite higher gas prices, restrictive land-use regulations, lack of comprehensive highway systems, and large mass transit systems. The author also holds that the present spaced out form of development has significant advantages. Suburbia has served as a safety valve that has kept travel times stable and controlled traffic congestion to some extent. Automobile travel has also improved the efficiency of labor markets, increasing the accessibility of large numbers of employers and employees. Shopping malls, abhorred by some, have lowered consumer prices because of reduced overhead. The author concludes, "The fundamental problem with the new urbanism is that, despite aggressive planning policies, it is incapable of either increasing densities or materially improving the match between origins and destinations to make alternatives to the automobile viable."

Danielsen, K. A. and R. E. Lang, *The Case for Higher-Density Housing: A Key to Smart Growth?* in ULI-the Urban Land Institute, **ULI on the Future, Smart Growth: Economy, Community, Environment**, Washington, DC: ULI-the Urban Land Institute, 1998, 20-27.

The authors advocate increasing development density as a promoting smart growth. They stress the creation of *higher-density* housing rather than *high-density* housing, recognizing the context-dependent nature of the term density. This higher-density housing must be utilized as part of a comprehensive land use plan; it does not inherently solve the problem of sprawl. To achieve smart growth goals, higher-density residential areas must be attractively designed, to attract the affluent, and of high-quality, so as to rival the traditional suburbs and build the market for such developments.

The authors make a distinction between two higher-density housing types, urban and suburban. Higher-density urban developers must provide housing that meets many of the needs met by suburban life, safety, privacy, and access to parking. Suburban developers must fight to overcome the association many people

see between low-density housing and quality schools, lower taxes, and low crime. Higher-density housing must be shown to associate with these characteristics as well.

The authors make the case that the best features and amenities of low-density housing areas can be incorporated into higher-density developments, making these features available to a broader range of consumers. However, higher-density housing has an image problem, being associated with social problems. Therefore, creative and improved design can help remove this stigma. The authors provide some suggestions and examples.

Alternative financing is suggested as another tool for encouraging higher-density development. Three obstacles to financing options for smart growth are discussed: 1) Trouble with appraisals and locating comparables; 2) a lack of market research showing financial feasibility; 3) nebulous presentation of project goals, risks, and risk mitigation. The location efficient mortgage is mentioned as one method for financing smart growth. The authors state a need for better access to the secondary mortgage market for smart-growth housing.

Silicon Valley is used as an example of combating sprawl. This area underwent massive urban sprawl that, at first, met the areas needs but soon became burdensome to the economy. Steps have been taken to combat this, though results are not yet clear. The authors conclude the chapter with the statement that housing can and should be developed at increased density. Additionally, this increased housing density aligns development with many social, political, and market trends.

Danielsen, K. A., R. E. Lang and W. Fulton, *Retracting Suburbia: Smart Growth and the Future of Housing*, **Housing Policy Debate**, Fannie Mae Foundation: Washington, DC, 1999, 10:3, 513-40.

This article presents a fairly detailed view of how housing can support smart growth policy. Three areas are of primary focus: the higher density housing market; land-use issues associated with higher density; and financing options for higher density housing. The article begins with an overview of the smart growth movement, including a definition of smart growth, challenges faced by the movement, possible benefits of higher density development, and possible unintended consequences of higher density development. The authors state that the greatest challenge facing the smart growth movement is the possibility of an affordable housing crisis. This unintended consequence could result if smart growth policies limit development at the urban fringe without concurrently streamlining approval of development projects within growth boundaries. It is stressed that this is a possible outcome, but if smart growth is brought about correctly, this will not occur.

#### *The Smart Growth Housing Market*

Conflicting evidence exists on the current demand for smart growth housing. This is partially due to ambivalence. "Americans appear to hate two things: density and sprawl. Smart growth's fate may depend on which they ultimately hate more." The specific questions asked also lead to discrepancy. The authors conclude that a significant portion of the market is willing to accept higher density communities but when faced with a choice between an urban town house and a suburban detached home, "the suburbs still win overwhelmingly." This leads to the conclusion that marketing higher density developments will require a great deal of work. Low-density suburban developments are typically associated with many positive quality of life characteristics, while denser development is associated with negative characteristics. To achieve smart growth goals, higher density developments must become more common and be shown to match their lower density counterparts on these characteristics. "Middle-income and affluent suburbanites will buy higher density housing if they believe it will not diminish their quality of life or devalue their investment." Demographic and lifestyle trends that suggest an increasing future market for higher density housing are discussed.

#### *Higher Density and Land Use*

The authors make the case that, if properly designed, higher density housing can offer the best elements of

low-density suburbs and appeal to a wider range of consumers than targeted by typical suburban developments. This requires greater planning, however, in terms of housing type, land use, open space, interior design, security and privacy. Higher density housing should offer the same interior amenities as suburban housing and reflect local building traditions. Inner ring suburbs could feature large homes on small lots, thus meeting the desire for housing space while maintaining a relatively high density.

The use of urban containment areas and urban growth boundaries (UGBs) is discussed. The authors state that these have enormous potential to drive up housing prices and reduce affordable housing if they are not flexible enough to prevent market distortions. Three options for developing urban containment are presented: 1) fixed UGBs that delineate where growth may occur; 2) urban reserve boundaries outside of UGBs where growth will be eventually allowed; and 3) urban service areas allowing growth where infrastructure exists to accommodate it. UGBs do not promote smart growth on their own. The authors present zoning and land use principles, which are necessary in conjunction with UGBs.

#### *Higher Density Housing Financing*

Smart growth developments face many challenges in garnering financing. Three major obstacles exist which block the financing of smart growth projects: 1) problems with appraisals and suitable comparables; 2) a lack of market research demonstrating the financial feasibility of higher density smart growth developments; and 3) a lack of clarity of project objectives, risks, and risk mitigation. A number of suggestions to get around these obstacles are discussed. For example, mortgages that take into account the savings of higher density living should be utilized.

Danielsen, K. A., R. E. Lang and W. Fulton, *What Does Smart Growth Mean for Housing, Housing Facts & Findings*, Fannie Mae Foundation: Washington, DC, Fall 1999, 1:3, 513-40.

This article outlines the relationship between smart growth and housing from the standpoint of market, design, financing, and UGBs. The authors point out that smart growth's primary housing strategy is building housing that is higher density than the current standard. While smart growth advocates argue that there is a market for higher density housing, and maintain that regulatory and finance barriers are preventing such development, smart growth critics insist that consumers prefer lower density housing. However, the authors contend that there is evidence that consumers care less about density and more about the type of neighborhood they are moving into. They cite the success of several planned communities as examples of consumers' willingness to make these trade-offs.

In addition to a market for higher density housing, smart growth's success will depend on the *design* of higher density housing. Developers can enhance the appeal of higher density "urban" living by paying attention to design details, such as constructing rooms that are large enough for typical suburban furniture, adding interior features like gourmet kitchens and deluxe bathrooms that can compete with traditional housing, planning sites that are consistent with local markets (the more expensive the land, the higher density the housing), and designing buildings to reflect local building traditions.

Changes in financing will also be necessary for higher density housing projects to be implemented. Bankers depend on a proven track record to minimize risk. Until smart growth projects become more common, developers will have to rely on alternative funding sources, such as pension funds and insurance companies. Furthermore, because these developments are often mixed use, they need access to the secondary mortgage market.

Finally, higher density housing is a key element in the success of any UGB. Smart growth is not achieved simply by adhering to an Urban Growth Boundary, but by using the land inside the boundary efficiently. This means building creative higher density housing, conserving the feel of existing neighborhoods, and preserving open spaces.

Delaney, C. J. and M. T. Smith, *Impact Fees and the Price of New Housing: An Empirical Study*, **AREUEA Journal**, 1989, 17:1, 41-53.

The authors report an empirical study of a 5,839 observation data set covering a 12-year period in Pinellas County, Florida. Their study includes four similar communities, one with an impact fee of \$1,150 per dwelling unit and three without or with negligible impact fees. They create a statistical model to price a constant-quality house in each of the four cities over the 12-year period, and then compare ratios of representative home price across the impact fee and no impact fee communities. Delaney and Smith find that rather than being initially capitalized into, and thereby reducing, land prices; housing prices were significantly higher in the impact fee community for the first six years after imposition of the fee. After six years, prices equalized across the four communities. The authors offer three possible explanations for prices equalizing across the communities: eventual capitalization of the fee into land values in the fee-charging community, market recognition that the fee community offered no benefit to home buyers compared to the no fee communities, and/or masking the significance of the price effect of the impact fee due to a reduction in the relative magnitude of the fee as home prices escalated over the study period. Although not mentioned by Delaney and Smith, observed equalization of price across the four communities could have also been the result of relative price increases in the non-impact fee communities due to spillover effects.

Ding, C. and R. D. Bingham, *Beyond Edge Cities: Job Decentralization and Urban Sprawl*, **Urban Affairs Review**, July 2000, 35:6, 937-55.

Suburbanization and employment decentralization are discussed. The relationship between population and employment change and the effects of edge cities on residential choice was investigated. Garreau's (1991) definition of an edge city is presented. "An edge city has 5 million square feet of leasable office space, has 600,000 square feet of leasable retail space, has more jobs than bedrooms, is perceived by the population as one place, and is nothing like a "city" as recent as 30 years ago." Geographic Information Systems (GIS) techniques and economic models were utilized to test the hypothesis that "employment location may not affect population growth at the same location within a metropolitan area but may have a strong influence on adjacent areas." The Cleveland Metropolitan area was the region investigated. Specifically, it was hypothesized that growth in edge-city employment produces outward household movement beyond the edge cities and away from the urban cores. This hypothesis was confirmed. Results indicated that suburban employment growth leads to development beyond the suburban area. Additionally, employment growth in urban centers has little impact on population growth while employment growth in edge cities greatly impacts the regional housing market and population growth. The question of whether people follow jobs or jobs follow people is posed. The authors conclude that people follow jobs.

Dotzour, M. G., *Fiscal Impact Studies: Does Growth Pay For Itself?* **Land Development**, Spring-Summer 1998, 11:1, 20-23.

Case studies were conducted to address the question of whether new residential developments pay for necessary infrastructure or whether they result in a net cost to the existing community. Five recently completed subdivisions in San Antonio and five in Tyler Texas representing "typical" development across a spectrum of price ranges were selected for study. The revenue produced by the average household in the new development was compared with the amount paid by the average existing household to assess the fiscal impact of new development. Overall, results indicate that the revenues produced from the new homes "pay for a level of capital improvements that is substantially higher than the cost incurred by the cities." Thus, for the subdivisions under study, new development has paid for itself rather than acting as a fiscal drain on cities. The authors add an important caveat to these findings, stating that each city is unique, thus requiring individual evaluation.

Dotzour, M. G., *New Subdivisions Pay Their Way*, A reprint from *Tierra Grande*, the Real Estate Center Journal, Texas A&M University, 1998.

This article further describes the fiscal impact study of five San Antonio subdivisions described in “Fiscal Impact Studies: Does Growth Pay for Itself” (Dotzour, 1998). The fiscal impact of the average subdivision home upon the general fund, the debt service fund, and the water system budget was studied. Results indicate that these subdivisions provide fiscal benefits to the city rather than creating net costs.

Dowling, T. J., *Reflections on Urban Sprawl, Smart Growth, and the Fifth Amendment*, **University of Pennsylvania Law Review**, January 2000, 148:3, 873-87.

This essay addresses primarily legal issues regarding the degree to which smart growth limitations on the use of private property constitute takings. The author takes as a given that sprawl is an issue which needs to be addressed for reasons including quality of life, economic sustainability and environmental protection. He spends considerable time trying to define that line between limitations on use of property and a taking. He concludes that such regulation rarely is so far-reaching that it constitutes a take. He concludes by strongly endorsing initiatives designed to channel urban development into areas, which are already quite urban in nature.

Downs, A., *How America's Cities are Growing: The Big Picture*. **Brookings Review**, 1994, 16:4, 8-11.

This article outlines the nature and causes of sprawl, the problems associated with it, and suggests alternative forms of development. The author identifies 10 traits that defining sprawl, which bear noting: 1) unrestricted outward development; 2) low-density residential and commercial development; 3) leapfrog development bounding beyond founded settlements; 4) division of land use powers amongst many small areas; 5) the automobile as the predominant mode of transportation; 6) lack of centralized land use planning or control; 7) far-reaching strip commercial development; 8) fiscal inequality among localities; 9) segregation of land use type in different zones; and 10) reliance on “trickle-down” for provision of affordable housing to low-income households.

The author contends that opponents of sprawl point out the negative impacts of sprawl on society while failing to take into account the benefits of this development type. These benefits, typically associated with suburban living, are mentioned. The author goes on to speak on the negative impacts of sprawl that fall into two sets of economic and social problems. The first set involves the negative impacts of widespread, low-density development, including traffic congestion, loss of open space, labor shortages due to housing cost, and infrastructure difficulties. The second set of problems involves the concentration of poor households in poverty-stricken neighborhoods, leading to safety and quality of life issues as well as a degradation of the amenities and fiscal resources of the community. Three policies leading to this concentration are discussed: requiring all new housing meet quality standards makes much of this housing unaffordable to the poor; division of land use control amongst localities coupled with exclusionary zoning; and racial segregation in housing markets.

Two categories of alternative growth strategies are discussed. The first involves three alternative development patterns: tightly bounded high-density development, loosely bounded moderate-density development; and new outlying communities and green spaces. The second category involves specific strategies to address the negative impacts of sprawl, including: urban growth boundaries; regional coordination of land use planning; regional tax-base sharing; regional development of low-income housing; regional operation of public transit and highways; and regional enforcement of laws against discrimination. A key point of the article is that “Until advocates of limited future sprawl can overcome the metropolitan majority’s belief that the benefits of sprawl outweigh its social costs, they are not likely to notably reduce sprawl’s dominance.

Downs, A., *Some Realities about Sprawl and Urban Decline*, **Housing Policy Debate**, Fannie Mae Foundation, 1999, 10:4, 955-74.

This article reiterates and expands upon the ideas presented in *How America's Cities are Growing: The Big Picture* (Downs, 1994). This article presents the author's overall perspective on sprawl. A strong case for a regional approach to growth management is made. Growth cannot be halted, leading to two corollaries. The first is that a particular locale's success in reducing growth will shift this growth to other locales within a region. The second is that, the more locales within a region that adopt growth control measures, the more likely it becomes that growth will occur at the edges of the region. Thus, purely local solutions to sprawl will likely intensify the problem. Further, the problems associated with sprawl are regional in nature.

Two sets of sprawl related problems are discussed. The first deals with purely growth-related concerns such as congestion. The second set involves social problems created by the concentration of lower-income households, especially minority households, in the urban core. The author contends that the second set of problems is of much greater import, though it receives much less attention. This poverty concentration is caused by specific policies enacted in the U.S. The first policy involves housing policies and has two parts, a requirement for high standard housing development and a failure to subsidize housing for the poor in suburban areas. The second policy leading to this concentration joins fragmented land use control with exclusionary zoning practices. A third policy involves tying the fiscal support of government to the residential wealth. This leads to a loss of funds when affluent residents move out and creates an incentive to block the development of low-cost housing within a locality. The fourth policy is racial segregation in the housing market. These policies combine to lead to a fiscal weakening of the urban core and the costs of sprawling development being unduly shouldered by the inner-city poor.

Regression analyses are discussed in which the relationship of specific traits of sprawl and urban decline was tested. The author found no significant relationship to exist between these two sets of factors. Thus, he concludes that it is the basic traits of the general growth process discussed above, rather than sprawl, which leads to concentrated poverty in the urban core.

The author counters the argument that sprawl is partially due to market failures, in which those benefiting from sprawling development do not cover the full costs of this development. The author points out that this argument is based on the false assumption that a freely operating land use market exists in the U.S. Zoning regulations belie this fact. The author maintains that poverty concentration will remain the norm until housing subsidies in suburban areas are made available to lower-income households.

Alternatives to sprawl involving different development patterns and specific strategies are discussed. The author holds that the effectiveness of alternative development patterns in forestalling the problems of sprawl has not been sufficiently established to offset the benefits many Americans reap from sprawl. Thus, they are not typically instituted "unless conditions there get bad enough to constitute what is widely perceived as a 'crisis'." Specific tactics to address sprawl issues include: establishment of urban growth boundaries; regional land use planning and control; regional tax-base sharing; subsidized suburban housing for the poor; regional operation of transit systems; and regional enforcement of racial discrimination laws. While the utility of these alternatives in dealing with sprawl-related problems has not been demonstrated, the author holds that they have a chance, while continued sprawl has none.

A pessimistic, though perhaps accurate, depiction of the traffic congestion problem is given. Given future growth conjectures, little can be done to deal with this problem. Traffic congestion is a natural conclusion to the objectives which households and businesses pursue. Additionally, the author states that once peak-hour traffic congestion has appeared in an area, "it cannot be eliminated or even substantially reduced."

Dreier, P., *Sprawl's Invisible Hand*, **The Nation**, February 21, 2000, 6-7.

In an editorial article, Dreier identifies federal policies that he believes foster sprawl: mortgage interest deduction, low fuels taxes, financing roads before mass transit, and minimal support for cities. Now that a majority of voters (and a majority of Congressional Representatives) are from suburban districts, these biases are expected to be reinforced in future policy.

He cites selected policy to rejuvenate cities and slow sprawl, provided cities and inner suburbs work together. He suggests regional sharing of tax revenues, restricting the abilities of communities from using subsidies and preferential taxes to compete for sprawling businesses, and cites the successes of regional cooperation in complying with the Clean Air Act as precedent for a regional approach.

Duany, A., E. Plater-Zyberk and J. Speck, **Suburban Nation: The Rise of Sprawl and the Decline of the American Dream**, New York: North Point Press, 2000.

What is sprawl, and why? This is the question posed in the first chapter of this text. The authors hold that sprawl is the polar opposite of the traditional neighborhood. Sprawling development dominates North American development and was brought about largely after World War II and is an "idealized artificial system." Five components of sprawling development are discussed: housing subdivisions; big-box retail establishments; office and business parks; separated civic institutions; and extensive roadways. The key aspect of sprawl is a separation of these five components. A brief history of sprawl and the distinction between neighborhood plans and sprawl plans are also presented in the first chapter. Traditional neighborhoods have mixed use areas and represent the only proven alternative to sprawl.

Chapter two takes a look at the physical characteristics of suburbia and compares them to the traditional city. The author concludes that many of the annoyances of suburbia are due to its physical design. Chapter three turns to the question of housing. Housing makes up the bulk of sprawl. Homeownership is an integral part of the "American dream," but the widespread push towards this goal degrades it for everyone. We have successive flights ever farther out from the urban core, leading to diminishing returns. The staple of suburbia is the so-called McMansion, which provides excellent value inside the home but little or no outside aesthetic. Thus, suburbia has led to a maximization of the private realm at the cost of the public realm. It has also led to the segregation of society by income and a resulting lack of affordable housing for lower-income individuals. The author posits two forgotten rules of affordable housing; affordable housing for lower income families should look like market-rate housing and it should not be concentrated. In addition, middle-class families are faced with a housing crisis due to the present state of suburban development, with diminishing percentages of middle-class families able to afford a median-price home.

Chapter four deals with declining society brought about by sprawl. In suburbia, one typically interacts with other community members as motorists, creating a competitive rather than social situation. Social interactions and community would be fostered by pedestrian rather than motor traffic. Four prerequisites for street life are discussed: meaningful destinations, safe streets, comfortable streets, and interesting streets. Chapter five also deals with travel issues and presents the American transportation system as a mess.

Chapters six and seven deal with those groups harmed by sprawl. Surprisingly, the author holds that one of the major "victims" of sprawl is the developer. Market experts and the thought that location is all-important regardless of design quality have led this group astray. Developers have gone from town founders to persona non grata. Other groups harmed by sprawl are: cul-de-sac kids, soccer moms, bored teenagers, stranded elderly, weary commuters, bankrupt municipalities, and the immobile poor.

The remainder of the text focuses on ways to remake a better society. Chapter eight discusses suburbs that help rather than hinder the central city. Regional planning is integral to this. The eight steps of regional planning, discussed by the author, are presented verbatim below.

1. *Admit that growth will occur.*

2. *Establish a permanent Countryside Preserve.*
3. *Establish a temporary Countryside Reserve.*
4. *Designate the Corridors.*
5. *Establish Priority Development Sectors.*
6. *Establish a proactive permitting process for development that follows the neighborhood model.*
7. *Designate all other types of development as districts.*
8. *Fairly distribute the Lulus (Locally Undesirable Land Uses).*

Chapter nine turns to reshaping the inner city. These urbanized areas must consider the areas in which suburbs outperform them and attempt to offer amenities to become competitive. Chapter ten discusses how to make a town. A regional outlook should be adopted in addition to focus on mixed-use development, connectivity, effective use of a site, and building a neighborhood. Other design features are discussed. The book concludes with a chapter on the roles various groups have to play in achieving a better societal makeup. Groups discussed include: policymakers; public servants; architects, citizens; and government at the municipal, county, regional, state and federal levels.

Easterbrook, G., *Comment on Retracting Suburbia*, **Housing Policy Debate**, Fannie Mae Foundation: Washington, DC, 1999, 10:3, 541-48.

The author portrays the Smart Growth movement as rife with hypocrisy, with many advocates of this movement living enjoying the suburban life while berating this choice for others. "Smart growth is just the latest label for an exclusionary impulse that divides those Americans who already are enjoying the good life from those seeking to obtain it." The author goes on to state that the majority of Americans prefer suburban living. Any complaints about sprawl are actually a call to "preserve sprawl – at least their own version of it." The author lauds many of the goals of smart growth, such as preserving green space and lessening congestion, but feels that policies mandating development densities or limiting growth are exclusionary at their core. Given population estimates, there will be further waves of development. The author argues that these waves should be typified by sprawling development. This will open up this valued lifestyle to a greater percentage of minorities and immigrants. Additionally, the author suggests that sprawl is a contributor to the powerful American economy, not simply a consequence.

Easterbrook, G., *Suburban myth*, **The New Republic**, March 15, 1999, 18-21.

The author mounts an attack on smart growth policies and argues that the widely held view of sprawl is akin to a suburban myth. Given that the majority of Americans choose to live in suburbs, the author holds that less attention should be paid to urban sprawl and more paid to making suburbs more livable. The author further states that "[sprawl is infuriating but not statistically significant," citing statistics indicating that the development of 400,000 acres since 1970 only represents 0.02% of the U.S. land mass. In terms of concern over lost farmland the author makes the case that, since 1960, "total cropland" is down one percent while "harvested cropland" is up eight percent, with increased yield from this land.

The author also states that people have fled from the cities to the suburbs because they wanted to and that Americans, as a group, dislike crowded housing conditions. The economic utility of sprawl is discussed. Traditional suburban housing has made housing more affordable to more people. Other arguments against typical smart growth policies are that: road construction is more flexible and efficient than mass transit; sprawl is caused by affluence and population growth, neither of which are beneficial to stop; control of sprawl often leads to exclusionary zoning and other policies which lead to benefit to the "haves" at the expense of the "have-nots"; and everyone "wants symbolic action against sprawl, but real action would drive people crazy."

Einsweiler, R. C. and D. A. Howe, *Managing the "Land Between:" A Rural Development Paradigm*, Lincoln Institute of Land Policy Working Paper, 1993.

A compelling case for a paradigm shift in Oregon's land-use management is made. Oregon presently utilizes a two-part classification system in land use, urban and rural. Urban development is constrained

within Urban Growth Boundaries (UGBs). In theory, this keeps agricultural land outside the UGB free from speculation. However, development patterns outside the UGB often do not fit into either category, becoming exception lands. The authors state that these “lands between” comprise four percent of Oregon’s land. The state lacks policies sufficient to guide these development areas. The present two-part classification system fits the development of the first half of the 20<sup>th</sup> century, typified by discrete concentrated urban areas. However, it ignores the “polynucleation” present today, with fragmented urban edges and “linked, multicentered urban places.”

One focus of the paper is on alternative ways of conceptualizing development. The authors suggest that Oregon’s natural resource categories move from the purely economic (farming and forestry) to a four-part spectrum: 1) economic surface for development; 2) production lands; 3) natural process lands; and 4) ecological communities. While addressed in statewide goals, the latter two are left out of the present land-use system. All four should be treated spatially in land-use planning.

The rationale for government intervention in land markets is presented. The role of government is to achieve public objectives not produced by private development. Five reasons are presented as to why real estate markets produce unsatisfactory results, necessitating governmental intervention.

1. The transactions do not involve all affected individuals.
2. Residents desire greater order and efficiency than the incremental nature of the transactions, summed over time, allow.
3. The transactions are economic in nature, ignoring asset and liability impacts.
4. The timing of development decisions left to the private sector can create difficulties in infrastructure provision.
5. The normal compensating mechanisms of markets in goods and services only partially apply, due to the finiteness and fixed location of land and the permanence of development decisions.

These reasons necessitate governmental interventions. This intervention serves a number of purposes. It serves the interests of the government in provision of services and infrastructure, speaks for society at large, and “speaks for the environment, which has no voice in economic markets.”

Three types of growth management systems are discussed. The first set involves the control of geography, spatial bounding, and focusing on location. This strategy of specifying use by location has two inherent problems: it has to outguess future demand; and it must utilize a reasonable and effective use category. This type of system tends to view development as static rather than dynamic. The authors suggest moving towards a more dynamic model, through additions such as conditional use, design standards, and performance criteria. The second set of systems involves infrastructure control in nodal development. This type is typically employed in areas undergoing fiscal distress. The control of infrastructure through capital improvement programs and ordinances requiring adequate facilities prior to development are key tools in such a system. Performance systems are the third set. These open up land use to property owners with the provision that externalities are within acceptable limits. Such a system has some benefits. For example, “standard control systems specify uses leaving side effects implicit; pure performance systems specify maximum permissible side effects leaving use implicit.” This allows a freer functioning market.

Suggestions for adapting Oregon’s land-use system are discussed. Key among these is a revision of the two-part land use categorization. The suggested classification scheme remains dichotomous with categories of urban or natural resource. However, the term urban is replaced with the broader human settlement classification. Additionally, “natural resource is reexamined to include other less economically productive uses of the resources” (i.e. natural process lands and ecological communities).

Ellen, I. G. and A. E. Schwartz, *No Easy Answers: Cautionary Notes for Competitive Cities*, **The Brookings Review**, Summer 2000, 18:3, 44-47.

The author cautions that some of the favorite strategies for spurring economic development within a city are typically ineffective. Research suggests that the first strategy, infrastructure investment, typically does little to promote economic growth. The second strategy discussed involves tax cuts. The author concludes

that, while tax cuts or targeted industry tax breaks have a small influence on business location decisions, they do little to promote economic growth. Enterprise zones are also generally ineffective. If one can attract high-tech companies, economic growth usually follows. However, many factors typically influencing high-tech company location decisions are beyond city control. Finally, building sports stadiums and casinos is not a viable alternative to promote growth in most locales. “Alas, there is no magic bullet” for economic growth.

Esseks, J. D. and K. L. Sullivan, *Scattered development*, **Forum for Applied Research and Public Policy**, Fall 1999, 14:3, 24-28.

This article attempts to quantify the costs of providing specific public services to new, scattered developments. They studied three communities in suburban Chicago. One was a new large-lot development, one was a somewhat older, somewhat smaller lot development, and the third was new development of quarter-acre lots just annexed into a city. The specific services studied were school buses, roads, sewer/water, and emergency services (fire, ambulance, police). In terms of school transportation, they found that school buses in large-lot developments carried smaller loads than in more densely populated areas to avoid problems with safety and long bus trips. The additional cost averaged about \$35-\$125 per residence per year. If impact fees were to be assessed to fund additional classroom space, the required level would be \$10,400 per home. For roads, the cost to provide and maintain roads to these developments was \$4,800 per mile, a cost the authors proposed allocating to the individual lots based on their size or frontage. In terms of water/sewer, the cost per lot was estimated at \$839. For the city that annexed the new development, they required the developer to install the water/sewer before the annexation, at the developer's expense. Finally, the authors concluded that public health and safety required construction of new substations in most cases to adequately protect the new developments. With impact fees of \$600 per unit covering the costs. By this analysis, an impact fee of \$1,700 per unit and annual surcharges of \$200 per unit would cover the cost of these essential services, except for the construction of new classroom space.

Ewing, R., *Is Los-Angeles-Style Sprawl Desirable?* **Journal of the American Planning Association**, winter 1997, 63:1, 107-26.

This article provides a literature review on the characteristics, causes, and costs of sprawling development. Throughout the review, the author provides counterarguments to the opinions expressed by Peter Gordon and Harry Richardson (referred to as G & R in this review). The author holds that the alternative to compact development is Los Angeles-style sprawl. The literature review suggests that compact development style outperforms this type of sprawl on many social and economic variables.

Much of the argument over sprawl results from a lack of clear definition. The author holds that G & R's definition of sprawl is a “moving target” and serves to “lump the benign with the problematic, disarming would-be critics.” Ewing holds that sprawl's critics have no issue with suburbanization per se; rather the wasteful form of suburbanization is the target or criticism. Further, where G & R “equate compact development to high density or monocentric development”, Ewing takes a wider and more optimistic view of compactness. Moving beyond definition, measurement of particular quantifiable sprawl indicators is suggested. These indicators are taken from Florida's anti-sprawl rule and include *poor accessibility* and *lack of functional open space*.

The use of differing definitions of sprawl has led to a disagreement on the antecedent causes. Four possible causes are discussed. The first is consumer preference. The author holds that, while the public does prefer single-family detached housing, the type of development dominating suburbia. However, the public “could do without the rest of the suburban package.” The author states that the public splits fairly evenly in preference between low and medium density and between mixed and single-use areas. The second cause is technological innovation. The argument is that telecommunication has rendered population centers obsolete. Ewing dismisses this cause as exaggerated, stating that only a section of industry has dispersed because of such innovation and that many areas lack the telecommunication infrastructure to make such

dispersal feasible. The third cause is subsidization of urban sprawl, representing a market failure. The fourth reason also represents a market failure, the undersupply of public goods such as open space by the private market due to the “free rider” problem.

Many commonly advanced costs of sprawl are discussed. The author presents a review of literature suggesting that compact development is beneficial in comparison to sprawl in a number of ways: a) results in less vehicle miles traveled; b) less energy consumption and air pollution; c) a savings on infrastructure costs; d) preservation of resource lands; e) preservation of community; and f) economic viability of central cities and surrounding suburbs. The author suggests active planning coupled with incentives rewarding good development and disincentives for bad development as the cure for sprawl.

Ewing, R., *Suburban Sprawl: No Way to Sustain Planet Earth*, **CUPReport**, Spring 2000, 11:1, 2.

This brief essay refined the author’s views on compact development and both economic and ecological sustainability of communities. Most significant was his repudiation of high-density, monocentric development models. He advises higher densities, clustering, and mixed-use development in existing suburbs, trying to reduce the negatives of automobile-dependent sprawl.

Ewing, R., *The Future of Land Development*, **Metropolitan Development Patterns – 2000 Annual Roundtable**, Lincoln Institute of Land Policy, 2000, 66-71.

While existing structures preclude a development future drastically different from the present, the author holds that changes will come about. The two most notable changes will be: redeveloped urban neighborhoods and commercial districts; and suburban subdivisions designed more traditionally. The author focuses on the latter in some detail.

The present form of suburbia has become inefficient for a number of family types, including the elderly and single-parent households. The author speculates on factors that will create “a demand for more walkable, compact development patterns among those who can afford to live in sprawled suburbs.” These factors are: 1) a desire for community and “neighborliness”; 2) growing concern about health and fitness; and 3) frustration with traffic congestion and inaccessibility of activities.

The implication for suburban development is a return to a more traditional design. The role of New Urbanism in advancing this design style is discussed. While reports differ, the author concludes that between 20% and 40% of people prefer traditional to conventional development. More choices in housing and shopping are necessary to meet increasingly varied preferences. The author goes on to discuss the hybridization of development types (conventional, traditional, eco-development) as the owing the future. Four levels of land development hybridization are discussed and illustrated: communities, commercial centers, individual streets, and neighborhoods.

Flynn, M., **The Dark Side of “Smart Growth”**, American Legislative Exchange Council, March 1999, ([www.alec.org/viewpage.cfm?id694&versid=950&xsectionid=15&dorsrch=1](http://www.alec.org/viewpage.cfm?id694&versid=950&xsectionid=15&dorsrch=1)).

The author refutes many arguments put forth by the smart growth movement and sees the entry of centralized governing bodies into this arena as “ominous.” “One of the most disturbing proposals arising from the ‘smart growth’ movement is the creation of regional governments to oversee development and economic growth.” The author holds that any regulations which address sprawl or restrict suburban development will reduce individual choice.

**Freilich, R. H., *From Sprawl to Smart Growth: Successful Legal, Planning, and Environmental Systems*, American Bar Association, 1999.**

This text advances the case of the smart growth movement in battling sprawl, labeled America's most lethal disease. Central to the smart growth movement is the Ramapo system of coordinating urban growth planning with infrastructure provision. The author states every piece of smart growth legislation in the last thirty years has evolved from aspects of this system. The text begins with a discourse on the emerging problem of urban sprawl and the inability of traditional land use tools to combat this problem. The Ramapo case provides the legal foundation of effective growth management policies that aim to control sprawl. In *Golden v. Planning Board of the Town of Ramapo* (1972), the New York high court established the legality of the timing and sequential control of residential subdivisions in accordance with capitol improvements. The Ramapo system, developed by the author, utilizes the Urbanized Tier approach to land-use management. This is a sophisticated application of the Urban Growth Boundary (UGB) approach to land-use management. In this, a planning area is established and geographically and functionally divided into tiers. Each tier utilizes different growth management techniques. The central city is Tier I. Subsidies are the methodology of choice within this area. Suburbs immediately surrounding the central city make up Tier II. Code enforcement is the typical mode of control within this area. The area where active growth is directed makes up Tier III. This area utilizes a number of growth management techniques, including timing, sequencing, and capital facility charges on new development. Agricultural and rural lands within a preservation area make up Tier IV. Development and easement contribution are typical growth management techniques utilized in such an area. This tier system serves as a subdivision system to the larger category of "growth" and "limited growth" areas. "Growth" areas are designated as the "Urbanized Tier." This is the area of focus for smart growth.

The second chapter of the text provides a historical look at the rise of sprawl within the nation. The costs of sprawl are also discussed as well as the need for Ramapo's system and smart growth policies to address these problems. Chapter three details the history of the Ramapo system, the legal issues surrounding the case, and the legal proceedings leading to the landmark decision which paved the way for the growth management movement. Use of this system in regional areas, cities and counties, and states around the nation is discussed and illustrated in chapters four, five, and six, respectively.

Chapter seven turns to specific strategies to promote infill in urbanized areas. Topics of discussion are broken into three categories: land planning and development; housing development; and transportation and economic development. In the first category the strategies of bonus and incentive zoning as well as historic preservation are discussed. Housing development topics include: flexible housing codes; tax abatement and tax increment financing; enterprise zoning; and minimization of displacement effects. Topics in the category of transportation and economic development include: private/public partnerships, transit-oriented development, and transportation corridors.

Following this chapter on urban strategies is a chapter on preserving agricultural and rural lands. A number of issues and strategies involved in preservation are discussed: agricultural zoning; taxation techniques; the land evaluation and site assessment system; right to farm laws; transfer of development rights; land banking; development easements; and environmental controls.

Chapter nine deals with the role of the federal government in either promoting or controlling urban sprawl. Historically, government policies had the effect of promoting sprawl. This has recently changed with President Clinton's Livability Agenda, aimed at combating sprawl and promoting urban redevelopment. This agenda and other government initiatives that have followed suit are discussed.

The author concludes that the prevailing conditions are right for smart growth. What is missing, by and large, is the political will to bring it about. The author calls for increased public and governmental attention to the smart growth movement. "While its tune may not be in perfect harmony to all ears yet, if we give it our enduring attention and persistence, smart growth systems will continue to evolve until they find their own harmonious equilibrium point."

Frey, W. H., *The New Urban Demographics: Race Space & Boomer Aging*, **The Brookings Review**, Summer 2000, 18:3, 20-23.

The author describes two new demographic trends that complicate the traditional view concentration of African-Americans in central cities and “white flight” to the suburbs. The first trend is increasing immigration. Very few large metropolitan areas are experiencing growth from domestic migration. Most are growing via an immigration influx. The second trend is the aging of the baby boomers. The author suggests that the majority of this generation will “age in place,” rather than relocating, thus contributing to the “graying of the suburbs.” A metropolitan typology describing ethnic and racial mixture combined with speed of growth is proposed and described. The author feels this typology better describes the ongoing shifting of the nation’s demographics.

Froelich, M., *Smart Growth: Why Local Governments are Taking a New Approach to Managing Growth in their Communities*, **Public Management**, May 1998, 80:5, 5-9.

This article assesses that the time is right for smart growth because non-growth proponents are recognizing their communities need economic opportunities, while unfettered growth proponents recognize their customers are interested in easier commutes, etc. Moreover, the changing demographics are anticipated to encourage a return to smaller housing units on easier to maintain lots, resulting in higher densities. With respect to environmental protection, the author cites data that utilizing smart growth techniques can achieve a 43 percent reduction in the loss of open space each year.

The typical data on commuting patterns, air quality and traffic congestion is cited. Where this article focuses attention, however, is on fiscal issues. For impact, they include data on Maine, which has host 27,000 students in public schools since 1970, but has spent \$434 million on new schools in suburban locations, and has seen constant collar school bus expenditures increase by 65 percent. For other government services, the cost of delivery to scattered developments varied from 9 to 50 percent above comparable costs in compact developments. The emphasis is changing from environmental activism to basic economics.

On the economic development side, the article identifies the escalating subsidy war used to attract businesses to individual communities, and admits that local officials know that this type of competition often is a loser for the public. The article concludes by returning to the basics of smart growth, which seeks growth, recognizing the role development plays in maintaining and improving communities. Smart growth also acknowledges the fiscal, environmental and other concerns that are dominating current discussions of growth and ask not whether by how to grow.

Fruth, W. H., **The Flow of Money and Its Impact on Local Economies**, National Association of Industrial and Office Properties, Herndon, Virginia, 2000.

This report outlines the relationship between local economic strength and a consistent flow of money. Variables effecting economic vitality of an area are discussed as well as the importance of economic development programs in attracting and retaining business. Consistent growth is characteristic of strong economies. Regulations that seek to limit or reduce growth lead to decreasing economic vitality. Growth management regulations, which add significant cost to development, can cause economic erosion.

Fulton, W., *Ring Around the Region*, **Planning**, March 1999, 18-21.

Good review of the background and history of Growth Management in Washington, but does not add any new information to the debate.

Glaeser, E. L., *Demand for Density? The Functions of the City in the 21<sup>st</sup> Century*, **The Brookings Review**, Summer 2000, 18:3, 12-15.

This article discusses the relative advantages of cities over non-urban areas. It is stated that the future of cities depends upon the continued demand for urban density. Increasing housing prices in central cities indicates increased demand. The benefits of density are discussed. A key benefit of dense development is lower transport costs, impacting both production and consumption. Businesses have historically located in cities to reap lower transport costs of all kinds. Recent trends have seen marked reduction in transport costs. Thus, de-urbanization of manufacturing has taken place. Cities can take advantage of this trend by concentrating on the resulting benefits to environmental quality and ability to attract productive residents.

Cities also have the relative advantage of lower costs of moving people. This is important to many service industries. Benefits to city residents include the ability to change jobs without relocating. Additionally, with incomes on the rise, the opportunity cost of lost time is increasing. Thus, the savings on transport costs offered by cities becomes more important. Another benefit of cities is the fast-paced movement of ideas. This attracts many individuals to city life and spurs production. This benefit depends upon the continued need for face-to-face interaction in moving ideas. The author concludes “electronic technologies are unlikely to eliminate the informational advantages of cities any time soon.” For cities to thrive, the author holds, they must be attractive places to live. Lower transport costs give rise to consumption advantages to city dwellers. Denser areas also allows for greater access to and variety of services.

Policy implications are discussed. City leaders should concentrate on building human capital and abandon reliance on manufacturing. Two ways of building this human capital are to emphasize quality education and avoid “redistributive spending, such as welfare, public health, and public housing.” At the national level, leaders should enact spatially neutral policies and do away with those that pull the poor towards cities and push the affluent away from cities.

The author concludes the article with a view of the future. Density has advantages but it need not be excessive. “The dominant urban form of the future, almost unquestionably, will be the edge city with its moderate density levels.”

Gordon, P. and H. W. Richardson, *Are Compact Cities a Desirable Planning Goal?* **Journal of the American Planning Association**, winter 1997, 63:1, 95-106.

The case is made that neither the need for nor the benefit of compact city development has been reasonably established to support government intervention. The paper presents findings that run counter to the arguments for compact development. The authors state that the dominant form of low-density development is not threatening the amount of America’s open space and does not endanger prime agricultural land. Additionally, the push for compact cities runs counter to consumer housing preference. The present “global energy glut” also belies the need for compact cities. Further, the authors state that the “traffic consequences of suburbanization are benign” and that this form of development has actually served as an effective mechanism for decreasing congestion. Suburbanization has also made mass transit “unattractive and therefore wasteful.” Compact development as economically efficient has not been established. High transport and communication costs are necessary to make concentrated development effective. This is not the case. Based on these and other reasons, the authors conclude, “the moral superiority of core-city programs that forcibly divert huge resources towards downtown projects that enrich favored developers and their political allies is highly dubious.”

Gordon, P. and H. W. Richardson, *Critiquing Sprawl’s Critics*, **Policy Analysis**, No. 365, Cato Institute, Washington, DC, January 24, 2000.

This essay focuses on claims of efficiencies made by New Urbanists, and concludes many of the claims are erroneous, the issue of speed of suburban travel, for example. Despite congestion, the average speed attained on commutes to work is actually increasing, from 28 mph in 1983 to 33.6 mph in 1995, an

argument which discounts charges of allocation of transportation dollars reinforcing the bad elements of sprawl. Some government policies (e.g. subsidized transit, subsidized convention or sports facilities) favor compact urban forms, while others (e.g. inflexible zoning and mortgage interest deductions) favor sprawl.

The article addresses the difficulties of using current mass transit technologies to service suburb-to-suburb commuting. Finally, the authors conclude that the cost/benefit analysis of growth and sprawl remains to be completed.

Gordon, P. and H. W. Richardson, *Defending suburban sprawl*, **The Public Interest**, Spring 2000, 65-71.

The authors portray smart growth as fueled by an anti-sprawl backlash reflecting an ambivalent public worried over the “evils” of sprawl while continuing to enjoy the benefits of low-density suburban development. An anti-sprawl coalition is described which plays upon this public anxiety. This coalition is made up of ambitious architects, environmentalists, central-city politicians, merchants, landowners, developers, contractors, consultants, “redistributionists”, and most notably the Democratic Party led by Al Gore. The vision of growth held by this coalition conflicts with the majority of American homeowners, who prefer suburban living. The authors also take issue with arguments put forth by New Urbanists. They describe the thought that America is running out of farmland as a “ridiculous argument.” They argue against limiting farmer property rights and for the private and public purchase and retirement of this land. The authors also dismiss the ideas that increasing development density or limiting new road construction would ease traffic congestion. Mass transit runs counter to the travel habits of most Americans and thus cannot compete with the automobile as the predominant mode of transport. The “spatial mismatch” hypothesis is also dismissed. The authors hold that “skilled people get jobs wherever they happen to live as do those with ambition and good work habits.” Moderate-density development that preserves privacy is promoted over the compact-city model. The authors conclude, “Any reversal of urban-development patterns is bound to be extremely costly, if not impossible. People do not want cities that look like New Urbanist dreams, and they certainly cannot afford them.”

Gordon, P. and H. W. Richardson, *Prove it: The costs and benefits of sprawl*, **The Brookings Review**, Fall 1998, 16:4, 23-25.

The authors take issue with the critics of sprawl, stating that their arguments are misguided, mistaken, and unproven. Suburbanization has decreased traffic congestion rather than being the cause and a scarcity of farmland is not developing. Additionally, the notion of compact development as inherently more efficient is faulty. Further, while critics of sprawl hold that it is partially a byproduct of subsidization, the authors hold that U.S. policies do not have a “single spatial thrust.” Some policies favor the centralization while others favor dispersal. While the authors view the issue as contentious, they state that if it could be proved that suburban costs are higher than central-city costs, the answer is not growth management controls on land-use. Rather, they suggest development impact fees to offset any such increase in cost.

The authors also advance the cause of the automobile. This has been the predominant transportation choice of Americans and is superior to mass transit. Transit served its purpose early in the century in promoting early suburbanization. It is not appropriate in the present day. Concentrating on this form of transportation runs counter to free choice. “After hundreds of billions of dollars of public subsidy, transit use per capita is now at a historic low.”

Potential for development alternatives do exist but, as a whole, “the goals of the anti-sprawl position are unattainable. Infill development opportunities exist to a limited degree in central cities. Additionally, compact development has a role but overall, its “influence on tomorrow’s urban landscape is miniscule.” The authors stress that the problems facing the developments of today should not be ignored. However, they argue against any policy that limits consumer sovereignty.

Governor Kitzhaber's Task Force on Growth in Oregon, **Growth and Its Impacts in Oregon**, January 1999.

The task force report does an admirable job of presenting the reader with an overview of the multifaceted nature of growth management as it pertains to Oregon. This report primarily focuses on three broad objectives: 1) how Oregon communities and regions are growing, 2) how and when communities both pay for and benefit from growth, and 3) what tools may be utilized in reference to growth-related issues. The authors do a good job of avoiding easy answers to these complex issues. Rather, they maintain "Whether growth is good or bad for Oregon cannot be determined definitively because of the complexity of growth relationships, uncertainty, and the diversity of interests and perspectives." The report simply outlines the issues, recognizing that whether growth is a positive or negative for a particular party depends upon many factors, including community type and size as well as the particular situation and attitude of the individual.

Chapter two of the report provides a framework for discussing growth. The authors focus the discussion by narrowing the definition of growth to cover: a) growth in Oregon and its communities, b) population and employment growth, and c) urban growth.

Chapter three of the report discusses growth in population and employment in some detail. This discussion includes both historical trends and forecasts for future growth. Since 70% of Oregon's growth is due to immigration, the demographics of new and established residents are compared by region.

Chapter four of the report provides a discussion of the impacts of growth upon a region in terms of monetary and social costs and benefits. Impact categories discussed are; the economy, services and amenities, social variables, environment and natural resource use, and cost of living. This discussion deals with who is impacted in addition to the impact itself, with a focus on who reaps the benefits of growth and who pays the costs. In regards to direct costs of supplying public facilities, the authors conclude that: 1) on-site infrastructure costs from \$15,000-\$20,000 per single-family housing unit; and 2) off-site facility construction costs for urban fringe development from \$15,000-\$30,000 per housing unit. The authors further note that these average costs are likely to vary widely given site-specific characteristics and that new residential development directly pays roughly 50% to 90% of their capital costs for both on-site and off-site facilities. In-direct costs and benefits are more troublesome to pin down. In general, the authors conclude that economic growth is closely tied to population growth. The other impact areas are discussed in some detail. However, the authors warn of oversimplified answers and conclude "An identification and description of key impacts of growth does not lead to clear conclusions about the net impacts of growth."

Chapter five of the report discusses the "tools" for growth management. The term "tool" encompasses any legislation, policy, program or other action by government aimed to affect growth either directly or indirectly. The general effectiveness of such policies is summarized and suggestions are made about actions, which could be helpful in managing growth.

Chapter six provides conclusions and recommendations. The conclusions fall into three categories, which mirror the bulk of the report; regional and community growth, costs and benefits and who is affected, and tools which can be effectively used to help manage growth. Ten conclusions are made and presented verbatim below:

- Different rates of growth affect communities differently and the impacts of growth vary by local condition.
- Communities should consider growth and development-related issues in a regional context.
- Communities must be cognizant of the relationship between growth, natural resources and quality of life.
- Paying for growth-related infrastructure presents a significant challenge to many Oregon communities.
- Oregon's tax system affects the resources available at the local level to deal with growth-related issues.
- Communities may need to use incentives to foster the type of development they desire.

- State agencies need to integrate their programs to respond to local needs.
- Use existing tools to achieve community goals.
- High-quality design is important.
- Citizens are increasingly concerned about if, how, and when their community should develop.

Also included in this report are two informative appendices entitled “Why Cities and Regions Grow” and “Direct costs of growth: What are they and who pays?”

Green, R. K., *Nine Causes of Sprawl*, **Illinois Real Estate Letter**, Office of Real Estate Research, University of Illinois at Urbana-Champaign, Fall 1999, 10-13.

The author does an excellent job of bringing together information regarding the various causes of sprawl into one article, and reminds us that the solutions to sprawl lie in examining its causes:

1. Rent Gradient – As land values decrease toward periphery of city, lot sizes increase.
2. Demographic Changes – Decreased household size means more land is needed to house same population at current densities.
3. Growing Affluence – The more money people make, the more stuff (including land) they want to buy. For high earners, the low marginal cost of transportation also means that these costs are relatively unimportant when making location decisions.
4. Transportation – Households do not bear the full cost of commuting (i.e. pollution).
5. Government Service and Attitudes – Newer (periphery) cities have an advantage over older cities because they can provide better services in exchange for lower taxes. As the middle class flees to the suburbs, the gap widens.
6. Racial Discrimination, Segregation – “White flight” (development of land that would not be developed absent race related behavior) and failure to enforce fair housing laws have exacerbated segregation and sprawl.
7. Holdouts and Land Assembly – Redevelopment at city center is at a disadvantage because small parcels of land must be acquired from several owners and holdouts may charge monopoly prices. Central city parcels also often require environmental clean up.
8. Federal Income Tax Policy – Mortgage Interest Deduction encourages high earners to buy more expensive houses, which are often on larger lots. Alternatively, expensive center city parking fees are not tax-deductible. Hence, firms can locate at the periphery, pay lower wages, provide free parking, and everyone is still better off.
9. Land Use Regulation – Regulations such as setback, minimum lot size, street width, green space requirements, and limits on low-income development, all reduce densities and increase sprawl.

Guppy, P., *Government Regulations Add to “Sticker Shock” of New Home Prices*, **Policy Notes**, 99-14, Washington Institute Foundation, Seattle, WA.

This article asks why Washington housing prices are rising so quickly, and suggests that government regulations and taxes, such as utility hook-up fees, impact fees, and environmental mitigation fees, are a significant cost contributor. The article cites findings by Taseca Homes, Inc. of Vancouver. When they itemized the costs of construction on one home, it was revealed that government fees resulted in a 22% increase in one home’s selling price over the actual cost of building the house. The article points out that these “hidden” costs are in addition to taxes already being paid for associated public services, and the result is that homeownership is delayed or denied for many working families.

Harris, J. C. and J. S. Evans, *Sprawl Brawl: Battle Lines Drawn in Smart Growth Debate*, **Tierra Grande**, Real Estate Center at Texas A&M, April 2000.

This brief article was designed to identify the issues in the smart growth debate since Texas metropolitan areas are clearly involved. Houston has some of the worst traffic problems and highest air quality problems

in the nation, and fast-growing Austin has incorporated smart growth in its development planning. The article makes clear the issue is how to deal with growth and prepare for its arrival, not to preclude growth. Experiences in Portland, Atlanta and Austin are reviewed, identifying both strengths and weaknesses of the approaches. All have active growth management or smart growth initiatives underway.

The opposing viewpoint is also considered. Significantly, the focus on preserving open space at the fringes of the urban area requires infill development, which reduces open space in the central city, an issue often overlooked. A 1992 Duke University study was cited which concluded that public costs rise when population densities rise to more than 250 residents per square mile – worth noting. It was also suggested that higher densities might increase the cost of housing, with statistics from Portland providing the evidence.

The authors conclude with a review of demand for higher-density in-town living. While a NAHB survey indicated only 17 percent of respondents found city living appealing, a study by the Brookings Institution and Fannie Mae Foundation found that all 26 cities examined reasonably expected their central areas to experience a population increase by 2010, reversing decades-long trends. If nothing else, developers should pay attention. The article also advises communities to recognize that land-use restrictions are most effective when accompanied by positive incentives, rather than mandates and penalties for non-compliance. Give the developers and consumers a reason to opt for higher-density, more urban development.

Haughwout, A. F., *The Paradox of Infrastructure Investment: Can a Productive Good Reduce Productivity?* **The Brookings Review**, Summer 2000, 18:3, 40-43.

The question of whether public infrastructure investment raises overall productivity is addressed. Such investment has two potential benefits: increasing productivity and income; and providing “quality of life” amenities. A great deal of the research on this question has been focused at the state level. In general, results suggest that increasing capital investment does little to spur overall state productivity. These studies generally do not take into account possible non-market benefits to households. Research also suggests highly localized effects of infrastructure investment, with areas receiving the investment benefiting more than others and this effect diminishing with distance. Thus, the primary effect of infrastructure investment is to spatially redistribute jobs and residences within states. The author suggests that the “scant evidence available is that most new public works are put in place in suburb rather than in central cities.” Thus, cities are paying a high price for investment in the suburbs, with resulting localized productivity gains. The author argues from this that infrastructure investment, as presently practiced, has an overall negative effect. Productivity gains in cities that allow for economies of scale would be more efficient. “The fact that the primary function of state capitol investment turns out to be subsidizing the spreading out of jobs thus means that it has the potential to reduce productivity.” Investment should be directed to central cities with the higher job concentrations. This would lead to “a more densely developed state, with more moderate growth in the suburbs, lower taxes, and faster economic growth.”

Hayward, S., “*Growing Pains*”: *The NGA’s Flawed Report on Sprawl*, **The Heritage Foundation Backgrounder**, No. 1393, September 13, 2000.

The author presents a scathing critique of “*Growing Pains: Quality of Life in the New Economy*” by the National Governors’ Association. The author holds that the vision outlined in this smart growth report restricts individual and community choices in favor of restrictive governmental policy. Hayward holds that the report has a restrictive growth control policy bias. Further, he holds that the report is seriously flawed, relying on “many of the familiar clichés, half truths, misperceptions, and falsehoods promulgated by the so-called smart growth movement.” In particular, five flaws are discussed.

1. The report offers only superficial analysis of issues associated with sprawl and supports the analysis with incorrect or misinterpreted data.
2. The report includes information that is inconsistently sourced or not sourced at all and offers scant original research to bolster claims.
3. The report offers contradictory directives.

4. The report calls for “intelligent” and “coordinated” land-use planning but provides little definition or guidance to overcome difficulties this would engender.
5. The report suggests policies that would lead to a massive increase in government land-use regulations.

The author concludes that it is neither possible nor beneficial to advance a statewide vision for land-use that meets the needs and desires of all constituents. Advancing a particular vision entails encroaching on competing visions. The author sees the “smart growth” vision as fundamentally flawed.

Hayward, S., *The suburbanization of America*. In J. S. Shaw and R. D. Utt (Eds.), **A Guide to Smart Growth: Shattering Myths, Providing Solutions**, Washington, DC: The Heritage Foundation and The Political Economy Research Center, 2000, 1-16.

The focus of this chapter is on debunking many ideas on “sprawl”. The author begins this discourse by placing sprawl in a historical context, noting that it is neither a new phenomenon nor uniquely American. He notes that the term sprawl is not defined with consistency or rigor. While this term is often defined by housing density, the author notes that certain areas of the Los Angeles basin, the very archetype of sprawl, have a higher population density per square mile than Portland, Oregon, the “model for crusaders against sprawl.” The author argues that, partially due to this imprecise definition, sprawl has become the scapegoat for all urban discontent.

The suggested counter to this societal ill of sprawl is “smart growth”. This movement is typified by certain core concepts, namely: efficient and carefully targeted infrastructure; increased focus on mass transit; higher density development; and urban growth boundaries. The author attacks the views of a faction of smart growth advocates, which he labels “smart growth elite”, as ill founded and irrational. The author sees the wholesale verbal attack on typically suburban development as overly zealous. Additionally, the author takes issue with the assumption that mass transit is inherently better than driving.

The author attempts to advance “sound thinking about urban policy” by addressing some misconceptions about sprawl. He makes the case that the National Resources Inventory (NRI) 1997 estimates of land development are incorrect and overstated. The “sprawl index” (comparison of population growth with land use rates) is the author’s next target. This ratio has been above 1.0 (land consumption outpacing population growth) for over a century. The author sees a requirement that this ratio equal 1.0 as inappropriate and makes the case that housing density changes are to be expected as household sizes decrease and affluence increases.

The author sees the lack of definition of “higher density” as a major flaw in smart growth planning, stating a need for specific suggested density levels and plans to achieve these levels. Arguments are also mounted against the idea that compact development is necessarily more cost effective than suburban development. It is further argued that denser forms of development are contrary to the wishes of most American consumers. The author concludes the chapter with the ideas that the controversy over sprawl represents a social paradigm shift in which many people no longer see general growth in a positive light.

Hill, E. W. and J. Nowak, *Nothing Left to Lose: Only Radical Strategies Can Help America’s Most Distressed Cities*, **The Brookings Review**, Summer 2000, 18:3, 25-28.

This article proposes a four-part reform system to help distressed cities reconnect with their regional economies. The goal of this reform is to aid cities in creating “an economic environment that supports private-sector productivity and, through productivity enhancements, creates jobs.” The authors recognize that the proposal is radical but state that many distressed cities have little left to lose. The four parts are briefly outlined below.

1. Reforming the tax system.  
Massive municipal tax reform is the first step. The federal government is to make up revenue deficits for a ten-year period to allow for the tax reforms to take place. Business taxes hindering the location of startup firms or productivity investment should be eliminated. A tax on the market value of land should replace the business property tax. Additionally, the portion of residential property taxes involving land should be levied on an equal basis with the business land tax.
2. Reforming public administration.  
A management improvement task force should be formed to assess which municipal products and services are truly necessary. This task force should also identify holes in the cities bureaucracy and enlist the state in helping fill them. City operations should be audited to dispose of corruption. Federal investment in personnel training will be necessary to help the city build human capital.
3. Assembling land and renewing infrastructure.  
Cities need to acquire the title to abandoned properties, clear these areas, and assemble them into marketable parcels. Policies directly or indirectly subsidizing greenfield development need to be dealt with to make this process effective. Community Development Block Grants should be used primarily for neighborhood renewal. Federal aid in recycling city land should be enlisted.
4. Making work pay.  
The earned income tax credit (EITC) should be expanded for low-wage city workers. “Crediting both the employer and employee portions of the federal Social Security taxes and paying the credit to adult low-wage earners on a sliding scale similar to that used for the current EITC can go a long way toward making work pay.”

Hirschhorn, J. S., **Growing Pains: Quality of Life in the New Economy**, National Governors Association, Washington, D.C., 2000.

This report outlines the role that state government, and governors in particular, can help in guiding smart growth. The report is premised with three proposed Laws of Growth that provide the background for the situation faced by governors.

Law No. 1: *Population increases are accompanied by much larger increases in land consumption and somewhat larger increases in residential dwellings and private vehicles.*

Law No. 2: *As distance from urban cores increases and population density decreases, the rate of growth increases for population, land consumption, residential dwellings, and private vehicles.*

Law No. 3: *Rapid suburbanization and urban decay are mirror images of the same phenomenon.*

The author holds that traditional growth patterns produce two adverse outcomes. The first is higher costs to the government due to higher infrastructure expenses in new suburban communities. It is suggested that this be combated with use of older urban centers and suburbs having infrastructure able to handle increased growth. The second outcome is threatened state economic growth as increased development degrades quality of life in the region.

A focus of the report is that smart growth programs require solutions with statewide scope. Three categories of state driven initiatives aimed at addressing growth are identified and illustrated in the report: 1) leadership and public education; 2) economic investment and financial incentives; 3) government collaboration and planning. These initiatives follow certain principles that are described. The first of these reflects an interest by state government to shape growth to meet state needs, not to stifle growth. The second principle recognizes a lack of a one-size-fits-all approach to growth management, specific concerns need to be addressed in specific settings. The third principle states that many government actions are attempt to forestall future adverse impacts of growth. Fourth, while governors realize that land use decisions are primarily the responsibility of local governments, it is felt that the states have a function in fostering long-term decisions. Lastly, Governors recognize that smart growth will foster the economic viability of the state in attracting workers and companies.

The report utilizes examples from around the nation to illustrate the various roles that the state government can play in guiding smart growth and many growth-related issues. The roles and issues discussed and illustrated with examples include: providing a vision for growth around the state; researching growth issues and bringing about public dialogue; improving development; promoting statewide collaboration; providing leadership of a team of state agencies involved in growth management; creating incentives and disincentives for development in targeted areas; battling urban decay; promoting brownfield reclamation and development; preserving open space and conserving land; overcoming regulatory blocks to smart growth; and intervening when necessary in land use planning.

Hollis, L. E., *Smart Growth and Regional Cooperation*, in ULI-the Urban Land Institute, **ULI on the Future, Smart Growth: Economy, Community, Environment**, Washington, DC: ULI-the Urban Land Institute, 1998, 36-45.

When growth is controlled or shut down in one area, it often jumps to nearby competing areas. Therefore, the author holds that smart growth works best when neighboring regions cooperate in planning and implementation. The chapter discusses examples of “homegrown regional cooperation for purposes of achieving smart growth.” The examples fill out a continuum ranging from older recognized cooperative land structures use to more recent regional coalitions. The examples form three categories. The first category of regional cooperation is that typified by the creation of growth boundaries. The policies of Portland, the Twin Cities, Silicon Valley, Puget Sound, Denver, and Arizona are utilized as examples of this category. The second category is made up of areas using regional land use planning which does not utilize urban growth boundaries. San Diego, Cape Cod, Chicago, Chattanooga, New York State, and Austin make up the examples for this category. The third category involves emerging regional coalitions, presently in the planning but not yet to the implementation phase. Treasure Valley, Atlanta, and Research Triangle Park are used as examples of this category. The author concludes with some reasons why the outlook is good for continued and growing regional cooperation.

Horst, M. and D. O’Neill, *Tough Questions: Overcoming Barriers to Smart Growth Through Dialogue*, **Urban Land**, February 2000, 25-26.

This article contends that many smart growth programs and proposed smart growth developments are challenged by regulatory and financial barriers, and that the path toward overcoming these barriers lies in consensus and aggressive dialogue with representatives of all stakeholder groups. Dialogue needs to continue moving away from the myths about smart growth and on to the “tough questions”; such as, the impact of commercial real estate, the necessity of interjurisdictional cooperation regarding regional issues like transportation and land use, and determining exactly whose participation should be sought to most effectively debate smart growth issues.

Huffman, F. E., A. C. Nelson, M. T. Smith and M. A. Stegman, *Who Bears the Burden of Development Impact Fees?* **APA Journal**, winter 1988, 49-55.

This paper examines the effects of development impact fees on residential and nonresidential real estate using principles of economic theory. The authors conclude that, in the long run, homebuyers and rental tenants will pay the major portion of these impact fees.

Developers are generally unwilling to reduce profits, since profits are already at levels appropriate for the associated cost and risk of development. Landowners are generally unwilling to accept lower prices, since they often do not consider the time-value of money, and have a reservation price, which they will not go below. The alternative for developers is to reduce production or leave the market until decreased supply and increased demand drive up prices/rents. Some developers will shift to more affluent markets that can better afford to absorb the cost of impact fees, thus reducing the stock of affordable housing.

The beneficiaries of impact fees are the owners of existing real estate. Although they were never required to pay impact fees, they still receive the resultant higher prices and rents for their property, *and* gain from community upgrades paid for by the fees. Neighboring communities will experience increased fiscal stress as lower-income occupants flow in from these increasingly affluent areas.

Hughes, M. A., *Dirt Into Dollars: Converting Vacant Land into Valuable Development*, **The Brookings Review**, Summer 2000, 18:3, 36-39.

Many large older cities are undergoing blight and abandonment. These problems have typically been addressed piecemeal, when at all. Cities undergoing depopulation need to shift land use strategies to manage decline rather than growth. Decline through abandonment must be turned into growth through consolidation for these cities to prosper. The blight problems of Philadelphia and the steps that have been taken to address this problem are discussed. The author calls for the establishment of a single authority on vacant land use to replace current fragmented efforts. Such an authority has three functions: 1) creation of a city-wide strategic plan for vacant property use; 2) redevelopment of consolidated property inventory as warranted by market forces; and 3) to serve as an intentional, rather than unintentional, land bank.

Irving, M. and T. Bisaquino, **Growing Smart Project**, National Association of Industrial and Office Properties, 2000.

This report is a compilation of information about the current state of growth management initiatives in the nation. Three sections are included in the report. The first section provides an overview of the American Planning Association (APA) Growing Smart Project, including objectives, philosophy, and subjects of model legislation produced by the project. The second section details the smart growth or growth management legislation that has been proposed or adopted in the nation. This section differentiates between states having adopted or proposed legislation and whether APA has influenced this legislation. The third section of the report provides an overview of smart growth or growth management legislation in specific states. In all cases, the information on legislation is presented in tabular format.

Katz, B., *Enough of the Small Stuff! Toward a New Urban Agenda*, **The Brookings Review**, Summer 2000, 18:3, 7-11.

The author characterizes national urban policy as “reduced to a small set of micro initiatives and marginal investments.” The initiatives that are enacted fail to fundamentally change the growth patterns of older cities. This article focuses on five interlinked challenges facing cities and suggested solutions.

*Problem 1: Sprawl.*

Suburbs outpace central urban areas in job growth and attract disproportionate numbers of middle-income and upper-income households, resulting in degradation of the tax base and economic viability of cities. The suburbanization trend is destabilizing central cities and suburbs immediately surrounding these cities.

*Solution: Smart growth and urban reinvestment.*

Suburban subsidization should be done away with to “level the playing field between old and new communities.” Policies promoting redevelopment of existing areas should replace these. Rather than building new highways, federal transportation funds should be utilized nearly exclusively to maintain and update existing systems within metropolitan areas. Additionally, federal tax incentives should be created to increase homeownership rates in areas having low rates. Finally, the assembly, cleanup and redevelopment of urban land should be federally supported.

*Problem 2: The working poor.*

Urban poverty rates are double that of suburban areas. Cities are disproportionately the home of lower and moderate-income families. This results in cities having insufficient tax base to support many programs and services.

*Solution: Investment in working poor families.*

Federal assistance programs should target the working poor, either directly through vouchers or tax credits, or indirectly through establishment of neighborhood institutions to meet pressing needs.

*Problem 3: Concentrated poverty.*

Cities are home to pockets of concentrated poverty. Residents of these areas are faced with substandard schools, a lack of job information networks, and few jobs. Concentrated pockets of poverty run counter to welfare reform. The jobs needed by these welfare recipients are simply lacking in nearby areas.

*Solution: Enhance opportunity access.*

Central city residents need greater access to housing, employment, and educational opportunities. Organizations should be established to improve the skills of lower-income workers and help with networking.

*Problem 4: Troubled urban schools.*

Schools of predominantly low-income students do poorly on standardized achievement tests.

*Solution: Fix urban schools.*

Many influencing factors must be addressed to fix urban schools. "Expanding the supply of affordable housing in the suburbs and expanding housing choices for low-income families in the metropolitan marketplace are education strategies." Mixed-income diverse schools will benefit students. The federal government should utilize its funding influence to leverage schools into change and greater competitiveness.

*Problem 5: Aging infrastructure and broken bureaucracies.*

Older urban areas are plagued by aging infrastructure. Dysfunctional governance often exacerbates this.

*Solution: Greater devolution and local reform.*

Local leaders should be provided with greater say and flexibility in targeting national urban policy to specific situations, taking into account local priorities and market factors. Greater accountability would accompany this increased flexibility and local responsibility.

Katz, B., *Race, poverty and sprawl*. **Poverty and Race**, 1998, 7:3, 1-2, 5.

This article outlines the effect of sprawl on race and class distinctions and outlines the some steps being taken to combat this problem. The author holds that sprawling development during the late 20<sup>th</sup> century has resulted in clear racial and class distinctions between suburbs and central cities. Decentralization of development has had a number of deleterious effects on America's cities: a) suburbs are the center of job growth; b) middle-class families are deserting the cities; c) urban cores are marked by concentrated poverty; and d) sprawl harms all members of society in its use of open space, contribution to traffic congestion, infrastructure costs, and disuse of existing assets. Unequal transportation expenditures favoring outlying areas, homeownership tax subsidies, and burdensome environmental regulations on urban redevelopment are pointed to as exacerbating suburban sprawl. The growth of metropolitan coalitions to combat sprawl is discussed. The author also points to the role of the federal government in deal with sprawl and "remove the biases against urban living."

Katz, B. and J. Bradley, *Divided We Sprawl*, **Atlantic Monthly**, December 1999 ([www.theatlantic.com/issues/99dec/9912katz.htm](http://www.theatlantic.com/issues/99dec/9912katz.htm)).

This essay begins with a litany of statistics on areas gaining and losing population, focusing on declining cities and growing suburbs, concluding that the cities are pushing more affluent people out by higher crime rates, inferior school performance and generally higher taxes and insurance costs. Similarly, suburbs are pulling people in through greater tax deductions, larger allocations of government transportation dollars and newer infrastructure. The article than concludes these forces are leaving those with fewer resources in

the communities with emerging (or long-standing) financial problems – the needs are great but the resources to satisfy those needs are limited and declining.

This leads to a discussion of metropolitanism – increased reliance on metropolitan planning and sharing of resources. The authors indicate that metropolitanist policy agenda has four basic elements: changing the rules of the development game, pooling resources, giving people access to all parts of a metropolitan area and reforming governance. An example would be business development planning which addresses how individuals without automobiles would reach the proposed employment site. Mixed-use development options are again highlighted. The concept of pooling would divert some of the tax revenues generated to a suburban employer to some of the communities who indirectly support it by providing road services to residents who commute to the new employer. In addition to transportation, access includes provision of affordable housing in the developing communities. Governance discusses centralizing community services throughout the metropolitan area, and cites Chicago, with 383 separate governments within the metropolitan area is a prime candidate for streamlining and moving away from localized policies which do not include consideration of impacts on surrounding jurisdictions.

Finally, the article discusses the role of older Americans, and indicates that the car-oriented development of the last 50 years is really starting to take its toll on the ability of seniors to remain self sufficient once they are no longer able to drive. Shopping for groceries, going to the post office or visiting the doctor become frustrating challenges, forcing many of these individuals to move to senior housing communities, even though they strongly prefer a neighborhood with residents of diverse ages.

Katz, B. and A. Liu, *Moving Beyond Sprawl: Toward a Broader Metropolitan Agenda*, **Brookings Review**, The Brookings Institution, Washington, DC, Spring 2000, 18:2, 31-34, ([www.brook.edu/press/review/spring2000/katz.htm](http://www.brook.edu/press/review/spring2000/katz.htm)).

This article reviewed development patterns in the 1990s in the metropolitan Washington, DC area, pointing out that development was extremely unbalanced throughout the area, as those areas with higher concentrations of low-income residents and minorities, even suburban communities, were bypassed by both residential and commercial development. However, those areas benefiting from new jobs (depending on auto transportation) and accepting the residential development offered limited affordable housing. Like the businesses and residents, the lion's share of transportation dollars flowed to those affluent communities, further isolating the poor in downtown or impoverished suburban neighborhoods.

Like many other articles, this piece focused on single-use using patterns of Postwar American as contributing to additional sprawl. The authors also suggested a greater level of regional cooperation would have been helpful in preventing so much isolation of poorer neighborhoods.

Kinsley, M. J. and L. H. Lovins, *Paying for Growth, Prospering from Development*, Rocky Mountain Institute, 1999.

This paper differentiates between community growth and community development and advocates sustainable development. The case is made that a sound economy requires development (enterprise) but contrary to the beliefs of many, does not require growth (expansion). "Sustainable development enhances existing assets, while growth requires expenditures to bring in additional capital assets." Four types of towns seeking growth are discussed, labeled Hungry, Rusty, Debtor, and Booster towns. Hungry towns seek growth because of a stagnant economy. Rusty towns seek growth to upgrade deteriorating infrastructure and services. Debtor towns seek growth to generate necessary revenues to supply infrastructure and services demanded by previous growth. Booster towns are continually expanding because of present prosperity. The author states that, when managed appropriately, growth can improve Hungry and Rusty towns. Debtor and Booster towns tend to feel the side effects of growth.

Growth in any type of community needs to be carefully managed. Otherwise towns may become trapped by growth. This occurs when the ability of locales to pay for growth becomes strained and the solution is

further growth. “We can no longer heedlessly assume that any expansion will strengthen the community’s economy.” The authors suggest that the threshold between a tolerable and intolerable growth rate falls below 2.5%. Much of the problem with the management of growth comes from the typical system of charging for new infrastructure and services. First, these costs are typically charged on an average rather than incremental basis. Thus, the costs are spread amongst all taxpayers rather than only those individuals creating the costs. This serves to subsidize sprawl. Second, local governments do not budget for infrastructure replacement costs. This creates budget deficits, requiring further growth to pay for each subsequent wave. The authors suggest that governments “require that revenue from new growth be sufficient to pay for all public service and capital facility expansion demanded by the new growth, plus the wear and tear that the expansion imposes on existing infrastructure.” Additionally, governments should budget for future replacement costs and include charges for congestion and sprawl on development costs. The authors further hold that, as presently assessed, impact fees do not take into account the full costs of development. Taken together, these factors skew the market economy, creating “socialized growth.”

Import replacement is discussed as a method to develop an economy without growth. The idea of sustainable community development is also advanced. This type of development is based on community reinvestment and includes three important aspects: renewability, equity, and digestibility. A renewable sustainable economy does not use resources faster than they are replenished. An equitable sustainable economy is not based on depletion of an important local asset. Equity between generations is aimed at, in which the present economy does not use up important local assets or create economic problems to be left to the subsequent generation. The digestible nature of the economy refers to the cyclical view of development. The by-products of production and consumption are returned to the system, through reuse, recycling, or biodegrading, rather than being disposed of.

Successful communities are those that refuse to accept either unquestioned growth or inevitable decline. Rather, these communities act proactively to advance sustainable projects within the economy while finding sophisticated methods to deal with the growth proposals they presently face.

Kline, J. D. and R. J. Alig, *Does Land Use Planning Slow the Conversion of Forest and Farm Lands? Growth and Change*, winter 1999, 30, 3-22.

The goals of Oregon’s land-use regulations, adopted in the Land Conservation and Development Act of 1973, include: 1) orderly and efficient transition of land from rural use to urban use; 2) preservation of agricultural lands; and 3) preservation of forests. The impact of this legislation on land has not been established. The absence of land-use regulations in Washington State prior to 1990 allowed the authors to conduct a cross-sectional and cross-temporal analysis of agricultural and forested land use with and without statewide planning. Probit models specifying land use as a function of socioeconomic factors, land rent, and landowner characteristics were developed to assess the impact of Oregon’s land use planning. Results indicate that, while the regulations have concentrated development within Urban Growth Boundaries (UGBs), the actual likelihood of conversion of agricultural and forestland to urban use has not appreciably changed since the land-use laws were enacted. The lands presently within the UGBs were already more likely to be developed, likely due to proximity to existing cities. Land outside the UGBs was less likely to be developed prior to implementation of the 1973 Act. The author discusses limitations of the study that could have affected the results, such as a lack of comprehensive and consistent data on land-use change.

Kunstler, H., *Home From Nowhere*, *The Atlantic Monthly*, September, 1996, 278:3, 43-66.

The author contends that zoning laws are the culprit behind the ugliness of sprawl and have resulted in “a system that corrodes civic life, outlaws the human scale, defeats tradition and authenticity, and confounds our yearning for an everyday environment worthy of affection. The ideals of New Urbanism are advanced, calling for a return to a pre-WWII development style. The New Urbanist plan calls for well-defined neighborhoods of limited size as the basic unit of planning. These neighborhoods are mixed use and promote a sense of community. The major focus of the article is to deride architectural styles presently promoted by zoning laws and call for a return to something more aesthetically pleasing.

Leal, D. R., *The Market Responds to Smart Growth*, in J. S. Shaw & R. D. Utt (Eds.), **A Guide to Smart Growth: Shattering Myths, Providing Solutions**, Washington, DC: The Heritage Foundation and The Political Economy Research Center, 2000, 107-118.

This chapter discusses three categories of development innovation occurring in response to concerns over urban sprawl: 1) traditional neighborhood developments (TNDs); 2) environmentally sensitive developments; and 3) cutting-edge residential designs. Examples of communities following each planning style are given as illustration.

TNDs are typified by a return to residential plans characteristic of small town communities during the first half of the 20<sup>th</sup> century. The goal is to combat urban sprawl and return a sense of community to residential life. This development type stresses compact housing in centralized neighborhoods, mixed-use development, and a pedestrian-orientation with necessary amenities and services within walking distance. These communities appear to be gaining popularity. The author reports that at “the end of 1999, more than 100 were operating, with an additional 200 on the drawing board.” Challenges facing this development type are outlined, including: difficulty in gaining zoning approval for mixed-use development; difficulties creating economic viability with a discouragement of automobile travel; environmental tradeoffs due to an increase in paved roadway to achieve this development type; and affordability.

Environmentally sensitive developments stress harmony between residential areas and the natural surroundings. In these developments only a portion of the land is utilized for home lots, with the rest being maintained as a natural community space. This results in a tradeoff between maintenance of the environment with higher costs and loss of certain amenities found in typical suburban development.

Two design innovations are discussed as providing “facelifts for suburbia”, coving and the “bay-home” concept. Coving refers to utilizing winding streets and varied distances from home front to curb in order to create coves of green space. This design allows more homes to be placed on a given amount of roadway. This design also allows streets to conform more to natural topography, increasing open space and allowing walking paths. The “bay-home” concept is similar in design to traditional neighborhoods but puts the ownership of land and all items outside of housing in the hands of a homeowners association, allowing savings in infrastructure costs. The author believes that the major obstacles facing these designs restrictions on housing setbacks and the approval process.

Leinberger, C. B., *The Beginning of the End of Sprawl, Urban Land*, January 2000, 74-77,86.

This article outlines the evidence pointing toward an end to the suburban sprawl that has dominated metropolitan development for the last 50 years.

- Market Shift – America’s downtown areas are being revitalized. Edge towns are urbanizing. One survey showed that 30% of consumers would prefer smaller, yardless, urban units where they had the opportunity to walk to work and shopping. Aging baby boomers also desire a more urban living environment. Significant residential price increases in high-end *inner* suburbs show that people are willing to pay more for shorter commutes and neighborhoods with more character.
- Environmental Movement – Environmental groups are showing strong opposition to continued sprawl, and support is gaining momentum. The movement has resulted in several open-space initiatives appearing on ballots all over the country.
- Public Policy – Local governments engaged in fiscal impact studies are learning about the additional costs of sprawl, and citizens are reacting by voting instead to target financial support to existing infrastructure. Many state and local governments have enacted growth management legislation and instituted urban growth boundaries. With deregulation, utilities now have an incentive to set prices according to actual cost, which will make suburban life even more expensive.
- Financial Forces – Wall Street wants to avoid over-building and is increasingly focused on urban projects that have some inherent limits, rather than comparatively limitless suburban development.

The above forces have begun to apply pressure to end sprawl. The author contends that real estate will need to adapt by engaging in creative financing, developing longer time-horizons for expected returns, honing land assembly and acquisition skills, and cooperating with environmental groups to garner community support. Consumers will also have to adapt to increased housing costs, but these will be mitigated by decreased transportation costs due to much less reliance on automobiles.

LeRoy, G., S. Hinkley and K. Tallman, **Another Way Sprawl Happens: Economic Development Subsidies in a Twin Cities Suburb**, Institute of Taxation and Economic Policy, January 2000.

The report analyzes the causes and effects of development subsidies upon a Minnesota city and surrounding regions. Anoka Minnesota utilized tax increment financing (TIF) to attract developers to the 300-acre Anoka Enterprise Park. This was indeed an incentive to companies looking to relocate, allowing Anoka to pick and choose from among many interested companies. The goal of the Park was to improve Anoka's relatively poor tax base and to diversify its industrial base. It has generally succeeded in meeting these goals. Over 30 companies with roughly 2,000 workers have taken residence at the Park. The incentive for free land was seen as a major "pull" factor operating on these companies with the result that alternative regions could not compete for this development. The authors conclude that the incentive program benefited Anoka, but at a significant cost to the surrounding regions. Businesses taking residence at the Park were mainly intrastate relocations or expansions rather than new companies to the region. This resulted in job loss in the Twin Cities and surrounding suburbs. Additionally, this development served to move business further away from the urban core, moving jobs "further from the region's largest concentrations of people of color, households receiving public assistance, and households in poverty." The Park is also deemed inaccessible to public transportation, with only infrequent bus service. The authors conclude that this development increased sprawl and "represent an inefficient regional use of development subsidies," since no net economic gain to the larger area was fostered. Further, the authors state that this subsidization represented a public investment in land subsidies, while the challenge to economic development in the region is a shortage of skilled labor.

Based on the findings of the report, the authors suggest the following policy options.

- A state anti-piracy rule making intrastate corporate relocations ineligible for development subsidies. Short of this, the authors suggest putting safeguards into place that would either require corporate consultation with cities prior to leaving or require an impact statement of the effects of relocation prior to eligibility for subsidies.
- Rules requiring "location-efficiency" in which development subsidies are only available to locations close to public transportation.
- Improved transportation for commuters to the Park, either by bus or rail.
- Intensified industrial retention to stop corporate relocation to the urban fringe.
- Further research to advance and guide policy-making.

Lillydahl, J. H. and L. D. Singell, *The Effects of Growth Management on the Housing Market: A Review of the Theoretical and Empirical Evidence*. **Journal of Urban Affairs**, 1987, 9:1, 63-77.

This article outlines an economic theory that delineates motivations for and impacts of growth control upon the housing market. Three categories of economic arguments guiding growth management are presented. The first category includes side effects of urban growth such as traffic congestion. The author holds that if negative side effects exist, then market forces result in a city in which social welfare maximization is inaccessible because of large size. The second category combines increased urban service costs with the typical pricing system, resulting in cities whose large size prevent efficiency. The third category of arguments for growth control involves environmental concerns. Among other issues, the presented theoretical model suggests that control of a city's growth will be undesirable if any of three things occur: 1) surrounding communities provide a suitable alternative for growth; 2) prices for urban services include the full social costs of development; 3) cities experiencing increasing costs utilize marginal cost pricing.

The model also indicates that if an urban environment is unique or highly desirable, growth control will increase housing prices, while those not having these characteristics will show no effect upon housing costs if suitable alternatives exist in adjacent or nearby areas.

Empirical results of studies on the effects of growth management on housing costs are summarized. The author holds that increasing housing prices have fueled opposition to growth control measures. Many studies are reviewed, suggesting a wide range of size of effect of growth control on housing price. The author warns that studies comparing “standard houses” in growth-control and non-growth-control areas may be misleading because they overlook the effects that these policies may have upon the size and quality of houses which are constructed. The author concludes that the typical price effect of growth control on housing ranges between 10 and 20%.

Equity issues involved in growth management are also discussed. The author concludes that, while all citizens share in the environmental and service benefits that growth control results in, the effects on the housing market benefits existing home-owners at the expense of renters and new residents, including prospective home buyers. These programs particularly affect lower-income households by moving more houses beyond their means.

Finally, the author discusses policy implications. First, the author contends that for long-lasting viability, growth management programs must take steps to offset resulting price and equity effects. It is concluded, “Growth control and inclusionary programs repress or distort normal free market production and reduce the normal benefits of trickle-down to lower-income buyers and renters.”

Lorentz, A. and K. Shaw, *Are You Ready to Bet on Smart Growth?* **Planning**, January 2000, 5-9.

This brief article highlighted the experiences of four communities: Washington Township, NJ, Austin, TX, Boulder, CO, and Portland, OR. While the situations in each community were different, each demonstrated two key outcomes. First, they all showed how important coalitions were in implementing smart growth – whether these are coalitions emphasizing minimal/no growth, or those promoting maximum growth. Their other primary conclusion was the need to address smart growth from a regional perspective. Boulder’s growth limitations have forced other communities to accommodate virtually all the new residents, with increased pollution and traffic from outside the community, and very high housing costs within the city, often attributed to lack of coordinated planning. By contrast, the article highlighted the way Oregon groups come together under Metro to work out details they all can live with.

Lowrey, M. and J. C. Jordan, **Flex Growth**, John Locke Foundation, Policy Report #29, August 1999. ([www.johnlocke.org/policy\\_reports/pr\\_29\\_growth](http://www.johnlocke.org/policy_reports/pr_29_growth))

This report begins with an outline of the smart growth agenda. Governmental actions regarding this agenda in the state of North Carolina are discussed. Smart growth principles advocated by a North Carolina community group, which are fairly representative of the movement as a whole, are presented. The author sees the principles as benevolent in and of themselves but holds that the policies enacted to achieve them are of concern.

An extensive section on transit and its connection to sprawl is included in the report. The historical effect of transportation on city development is discussed. Mass transit allowed for the initial expansion of cities. Automobiles have extended this expansion and created suburbia. The author holds that “golden age of public transportation, or mass transit, is most assuredly behind us.” The general failure of recent mass transit systems is discussed as well as the reasons behind this failure. Government subsidy is seen as a major reason underlying the large economic losses of present transit systems. With government subsidies in place, no incentive exists to make the systems cost effective.

The third section of the report presents counter arguments to many smart growth “myths.” The author contends that sprawl is not inefficient, at least when efficiency is viewed as the best societal division of resources. The argument that sprawl leads to increased housing costs is also countered. While technically correct, this argument ignores lot and house size as well as demand. The argument that sprawl is unattractive is dismissed as an elitist wish to legislate personal aesthetics. Another “myth” addressed is that sprawl leads to city-center decline, which is a bad thing. The author counters that “these existing core areas have become less important”, the decline is not inevitable and it is not necessarily a consequence of sprawl. The author also dismisses the thought that automobile dependence is negative. Rather, given the prevailing conditions, the automobile is the most practical mode of transport. Further, the author holds that increasing inequality between rural and urban areas is not a result of sprawl, but instead results from a natural continuation of the industrial and information revolutions. It is also argued that the disappearance of farmland and resulting economic threat is a myth.

A “myth” given particular attention is that growth is expensive, with new development not covering the costs of providing and maintaining the necessary infrastructure. A multiple regression model was developed to test this. The dependent variable in this model was per-capita tax burden. Explanatory variables were median home value, median family income, and three possible measures of sprawl: 1) population per square mile; 2) percentage of single-family homes; and 3) average age of housing. This analysis was conducted at the county level and the municipality level. At the county level, results indicate that home value and family income are significantly related to tax burden while the sprawl variables have no effect. At the municipality level, home value and family income have no effect while all three sprawl variables were significant. The per-capita tax burden decreases with increased density, increases with increased home age, and decreases with higher percentages of single-family homes. The latter two results run counter to arguments against sprawl.

An agenda for “flex growth” as opposed to smart growth is advanced. The authors make the following eight recommendations.

1. Economic policy neutrality utilizing uniform tax policies that do not target one industry at the expense of others should be adopted.
2. Growth should pay for itself. Marginal-cost pricing should be used for public infrastructure services.
3. Zoning regulations should be reformed to accommodate market trends.
4. Voluntary and flexible programs should be used to protect open space rather than Purchase of Development Rights (PDR) programs.
5. Private property rights should be strengthened.
6. Utilize nuisance-based standards for land-use regulation.
7. Public policy towards land-use should be flexible to allow for community change.
8. Adequate highway systems should be established to control for congestion and other traffic-related costs of growth.

Lynn, A., *The end of a dream: County considers plan that would cramp rural lifestyle on fringes of city*, **Spokesman Review**, May 11, 2000, A1.

As Spokane continues to refine its interim urban growth areas, the article highlights the fact that emerging land use plans would severely limit the number of residential parcels inside the urban growth areas which would all lots larger than ½ acre, or those outside the boundary which would be smaller than 20 acres, except for those already platted for different sizes. The issue was portrayed as a conflict between keeping large lot development affordable for those who want to pursue that lifestyle and preserving the profit potential for owners of land outside the boundaries.

While the efficiency of providing roads, water, etc. to the owners of these large lots was mentioned briefly, the discussion focused on how expensive the assessments were on those lots, and did not address service response times, etc., which are critical elements of the equation.

Malezia, E. E., *Will Home Buyers and Renters Pay for Smart Growth?* working paper presented at the 16<sup>th</sup> Annual Meeting of the American Real Estate Society, March 30, 2000.

This paper summarizes selected aspects of 13 national and state level statistical and 7 local visual housing preference surveys. Selected topics for comparison among surveys include: housing type, lot size, house size, density, and open space. Survey information was shown to be inconsistent between the statistical and visual surveys.

From statistical survey information, the author concludes that survey respondents typically prefer detached single-family housing in low-density development areas. However, the author goes on to make the case that consumers are generally willing to make departures from typically suburban housing to achieve benefits of more compact development when safety and financial value are not sacrificed. Indeed, respondents on visual surveys indicated a preference for a denser and more heterogeneous residential area rather than the features typifying suburban residential areas when the area was well designed and offered access to open space and other community facilities or services.

The author proffers a rationale for some of the inconsistency between survey modes. He notes that, in the statistical surveys, terms such as density were not defined. Thus, negative connotations often attached to this term may have confounded true preferences about density of development. The author suggests marketing higher-density housing utilizing primarily visual tools.

Malizia, E. and J. Goodman, *Mixed Picture: Are higher-density developments being shortchanged by opinion surveys?* **Urban Land**, July 2000, 59:7, 12.

This brief article describes the results of a University of North Carolina study examining how consumers feel about smart growth-inspired, higher-density developments. Their study suggests that while smart growth opponents often cite standard opinion surveys as proof that growth management policies ignore consumer preferences for low-density housing, “visual surveys” (where participants are shown slides and asked to rate them) may be more accurate instruments. Visual surveys suggest that people are willing to make trade-offs when it comes to their preferred residential environment and that they generally prefer beautiful and safe environments, regardless of neighborhood density.

Mazza, P. and E. Fodor, **Taking Its Toll: The Hidden Costs of Sprawl in Washington State**, Olympia: Climate Solutions, February 2000. ([climatesolutions.org/sprawl/sprawl.pdf](http://climatesolutions.org/sprawl/sprawl.pdf)).

This report outlines the economic and environmental costs of sprawl in the state of Washington. The central Puget Sound region is used as a case study to illustrate the hidden costs of sprawl. The current state of Washington’s transportation system is linked to most of the costs of sprawl. Sprawling development has led to an increase in daily driving time for Washington residents and increased the distances driven. Studies are cited showing that as population density decreases, amount of driving increases. The quality of life in the Seattle area is now threatened by traffic congestion and air pollution, both linked to sprawl. It is noted that compact development is not guaranteed to reduce congestion, being dependent on the type of compact development. The key is that the development provides enough transit alternatives to get people out of their cars. The report attempts to quantify both the overt and the hidden costs of sprawl associated with heavy reliance on automobile travel.

The inefficient use of land and wasting of resources typical of sprawl is also discussed. “A recent literature review of sprawl studies found that well-planned, compact growth consumes 45% less land, costs 25% less for roads, 20% less for utilities, and 5% less for schools than sprawling growth.” It is also stated that the sprawling development does not shoulder the full cost burden of development, with the excess being shifted to all taxpayers. The costs to the environment, including hazardous air quality, changes in the hydrological regime, disruption of the climate, loss of forested areas, decreased mountain visibility, lessened biodiversity, and threatened salmon are discussed in some detail.

Five suggestions are made to deal with the costs of sprawl:

1. *Move from sprawl to redevelopment.* Existing urban areas should be the focus of development and development in new areas should be limited.
2. *Make development costs transparent.* Studies of the impacts of development should be conducted prior to approval.
3. *Use taxes and fees to encourage efficient development.* Two possibilities are suggested. The first is to utilize variable impact fees that reflect the costs of development and provide an incentive for the desired type of growth. The second suggestion is to eliminate property taxes and tax land exclusively.
4. *Price road use.* Appropriate incentives to limit driving will not exist unless the price of driving comes to reflect the costs.
5. *Revisit Urban Growth Boundaries.* The author stresses that Urban Growth Boundaries should take into account new ecological understandings, “it will likely be far less costly to restrain development and save the best, than to try to fix the damage” already caused.

McMahon, E. T., *Stopping Sprawl by Growing Smart*, **Planning Commissioners Journal**, spring 1997, 26, 4, ([www.plannersweb.com/articles/look26.html](http://www.plannersweb.com/articles/look26.html)).

This brief article rehashes many of the old issues, beginning with highlighting the problems of sprawl: 1) loss of green space; 2) urban disinvestment; 3) fiscal folly. The concept of abandoning well constructed, but underutilized facilities like schools only to construct much more expensive ones in outlying areas is clearly problematic. However, renovation costs to keep the aging structures current (i.e. ADA compliant and technologically compatible) are also high.

The author then identifies what he terms “Four myths”: Myth #1 – Free markets. He contends it’s not so much a matter of builders building what consumers want, as it is buyers purchasing what builders build. Trying to turn the debate into a chicken/egg discussion. He does lay a foundation for attacking many key tenets of homeownership – mortgage interest and property tax deductions and property tax limitation schemes that redirect financing of property-related services to other mechanisms; Myth #2 – Property rights. He contends that property values of the many will decline to protect the profits of the few. Cites an unidentified Rutgers University study; Myth #3 – Loss of local control. He is again laying groundwork for regional cooperation, indicating that letting each community go its own way contributes to sprawl. Myth #4 – Development is the problem. He identifies that the problem is NOT development per se. Rather it is an issue of directing development to locations where it can occur with the least negative impacts. Finally, he cites Portland as a shining example of success by promoting growth and keeping housing costs reasonable. Since the article was written, that conclusion has become suspect, if not wrong.

Meck, S., R. Cobb, K. Finucan, D. Johnson and P. E. Salkin, **Planning Communities for the 21<sup>st</sup> Century**, American Planning Association, December 1999.

This report details the status of planning and zoning enabling statutes and statutory reform in the nation. Analysis indicates that approximately half of the states, primarily located in America’s heartland, utilize dated planning resulting in legislation influenced by the Standard City Planning Enabling Act of the 1920s. More modern planning and legislation is found in the states on both coasts. Further, the majority of states leave local planning optional. Relatively few states, primarily located on both coasts, mandate planning. Those states mandating planning typically play a strong role in local planning. The authors make the case that all states have communities undergoing growth and change, thus statute modernization is necessary in states utilizing the dated models. Efforts at modernization are at an all time high, with 200 land-use reform bills being enacted into law in 1999.

The authors discuss three categories into which state planning reforms fall: “[1] basic recodification and tightening of existing land-use laws and regulatory procedures; [2] authorization for innovative and flexible land use controls; and [3] significant overhauls in the framework of land-use regulation to reform “business as usual” processes that have yielded undesirable results.” These reform efforts are seldom accomplished

all at once. Rather, states tend to move incrementally in creating comprehensive planning and zoning reform. Additionally, this reform tends to move from legislation merely authorizing local planning to legislation requiring local planning.

Six states that have taken major initiatives in planning reform are profiled in this report. These six states, Maryland, New Jersey, Oregon, Rhode Island, Tennessee, and Washington, have also worked with local governments to guarantee implementation of this planning reform. The profiles of these states discuss the actions of both state and local government in the reform effort in some detail. Actions addressing land-use reform are presented briefly for the remaining states.

The authors conclude that a universal method for modernization or reform exists. State legislation is, as it should be, geared toward addressing the particular political, social, and economic milieu of the state. The importance of active participation by citizens and political leadership is stressed in bringing about modernization and statute reform.

Merriam, D. H. and G. H. Buck, *Smart Growth, Dumb Takings*, **Environmental Law Reporter**, December 1999.

The authors examine growth management actions in regards to the Takings Clause of the U.S. Constitution. Examples of smart growth programs and resulting court decisions are given to illustrate the issue. The state delegated police power provided to cities allows for smart growth measures to be enacted. The author holds that zoning ordinances fueled by new urbanist ideals that deny development because of “ugliness” or to protect such intangibles as “viewsapes” raise obvious takings issues. Growth management plans including development moratoria have been repeatedly challenged in court in regards to the Takings Clause. Courts have generally held that growth management regulations are appropriate when they advance the public good in regards to environmental or quality of life issues. The case of Long Beach Equities, Inc. v. Superior Court of Ventura County is mentioned. In this, the court held that growth management ordinances are constitutional if: 1) public welfare is advanced or protected; and 2) no irrevocable economic harm is inflicted on the landowner. Numerous other cases are examined in regards to development moratoria. The authors conclude that actions will generally be legally defensible if they do not result in a loss of all value and are for a limited duration. The authors stress the importance of good planning prior to implementing development moratoria. An effective and defensible moratorium on development should: identify public safety and health issues; have the shortest possible duration; and encourage “reasonable economic use of affected property.”

Miller, D. W., *Searching for Common Ground in the Debate Over Urban Sprawl*, **The Chronicle of Higher Education**, May 21, 1999, A15-16.

This article summarizes the thoughts of many researchers on both sides of the sprawl debate. The main focus of the article is the lack of consensus about the causes, costs, benefits, and the very nature of sprawl. Some see sprawl as a problem others do not. The arguments for both sides are advancing well beyond conclusive supporting data.

Mills, E. S., *Should Governments Try to Control Suburban Growth?* **Chicago Fed Letter**, Federal Reserve Bank of Chicago, No. 139, March 1999, 1-4.

Mills argues that indirect, rather than direct action should be taken, with a possible result of more compact development, but a more likely result of more efficient locations and less new sprawl. The primary tool he would use is the gasoline tax, which he argues currently undervalues to cost of providing and maintaining the transportation system. He argues the tax should be ten times the current level (i.e. \$2.00 rather than \$0.20). At the time the article was written, that would have pushed the retail price of gasoline to \$3.00 per gallon. He addressed the issue of congestion pricing of travel (higher fees to use roadways at peak times), and concluded there was great intuitive appeal, but many administrative nightmares. He recommended reducing or eliminating the property tax as the tradeoff for the higher gas tax.

He argues that direct growth controls simply distort the market and make land and housing costs unreasonably high. He cites experience in Toronto and Vancouver (BC) where housing costs are now 50% greater than household incomes compared to comparable US cities.

Mills, E., *Truly Smart “Smart Growth”*, **Illinois Real Estate Letter**, Office of Real Estate Research, University of Illinois at Urbana-Champaign, Summer 1999, 1-7.

The author states that suburban growth is only excessive if the costs are greater than if the same growth had occurred in the central city. He contends that suburbanization is globally pervasive, and is necessarily more efficient in many aspects. Many of the ills attributed to suburbanization are exaggerated, and blame is often misdirected. Growth controls only raise housing prices and increase congestion problems. The author maintains that truly smart growth requires freedom of choice, and accurate government price-setting for the services it provides (costs need to be internalized).

Minerd, J., *Impacts of Sprawl: Do suburbs contribute to social decline? Observers disagree*, **Futurist**, July-August, 2000, 34:4, 10-11.

This is a brief review of two publications – *Suburban Nation: The Rise of Sprawl and the Decline of the American Dream* and *Critiquing Sprawl’s Critics*. The New-urbanist *Suburban Nation* recommends more mixed-use (and mixed-income) developments, encouraging greater neighborhood interactions. The opposing view suggests that the benefits of New-urbanism are anecdotal, and that freedom of choice should rule the day.

Moe, R., *Growing Smarter: Fighting Sprawl and Restoring Community in America*, an address presented at San Joaquin Valley Town Hall Fresno, California, November 20, 1996, ([www.smartgrowth.org/library/Richard\\_Moe.html](http://www.smartgrowth.org/library/Richard_Moe.html)).

The author bemoans the replacement of the American landscape with urban sprawl. When viewing the present landscape one sees “a lot of activity, but not much life”, “the graveyard of livability”, and “communities drowning in a destructive, soulless, ugly mess called sprawl.” To address this problem the author calls for a reversal of policies subsidizing sprawl and the institution of sensible land-use planning. Subsidies for sprawl fall into two categories; financial incentives for “sprawl-type” projects, and public provision of the infrastructure that supports sprawl. Land-use planning should open up alternatives to automobile travel. It should also favor existing communities. Development should be channeled to the urban core and mixed-use development should be encouraged along with development that is attractive. Governmental action is needed at the state level to enact enforceable growth-management legislation. Also necessary are coalitions joining various constituents for battling sprawl.

Myers, D., *Building the Future as a Process in Time*, **Metropolitan Development Patterns – 2000 Annual Roundtable**, Lincoln Institute of Land Policy, 2000, 62-65.

The present debate over development patterns focuses primarily on spatial dimensions. Missing from the discussion is a time dimension. Development issues should not be viewed as static, rather they are in transition over time. “The most relevant way to make time a central element to our thinking about future development is to view its workings through the lens of housing needs and housing production.” Focusing on past and present growth trends in housing allows for a “strategic view of the evolving urban future.” Crucial to adopting a temporal development perspective is an understanding of how development shapes a region over time. Construction of the past will fill the bulk of future housing needs. However, continual development is necessary to accommodate projected growth and allows for a reshaping of the urban form. Inclusion of a temporal perspective and careful analysis of future needs is necessary to effect change in urban form. To do otherwise is to “merely cast the future in the mold of the present.”

National Association of Home Builders, **Smart Growth: Building Better Places to Live, Work and Play**, Washington, DC, 1999.

This report outlines the position of the National Association of Home Builders in regards to Smart Growth. This association envisions smart growth as primarily driven by the need to house an ever-increasing population. It is estimated that homebuilders will need to supply between 1.3 and 1.5 million new homes each year. Development must be tailored to meet the aspirations of Americans while protecting the environment and quality of life of all individuals. Filling the housing demand will require developing “a political consensus and employing market-sensitive and innovative land-use planning techniques.” The association’s position is that Smart Growth authority should be local in nature because specific locales call for specific plans. Coupled with the need to meet the housing demand, a need is expressed to build in smarter ways, including building at higher density, revitalizing urban cores, preserving open spaces, and protecting environmentally sensitive sites.

Six principles are provided to guide Smart Growth as presented verbatim below.

1. Anticipating and planning for economic development and growth in a timely, orderly and predictable manner.
2. Establishing a long-term comprehensive plan in each local jurisdiction that makes available an ample supply of land for residential, commercial, recreational and industrial uses, as well as land set aside for meaningful open space and to protect environmentally sensitive areas.
3. Removing barriers to allow innovative land-use planning techniques to be used in building higher-density and mixed-use developments as well as infill developments in suburban and inner-city neighborhoods.
4. Planning and constructing new infrastructure in a timely manner to keep pace with the current and future demand for housing, and finding a fair and broad-based way to underwrite the costs of infrastructure investment.
5. Achieving a reasonable balance in the land-use planning process by using innovative planning concepts to protect the environment and preserve meaningful open space, improve traffic flow, relieve overcrowded schools and enhance the quality of life.
6. Ensuring that the process for reviewing site-specific land development applications is reasonable, predictable and fair.

Also included in the report are the results of the 1999 Consumer Survey on Growth Issues by the National Association of Home Builders. Further, three case studies are presented illustrating urban renewal and infill development.

National Association of Industrial and Office Properties, **Growing to Greatness: A Growth Management Manual**, 1999.

This document provides an overview of the goals of growth management. The authors advance the view that growth and development are necessary in the face of population growth and replacement of old structures. The economic benefits of growth are outlined. The authors take issue with many of the alleged disadvantages of growth and illustrate that many are not direct results from growth. The differences between local and regional growth management are also discussed. The authors make the case that local initiatives to manage growth cannot effectively change the overall growth patterns of a region. The predominantly negative impacts of local growth management are outlined. The problems associated with growth are often regional in nature. They require regional management initiatives.

An extensive structured analysis of growth management techniques is presented. For every technique addressed, this analysis presents: a summary of where it has been used, its effectiveness, and impacts; a description; potential benefits and drawbacks from the general public point of view; practical lessons learned from the application of the technique; strategic considerations of NAIOP members encountering the technique; and sources of further information. Ten growth management techniques are analyzed. These are: 1) concurrency or adequate public facilities; 2) local urban growth boundaries; 3) regional urban

growth boundaries; 4) higher exactions, development fees and proffers; 5) restrictions on physically developable land; 6) using water shortages to curtail new development; 7) using clean-air rules to stop highway or other construction; 8) light-rail systems as a response to traffic congestion; 9) regional tax-base or revenue sharing; and 10) split-rate taxation of property.

Five informative appendices are included in this report. These appendices deal with the topics of: the social desirability of growth; the nature and purposes of growth management; coping with traffic congestion; financing alternatives for new growth infrastructure; and regionalism.

**National Multi-Housing Council, *Growing Smarter With Apartments: Toward More Livable and Prosperous Communities*, 1999.**

This report, produced in conjunction with the National Apartment Association focuses on the benefits of apartments in achieving the smart growth agenda. It includes information like the fact that apartment generate fewer public school student per unit than single-family housing, that the aging of the American public should result in increased demand for apartments, and that apartments in urban core areas are positively related to additional economic stability in those neighborhoods. However, the message is very pro-renter and negative to homeownership, when it could have emphasized ownership of apartments as well.

**National Neighborhood Coalition, *The National Neighborhood Coalition's neighborhoods, regions and smart growth project: Connecting neighborhood and region for smarter growth*, April, 2000.**

This document provides an overview and literature review on the smart growth movement. This movement seeks to redress land-use inefficiencies, problematic investment patterns, and the social and economic inequities that have resulted from the traditional growth pattern in the country. Collaboration and cooperation among affected parties for effective and equitable growth is stressed throughout the review. The negative impacts of sprawl are discussed, including: segregation, polarization and isolation; regional financial and environmental imbalance; urban disinvestments; spatial mismatches between where people work and where they live; and environmental degradation. This review points out that the negative impacts of sprawl are not solely felt in central cities but effect entire regions.

The basic tenets of the smart growth movement are discussed. The author describes smart growth as a development pattern that is "fiscally sound, environmentally responsible, human oriented, and more efficient overall." Smart growth development is also aimed at meeting the needs of all communities within a region. Ten Smart Growth Principles are outlined in this report. These principles are stated as: 1) mix land uses; 2) take advantage of compact building design; 3) create housing opportunities and choices for a range of household types, families, and incomes; 4) create walkable neighborhoods; 5) foster distinctive, attractive communities with a strong sense of place; 6) preserve open space, farmland, natural beauty, historic buildings, and critical environmental areas; 7) reinvest in and strengthen existing communities to achieve more balanced regional development; 8) provide a variety of transportation choices; 9) make development decisions predictable, fair, and cost-effective; and 10) encourage citizen and stakeholder participation in development decisions (Smart Growth Network, 1999).

This report stresses the need for a regional approach to growth, including involving low-income communities and community-based organizations in the planning and decision making process. Related to this, six Neighborhood Principles for Smart Growth are discussed and bear noting:

- All neighborhood and communities should have a fair share of the benefits as well as responsibilities of growth.
- Growth should meet the economic, environmental, and social needs of low-income and other communities.
- Low-income neighborhoods of color should have a strong voice in decisions about growth.
- Growth should not displace low-income residents or people of color in urban or rural areas from

their homes, livelihoods, or communities.

- Growth strategies should promote racial, economic, and ethnic integration.
- Growth strategies should make use of the human, economic, and physical assets within communities.

Nelson, A. C., *Effects of Urban Containment on Housing Prices and Landowner Behavior*, **LandLines**, Lincoln Institute of Land Policy: Boston, Massachusetts, May 2000, 12:3.

The author organized a seminar sponsored by the Lincoln Institute of Land Policy and Fannie Mae on smart growth. The need for the seminar was identified because there seems to be more governmental interest in urban containment now than at any time since the Supreme Court review and upheld the concept of zoning in *Village of Euclid v. Ambler Realty Company* in 1926.

Participants focused on Housing Price effects, that urban containment policies result in different price profiles because the supply of land is altered and the amenity package is changed. It was noteworthy that infill development opportunities were cited as a positive benefit of containment. Other participants concentrated on the behavior of landowners, i.e. would they release their developable land immediately, or hold it until they might obtain oligopoly profits as one of the last available parcels in the area. Answers were inconclusive.

Throughout the seminar it was apparent that considerably more research is needed to help answer these complex questions.

Nelson, A. C. and J. B. Duncan, **Growth Management Principles & Practices**, Chicago, American Planning Association, 1995.

This text provides an overview of many of the issues surrounding growth management, the approaches utilized in growth management with examples from around the nation, and an analysis of the applicability of growth management techniques. The first chapter discusses the purposes of growth management. Included in this is a discussion of the causes and prevention of sprawl. A rationale is given for public intervention in the land market. Also included in the first chapter are the economic purposes of growth management and issues of efficient urban development.

Chapter two of this text provides a discussion of state and regional growth management frameworks. Issues surrounding growth and the consequences of urban sprawl effect local areas but extend into regional areas. Thus, a regional or state framework for addressing or guiding growth is necessary for effective local growth management. Policies mandated or suggested by such frameworks are highlighted from regions around the nation. As a whole, these policies aim for community coordination and a comprehensive approach towards managing local growth.

Chapters three through eight focus on particular goals underlying typical growth management plans. The issues addressed are: resource land preservation, special-area protection, rural growth management, urban containment, facility planning, and facility financing.

The final two chapters of the text attempt to integrate information from the preceding sections to provide the reader with an effective approach to growth management. Chapter nine deals with administering growth management programs. The authors present this as the key to effective growth management. Basic administrative principles are presented, including streamlined permitting, nondiscretionary standards, rational review of urban development expansion, and an efficient judicial review process. Chapter ten presents a summary of crucial ingredients to growth management programs. Also presented in this chapter is an analysis of the effectiveness of the growth management techniques discussed previously in the text.

Nelson, A. C., *Regulations to Improve Development Patterns, Metropolitan Development Patterns – 2000 Annual Roundtable*, Lincoln Institute of Land Policy, 2000, 72-79.

The crisis of sprawling development and role of regional regulation in addressing this crisis is reviewed. Also reviewed is the function of nontraditional regulation in reshaping urban development. Sprawl is presently perceived as a crisis, linked to excessive land consumption, rising taxes, and increasing land-use separation. Land-use regulations are presently used to preserve the status quo. The proper function of these regulations is to: counteract inefficient development patterns; address nuisances among differing land uses; inform buyers and sellers of the public interest in the environment; prevent unpleasant interactions among land uses; provide the correct level of public goods; and reduce public service costs. Regulations are basically a form of pricing and require planning.

Regulations to advance smart growth are discussed under a number of headings.

1. Urban containment. In this, open space is preserved and compact development is promoted. Urban growth boundaries are the tool for this containment. These boundaries decrease the value of land outside the boundary and increase the value of the land within. If this effect is not seen, then the boundary is too large. Higher urban land values have the potential to reveal more efficient development patterns. These boundaries will also drive housing prices up, unless there is a concurrent increase in development capacity. Urban infill and redevelopment of existing areas may also be necessary to effectively utilize an urban growth boundary.
2. Urban development phasing. The dynamic nature of urban areas must be accommodated in development plans. This may take the form of intermediate and long-term containment boundaries.
3. Zoning approaches. Alternative zoning approaches available to smart growth planners are discussed, including upzoning, downzoning, nontransitional zoning, exclusive use zoning, and inclusionary zoning.
4. Jobs-housing balance. Regulations should be adopted which foster geographic equilibrium between employment and employee housing. Most importantly, this balance must be reached between employment and housing those particular employees can afford.
5. Infill and redevelopment. Increased residential development, channeling of growth into existing areas, and redevelopment of the urban core must go hand in hand to achieve effective urban containment.
6. Housing. Effective urban containment also demands housing regulations. The low-income housing needed in a region should be distributed among jurisdictions. Overall density targets should be established and minimum-density zoning enacted. Housing assets should be recycled, using unneeded space for offices and tenants. This decreases the need for construction of new housing. Regulations should also mandate a mix of housing types within each community, thus promoting balanced communities.

The examples of Portland (growth management approach) and Atlanta (laissez-faire approach) are used to illustrate that urban containment in conjunction with regulations are effective methods of improving development patterns.

Nivola, P. S., *Laws of the Landscape: How Policies Shape Cities in Europe and America*, Washington, DC: Brookings Institution Press, 1999.

This exceptionally well-written treatise identifies six primary conditions which he believes contributed to the sprawl in the US compared to other nations: ethnic diversity, transportation infrastructure (and low energy costs), most rapid population growth among developed countries, seemingly abundant land, city crime and a tax structure that encourages home ownership and goods acquisition. By contrast many European nations tax auto purchases (and other consumer durables requiring space) very heavily.

His recommendations designed to encourage rather than mandate more compact urban development include:

- Tax reform – “carbon tax” which make commuting via private auto substantially more costly
- Transportation policy – abolish highway trust fund, implement high-tech road-pricing programs to decongest areas with crippling traffic
- Reduce urban crime – emphasis on crime prevention and addressing underlying causes. This was not an arrest and incarcerate suggestion.
- Bettering schools – address the causes of poor performance in city schools. Must address the desire of the students, the involvement of the teachers, as well as the physical facilities, class sizes, etc.
- Small business development – address potential regulatory relaxation to give small businesses a fighting chance against the big firms which benefit from economies of scale from their suppliers.
- Fiscal relief – the ever-present unfunded mandates which in areas with declining tax bases place and undue burden on the urban community.
- Energy policy – raise excise tax on motor fuel
- Immigration – a very complex issue. Since many immigrants are hard working entrepreneurs who locate in the cities, policies that significantly restrict immigration and concentrate on identifying and deporting illegals may be counterproductive.

Summary comment: “What would American society be like if over the past hundred years the peripheral growth of urban areas had been tightly constricted? . . . Restraints on the locus of capital investment would have pinched the national economy, making a majority of Americans less prosperous. Clearly liberal access to space beyond the boundaries of our central cities has helped the United States thrive and avoid some of the afflictions that especially in recent years have sapped the economies of several European countries and Japan.”

*Not Quite the Monster They Call It*, **The Economist**, August 21, 1999.

This article provides a bit of European perspective on US sprawl, beginning with an assessment of its prevalence. It focuses on the issue of the residents left behind, both literally and figuratively in the cities, reinforcing the division between rich and poor, and then concludes that suburbs themselves are victims of sprawl. Like similar pieces, this article identifies public policies contributing to sprawl: highway spending, lack of regionalized government, and favorable tax treatment of homeownership. They conclude that sprawl is not just personal preference, it is public policy.

The article continues to point out that preserving farmland may really just increase the financial problems faced by farmers, and suggests that European-style densities would not work well in America’s more diverse demographic composition. The concluding thought: “Sprawl is not a threat. It is the process of beating the country out more thinly, like gold leaf.”

O’Neill, D., **Smart Growth: Myth and Fact**, ULI—the Urban Land Institute, Washington, DC, 1999.

This booklet addresses eight common misconceptions about smart growth. This publication provides facts about smart growth that belie the common “myths” surrounding this issue. Recognizing that smart growth does not come in any prepackaged form that is appropriate for all communities, no recommendations are given. Rather, the author simply attempts to promote a more informed debate on the complex issues faced in regards to smart growth. Examples from around the nation are given throughout the booklet to illustrate particular growth strategies. The following section outlines the myths and accompanying opposing arguments:

1. *Smart growth means no growth.* The smart growth movement recognizes that growth is beneficial and inevitable. The form growth takes is affected but growth is not halted.
2. *Smart growth is anti-suburb.* Smart growth advocates seek to shape better development in both urban and suburban regions.
3. *Smart growth results in slowing of the development process due to increased regulations.*

- Development that meets smart growth criteria should undergo a streamlined regulatory process, resulting in a predictable and faster process.
4. *Smart growth development does not sell.* There is an increasing demand for smart growth development, both within urban areas and in planned suburban communities.
  5. *Smart growth automatically means urban growth boundaries (UGBs).* While UGBs can be a valuable tool for smart growth, they do not represent the entire gamut of policies available to smart growth planners.
  6. *Smart growth eliminates the need for new roads.* Smart growth policies may curb the need for highway and road infrastructure. However, given population increases, new roads will continue to be necessary.
  7. *Smart growth is detrimental to business.* Business can significantly benefit from smart growth development. Recognizing this fact, many businesses are currently taking leadership or supportive positions in the smart growth movement.
  8. *Given a great deal of undeveloped land, open-space preservation is limited in value.* Smart growth attempts to protect individual property rights as well as preserve open spaces and natural resources. Open spaces in general and certain critical resource lands in particular have “intrinsic community, economic, and environmental value.”

Pastor, M. Jr., P. Dreier, E. Grigsby III, and M. Lúpez-Garza, *Growing together: Linking regional and community development in a changing economy.* **Shelterforce Online**, National Housing Institute 1999, ([www.nhi.org](http://www.nhi.org)).

This article is an excerpt from the study *Growing Together: Linking Regional and Community Development in a Changing Economy* (Pastor, M. et al., 1997). The attempts to improve the conditions of Los Angeles’ poor neighborhoods are characterized as failures, typical of America’s history of surges of attention followed by years of inaction in addressing these areas. The case is made that L.A. could benefit from more productive use of the economic energy of this regions poor.

Seventy-four major metro areas from around the U.S. were ranked using the dimensions of income growth and poverty reduction. Of these 74, 27 areas were ranked in a “best” category, with income growth and central city poverty reduction above the median. Los Angeles was found to be below the median in both categories. Case studies were conducted on three of the “best” areas, the Boston metro area, the San Jose/Santa Clara complex, and the Charlotte, NC region. The San Jose region has experienced rapid growth accompanied by an increase in central city poverty, though less than the median of major metro regions. The authors attribute this to a lack of incorporation of poorer communities into the planning process. Boston and Charlotte, on the other hand, have instituted policies that balance growth issues with social equity.

Lessons in addressing growth and equity issues from these three regions are presented. “The San Jose experience suggests the benefits of creating a regional culture of collaboration. The Boston experience suggests the value of implementing social equity measures in a high-growth period. Charlotte suggests both the importance of linking destinies across the region and the key role of business leadership.” The authors conclude that the key to regional success in this arena is collaboration joining regional growth and community development.

Pawlukiewicz, M., *What Is Smart Growth?* **Urban Land**, June 1998, 45-48.

This background article highlights definitions of smart growth, emphasizing the spirit of cooperation among groups that are often at odds, recognizing that growth is both inevitable and desirable, but needs to be directed into areas that can most effectively provide the services. Like most pieces of this type, the author makes note of the fact that smart growth is local, but needs to be implemented regionally.

Several characteristics of smart growth are identified:

1. Development is economically viable and preserves open space, natural resources and sustainable

- habitats.
2. There is certainly and predictability in the development process, and development projects that enhance the economy, the community, and the environment get expedited approval.
  3. Existing infrastructure is maintained an enhanced but expanded when appropriate to serve existing and new residents.
  4. There is a mutually beneficial collaboration among the community, the nonprofit sector, and the public and private sectors.
  5. Redevelopment is actively pursued, including infill residential development, the reuse of brownfields, and the recycling of obsolete buildings.
  6. Compact development is focused on existing commercial centers, new town centers, and existing or planned transportation facilities.
  7. Land planning and urban design crease a sense of community and ensure the ease of movement and safety of residents.
  8. Traditional downtowns and urban neighborhoods are recognized as being important to the economic health of the region.

Petersen, D. C., *Smart growth for center cities*, in ULI-the Urban Land Institute, **ULI on the Future, Smart Growth: Economy, Community, Environment**, Washington, DC: ULI-the Urban Land Institute, 1998, 46-56.

The author holds that strengthening the central city is a critical strategy for smart growth in a metropolitan area. Increasing purchasing power coupled with technological advances supporting expansion have led to what the author describes as an epidemic of urban decay. The author proposes a systematic and comprehensive approach to combat this problem. The major points of this approach are: recognizing the relationship between regional growth and sound central cities; long-term commitment with sustained funding; and establishing an essential mixture of urban activities.

The author presents a brief history of the decline of city centers and discusses many forces that combined to lead to this decline. The argument is made that revitalizing city centers is important to foster a pedestrian environment, to centralize one-of-a-kind enterprises and amenities, to attract innovative individuals, and to lessen pollution caused by automobile travel. The problems historically faced by city centers are outlined, including: concentration of the poor; a decline in manufacturing employment; the rise of suburban malls; a high crime rate; inferior schools; traffic congestion; incompliant downtown shop owners; old and obsolete buildings; the added cost for redevelopment; insufficient or irregularly shaped land parcels on narrow streets; and absentee ownership. The author contends that the programs aimed at these problems have typically failed or had only limited success. Thus, smart growth should take its lessons from the “winners”.

The author suggests that city centers must strive to become “24-hour cities” to remain successful. The author suggests that to be successful, a downtown area must have

1. A mix of uses and a diversified tax base
2. A secure environment with a low crime rate
3. Available mass transit systems
4. Attractive and affordable housing
5. Retail and entertainment establishments
6. Class A office space
7. Civic and cultural amenities
8. Quality hotels
9. Affordable parking
10. A convention center

The author goes on to suggest that successful city renewal requires realism, honesty, and rules. Examples from several major metropolitan areas are utilized to illustrate successful and unsuccessful city centers.

Phillips, J. and E. Goodstein, *Growth Management and Housing Prices: The Case of Portland, Oregon*, **Contemporary Economics Policy**, July 2000, 18:3, 334-44.

This paper asks if the establishment of a strictly enforced Urban Growth Boundary in Portland, Oregon has substantially contributed to increasing housing prices. The authors suggest the possibility that, given the fact that many cities *without* growth management have also experienced sharp increases in housing prices recently, Portland's housing market may just be playing catch-up with these other metropolitan areas. They cite Portland's above average employment growth, its emergence as a high-tech development center, and its status as an excellent international trade base, as other possible reasons for escalating housing prices.

Regression analysis was performed using data from 37 cities from around the country to isolate the effect of UGB regulations from other supply and demand variables. The estimation was then used to determine predicted median house prices, which were compared to Portland's actual median house price. Although predicted housing prices were greater when the regulatory variable meant to capture the effect of the UGB was increased from its 1990 level to the maximum value, the difference was not statistically significant. Furthermore, the difference between each predicted house price and Portland's actual house price was not statistically significant. The authors conclude that Portland's housing market has likely been catching up to those in comparable metropolitan areas and is now nearing equilibrium. The authors also conclude that the UGB has had only a modest, and statistically weak, upward influence on housing prices. Finally, they note that such demand side factors as noted above combined with speculation regarding the housing market, may also have fueled price increases.

Pickrell, D. H., *Smart transportation for smart growth*, in ULI-the Urban Land Institute, **ULI on the Future, Smart Growth: Economy, Community, Environment**, Washington, DC: ULI-the Urban Land Institute, 1998, 12-19.

This author speaks to the problematic transportation aspect of smart growth. The author makes the following suggestions on how to more effectively deal with transportation issues.

1. Levying fees on drivers that reflect the true cost of expanding and maintaining the highway system.
2. Changing the street design within heavily developed areas to better accommodate alternate forms of travel, such as walking and bicycling.
3. Altering the layout of residential subdivisions with traffic slowing design and connecting paths so as to make pedestrian travel more palatable.
4. Raising parking fee rates and implementing techniques to reserve more space for short-term parkers rather than commuters.
5. Targeting transit systems to serve existing travel corridors, which are already heavily developed.

Many dilemmas faced by transportation planners are discussed. For one, centralizing the population reduces travel distance but may increase travel time because of congestion. Increasing density of housing appears to encourage walking and alternative forms of transit, but the effect is small. Additionally, clustering employment areas together through high-density or high-rise makes transit operation to these areas more affordable yet the effects are small and only occur in conjunction with complementary land uses as well as other factors. Mixing land use in an area should increase non-motorized transport around the area, yet this violates most municipal zoning regulations.

To face these challenges, the author suggests that "Fundamental revisions in the fiscal and political policies that now affect transportation planning agencies and local governments" will be necessary.

The author suggests doing away with policies which encourage dispersed housing, such as mortgage interest and property tax deductions for homeowners, as well as implementing policies which would discourage universal automobile travel, such as taxing employer-provided free parking. The author also calls on states to take charge of growth management and "to 'regionalize' the legal authority for land use

planning and to redirect infrastructure investments – particularly highways—to foster more coherent development.”

Porter, D. R., **Managing Growth in America’s Communities**, Washington, DC: Island Press, 1997.

This book presents the rationale behind growth management and an overview of the methodology to achieve desired growth patterns. The first chapter places growth management in context. Growth patterns of America’s communities and resulting impacts are discussed. The potential hazards of unmanaged development are discussed, leading the author to hold that managing growth effectively involves future planning. This chapter concludes with a discussion of the concept and definition of growth management.

Chapter two turns to the approaches and techniques involved in growth management. The role of government in this process is also discussed. This role revolves around the public regulation of development. The history of such regulation as well as the legal foundation for public regulations is discussed. Four cornerstones of local government regulation are discussed: comprehensive plans, zoning ordinances, subdivision regulations, and capital improvement programs. The emergence of the growth management paradigm from this historical regulatory context is next discussed. Growth management techniques and approaches, which are the foci of the bulk of the text, are then introduced.

Chapters three through eight of the text focus in detail on the major goals of growth management and techniques introduced in chapter two. The goals addressed in these chapters are: managing the location and character of expanding development; preserving natural resources and the environment; the efficient provision of community infrastructure; maintaining community quality of life; improving economic opportunities and social equity; and regional and state guidance of community development.

The author recognizes that growth management can result in both positive and negative impacts for a community. The book concludes with a chapter outlining both the potential upsides and potential downsides to growth management. Conclusion and guidelines for balancing these impacts are provided.

Porter, D. R., *The States: Growing Smarter?* in ULI-the Urban Land Institute, **ULI on the Future, Smart Growth: Economy, Community, Environment**, Washington, DC: ULI-the Urban Land Institute, 1998, 28-35.

Presently, the states’ role in growth management is increasing, with more states adopting growth management plans and more strength being given to the state government to plan and manage regional growth. The author’s present a brief history of growth management legislation from around the nation. They contend that these programs have resulted in a strengthening of intergovernmental relations, though not universally, by increasing communication and understanding of common goals. The programs were meant to enhance predictability in the development approval process. Results indicate that lengthy delays and complexity are very predictable by developers. This results from the complexity of the policies and many ill-defined terms such as “sprawl”. Results are unclear and mixed on whether these policies increase the quality of development, though most would agree that the quality of the debate about development has risen as more people become informed on growth-management issues. The authors conclude this chapter with examples of how states are bolstering and adapting their growth management plans.

Public Opinion Strategies, **Smart Growth 2000**, a presentation to National Association of REALTORS®, February 2000 (Downloaded from NAR Web site).

The presentation focused on the results of a survey of registered voters. Those individuals were concerned that growth restriction were contributing to housing price increases and might limit their ability to own or move up the housing ladder. Respondents indicated that safe, secure living areas with little crime and good schools were their top priorities, with mass transit, traffic, shopping and low property taxes at the bottom of

the list. There was a generic question on growth and controls, but based on the slides that accompanied the presentation, it was impossible to interpret the findings, except to report that discussions of growth controls “depends”. Overwhelmingly the respondents indicated that growth issues should be addressed locally, not at the state or national level, but again it is difficult to interpret precisely what that means. Finally, the respondents seemed to indicate the market should be the factor controlling growth, not the government, but there are concerns about the phrasing of the question.

Quality Growth Coalition, **Building Better Communities: A Toolkit for Quality Growth**, 2000.

The position of the Quality Growth movement, in contrast to the Smart Growth movement, is advanced. This report is divided into two parts, the first provides information on suburban development and growth-related issues and the second provides suggestions for building and operating an effective community coalition in support of Quality Growth.

Five principles guiding this movement are presented:

1. Americans should remain free to choose where they live and how they travel free of growth limiting policies.
2. When properly managed, economic development and population growth benefit communities.
3. Citizens should participate in growth-related decisions.
4. Public sentiment and need should guide infrastructure investment. Transportation improvements should focus on roads and accommodate projected travel growth.
5. Environmental improvement and economic development should accompany one another to produce healthy communities.

A great deal of information is presented to combat claims by “anti-growth” and Smart growth advocates. This information generally supports the principles listed above and counters typical growth management assertions. Topics discussed include: a) critiquing “smart growth plans”; b) traffic congestion; c) air quality; d) transit; e) the automobile; and f) traffic calming. Case studies of Europe, Portland, Los Angeles, and Washington DC are presented to augment the Quality Growth arguments.

The second section outlines the process and purpose of forming community coalitions to guide future growth policy. Included in this section is a media toolkit that outlines a strategy for effectively dealing with the media. The report also includes a number of electronic and printed Quality Growth information resources.

Raines, F. D., *Playing from Strength: The Market Power of Cities*, **The Brookings Review**, Summer 2000, 18:3, 16-19.

This article presents a typology of cities in regards to type and the markets functioning within a city. Utilization of such a typology will help policymakers more precisely identify the potential of cities, enabling them to play upon the strengths of the particular situation.

The author differentiates among three types of cities: global, national, and regional. Global cities drive the global economy and rely predominantly on information services. They are the center of cultural innovation and are marked by extremely high population and building density. “National cities are political, commercial, or cultural capitols.” These cities operate similar to global cities but on a smaller scale or within a particular commerce sector. Regional cities are smaller than the previous types and are the traditional urban cores of regions. Suburban development creates competition for this type of city.

Three types of markets are outlined: supercharged, vibrant, and emerging. It is important to note that a city may have any city type may have one or more of these markets operating within it. A supercharged market is one whose market valuations exceed the national market average for metropolitan America. Repricing of these valuations also occurs at great speed. These markets are typified by affluence, diverse

consumer demand, trend-setting lifestyles, booming housing demand, and increasing housing prices. Moderate to high price appreciation is found within vibrant markets. They also typically offer unique subculture of attractive physical attributes that attracts residents. Emerging markets fall below the national market average. Thus, they have the longest path to travel but immense potential.

In all cases, cities have particular strengths and market niches that suburbs cannot duplicate. However, effective policy will only be shaped if policy makers understand the unique position their city holds within the discussed typology.

Razin, E. and M. Rosentraub, *Are Fragmentation and Sprawl Interlinked? North American Evidence*, **Urban Affairs Review**, July 2000, 35:6, 821-36.

A cross-sectional analysis of all U.S. and Canadian metropolitan areas having a population of 500,000 or more was conducted to assess the relationship between municipal fragmentation and suburban sprawl. Moderate, yet statistically significant ( $\alpha = 0.01$ ), correlations (0.33-0.38) were found between composite fragmentation and sprawl variables. These correlations become smaller yet remain significant when the generally more compact Canadian metropolitan areas are excluded. It is concluded that, while fragmentation has an impact on sprawl, it does not predict it. Thus, fragmentation and sprawl are indeed linked. However, residential sprawl is better explained by "basic differences between national political/land market/planning systems (the distinction between Canada and the United States) and by land values. Results further suggest that, while little fragmentation does not assure compact development, a lack of fragmentation may be a prerequisite to control of sprawl.

Richert, E., *Taking the Offensive Against Sprawl*, **BioCycle**, Nov. 1999, 40:11, 66-67.

This Maine-focused article discusses the differences between rural and suburban communities in terms of the handling of "biosolids" otherwise know as biodegradable solid waste. The author believes spreading these biosolids on agricultural lands is the first step of a healthy rural economy, but is unacceptable to suburban residents, who believe they are "preserving the rural character" of the community, a statement with which he clearly takes exception.

Richmond, H. R., *Comment on Carl Abbott's "The Portland region: Where city and suburb talk to each other-and often agree."* **Housing Policy Debate**, 1997, 8:1, 53-64.

The author of this comment takes issue with Abbott's characterization of Portland's growth management success as stemming from cooperation and shared vision. Rather, the author holds that this success stems from tough policy choices that have succeeded because of economic self-interest. The author promotes Portland's urban growth boundary (UGB) as the fundamental strategy in land use policy. The author further contends, contrary to the views of many, that UGBs are both pro-development and pro-market. UGBs promote development by encouraging growth within the UGB. UGBs are pro-market because they limit the externalization of costs that occur with uncontrolled suburban development. Thus, UGBs are seen as evening the development playing. The author further argues that the implementation of UGBs is not the cause of increasing housing costs. Rather, the "land use program helped the Portland region put zoning for housing back in touch with the demands of the marketplace." Thus, UGBs are touted as pro-affordable housing. Another reason underlying Portland's successful use of UGBs is that they serve the needs of two powerful economic forces within the region, farmers and the forest products industry. The author further describes Oregon's land use policies as having "slain four conceptual dragons that have stymied the national land use debate for 30 years." First, they have shown the notion of land use policy reform at odds with free economic markets to be mistaken. Second, land use reform need not result in clashes with local governments. Third, land use reform need not be at odds with property rights. Finally, fear of "greedy developers" is not the problem some believe it to be. Rather, "development is the *solution* to land use problems—not the cause.

Ringholz, R. C., **Paradise Paved: The Challenge of Growth in the New West**, Salt Lake City: University of Utah Press, 1996.

This book, written by a journalist chronicles the experiences of several communities in the Inter-mountain West. They are primarily communities that had depressed economic bases and former reliance on agriculture, and natural resource industries (timber and mining). Often they had scenic locations. Recently they have experienced rapid growth, and declining availability of affordable housing, owing primarily to second-home developments and developing ski resorts. Aside from espousing active community involvement to slow growth, restrain retail development and preserve the sleepy, rural character of the towns before they were “discovered”, the title offers few insights.

Ross, S. and J. LeFurgy, *Financing Smart Growth: Risks can be minimized by public policy, incentives, and partnerships*, **Urban Land**, July 2000, 59:7, 18-21.

In April 2000, an Urban Land Institute forum considered the role of the financial community in shaping development patterns. Many lenders cite lack of information, regulatory barriers to smart growth, and inconsistent success of mixed-use developments as reasons for not financing smart growth projects.

However, forum participants made the following points and suggestions:

1. Consumer demand for smart growth projects will continue to increase,
2. Cooperation among stakeholders is necessary to facilitate smart growth,
3. Sustainable financing and long-term desirability of projects must be considered,
4. The power of public policy (i.e. instituting smart growth “credits”) should be recognized,
5. Innovative partnerships between lenders can achieve better yields and reduce risks,
6. ULI should develop a database of smart growth information to educate both developers and lenders.

Rusk, D., *The Expanding Metropolis: Why Growth Management Makes Sense*, **The Brookings Review**, Fall 1998, 16:4, 13-15.

This article deals with how cities are to deal with loss of preeminence and expanding suburbia. Historically cities have utilized annexations and mergers to expand. Cities that utilize annexation are referred to as elastic. Elastic cities garner some important benefits in comparison to their inelastic counterparts, such as “greater socioeconomic balance, broader tax bases, and stronger credit ratings.” Additionally, less minority segregation is found in elastic cities. Even with annexation frameworks, central cities have been overwhelmed by the sprawl inducing national highway system. Thus, a new paradigm is called for. This paradigm is regionally controlled growth management. Having established a rationale for such programs, the author provides a number of examples of growth management programs from around the nation.

Rutherford, R. C. and T. M. Springer, *The Effect of Development Impact Fees on Housing Values*, American Real Estate Society presentation, April 1999.

When development impact fees are levied either housing price increases, developer profit decreases, land values decrease, or fewer homes are built. The literature dealing with the relationship between impact fees and housing price is reviewed. While only limited empirical research exists, the general findings indicate that higher impact fees are related to higher housing prices.

The authors conducted a random effects regression model to assess the relationship between housing market values and impact fees in selected cities in Texas. Housing prices are examined on a macro level for 1991 data and on a micro level for 1997 data. For both data samples, a positive relationship was found between impact fees and housing price. Results suggest that impact fees are capitalized into housing costs. The authors conclude that for a \$1,000 increase in fee, the price of new and existing housing increases 1.6% and 2.5%, respectively.

Shaw, J. S. and R. D. Utt, **A Guide to Smart Growth: Shattering Myths, Providing Solutions**, The Heritage Foundation and Political Economy Research Center, 2000.

Individual chapters annotated separately.

Shaw, J. S., *Nature in the suburbs*, in J. S. Shaw & R. D. Utt (Eds.), **A Guide to Smart Growth: Shattering Myths, Providing Solutions**, Washington, DC: The Heritage Foundation and The Political Economy Research Center, 2000, 29-38.

This chapter deals with the effects of suburbia on wildlife. The author counters the criticism that urban sprawl “eats up land that otherwise would provide habitat for wildlife or, at the very least, serve as productive farmland.” Statistics are cited stating that, while 2.6 million acres of farmland were lost during the 1990s, only 26% of this (676,000 acres) is accounted for by urban or suburban growth, the rest being due to conversion to pasture, grazing land, forest, or recreational use. While larger, wide roaming animals (e.g., elk or bear) are displaced when human development encroaches on their area, other species appear to thrive. Additionally, the author states that not all areas under development threaten the habitat of large animals, either because the area was not their habitat to begin with or because the area was already the site of intense cultivation.

Rather than being characterized by “balance and repose”, the author states that ecosystems are more accurately depicted by continuous recovery from the last disaster. Any change in the environment will benefit certain species while hurting others. Urban and suburban growth is no exception. The premise of the chapter is that, while some change and growth impoverishes wildlife, other changes may lead to greater ecological diversity. The growth of suburbia is held to both bring more humans into contact with animals and to improve the situation of many species. Anecdotal and empirical evidence is utilized to show the benefit of suburbia on some animals, most notably several species of deer. An implicit conclusion of the essay appears to be that rather than limiting the growth of suburbia, a solution to wildlife concerns may be to adapt suburbia in order to foster a harmonious relationship with species that are readily adaptable to human habitat.

Sierra Club, **Sprawl Costs Us All: How Your Taxes Fuel Suburban Sprawl**, Sierra Club Foundation, 2000.

This report analyzes the costs of sprawl from the vantage points of transportation, schools, utilities, emergency services and corporate subsidies, and concludes that development is not paying its own way. In terms of transportation, the report contends that road construction inherently increases sprawl, encourages more time spent in automobiles and makes Americans even more dependent on private vehicles. Their solution? Increase spending on public transit. While the solution is appealing on its face, there is a problem. We cannot undo the last 50 years of sprawl. Decentralized employment centers minimize the effectiveness of public transit because most commuters are going somewhere vastly different, and are not willing to significantly increase their travel time to use public transit.

The argument about schools deals with the need to close schools in neighborhoods close to urban centers while building new facilities in outlying areas. Their solution? Require developers to pay the full cost of new school construction. What they ignore is the functional obsolescence of older school facilities, the fact that those facilities often do not comply with ADA, and the high energy and maintenance costs of continual use of aging facilities. Issues regarding busing, magnet schools, etc. were also ignored. Finally, the authors presume that relying on older school facilities will include the ability of students to walk to school or use public transportation. Concerns about safety of children, daycare arrangements, etc. will reduce saving.

The discussion of utilities concentrates on both the distance from the new developments and the facilities, and the ability of aging facilities to satisfy the demand. The solution of having the developers pay for the

new facilities needs to be tempered by the realities of pollution control and similar mandates that apply to new and existing residents and businesses alike. While the discussion is well done, it is incomplete.

The review of emergency services deals primarily with new staff, new physical structures and equipment and response times. The need to provide services to distant locations will necessarily increase response times, and make these facilities responsible for larger areas that diminish their ability to deal with multiple simultaneous events. A frequently reported concern is the ability to provide adequate fire protection to isolated structures in heavily wooded areas. The shortfall of the analysis is its reliance on an urban model of tax-financed services rather than exploring alternatives like local medical trauma clinics and volunteer fire districts.

Finally, the report dealt with the inducements and competition between suburban and exurban communities to attract employers, contending that those give-aways are not really that important to the businesses. Nowhere does the report talk about economic development and attracting/ retaining jobs. It is unclear how Sierra Club expects communities to survive and their current residents to prosper.

**Small, K. A., *Urban Sprawl: A Non-Diagnosis of Real Problems*, Metropolitan Development Patterns – 2000 Annual Roundtable, Lincoln Institute of Land Policy, 2000, 26-29.**

The author makes the case that, while problems associated with sprawl have been identified and labeled, useful diagnosis of the problems has not. A useful diagnosis should: 1) narrow the range of symptomatic conditions; 2) suggest tests to establish validity; and 3) provide intervention guidance. The debate over sprawl has failed in all three areas. Regarding identification of sprawl, multiple conflicting definitions exist. While the problems associated with sprawl are real, labeling does little to narrow the variables that could be operating to create the situation. The inclusive definitions put forth in the literature make objective testing problematic. In regards to intervention, “a diagnosis of sprawl can be used to support any number of often conflicting remedies, and does not help us determine which is best.”

The author suggests focusing on the actual problems rather than arguing over the hopelessly vague term of sprawl. Air pollution is one such problem. The suggested solution is developing better vehicle technology rather than changing development patterns. Costly public infrastructure is another problem. The literature is mixed on whether high-density development better addresses this problem than low-density. The author holds that development patterns are unlikely to change given complete internalization of these costs except in the most egregious cases. Thus, it is these extreme cases that should be targeted by regulation rather than outlying development in general. Central city decay is another problem. However, this is caused more by decentralization in general rather than the particular form this takes (i.e. sprawl). Water resources are also of concern. However, it is agricultural lands rather than urban development that utilize the majority of water. Water pricing is put forth as effective in controlling urban use. Further, traffic congestion is a problem, but one which is endemic of compact urban development, typically held to be the opposite of sprawl.

**Snyder, K. and L. Bird, *Paying the Costs of Sprawl: Using Fair-Share Costing to Control Sprawl*, December 1998, (Downloaded from [www.sustainable.doe.gov](http://www.sustainable.doe.gov)).**

This paper examines the subsidization of sprawl and makes suggestions on ways to fairly allocate costs of development. The authors hold that the primary problem with sprawl is the hidden costs of this type of development. “Sprawl has been a dominant growth pattern partly because it appears to be cheap.” The price of land in outlying areas is typically less expensive but the costs of sprawl to society rise with increased infrastructure, facility and service costs. Homebuyers and developers do not bear the full burden of these costs.

The roots of sprawl lie in economic choices. Land prices and construction costs are typically much cheaper in outlying areas than for infill development. High property taxes utilized by revenue-poor cities have driven many businesses and residents to move to outlying areas to avoid these costs. The mortgage

insurance system, with its favoring of single-family buildings, has also contributed to sprawl. Further, until recently the national tax policy created incentives to buy ever-larger homes to avoid capital gains costs. Businesses and employees have moved together to outlying areas in large numbers.

These facts lead to the conclusion that sprawl makes good economic sense. However, this is not taking into account the many unintended consequences and impacts of sprawl. When these impacts are factored in, the costs to the community as a whole may be much greater than alternative forms of development. Unintended consequences of sprawl include loss of open space and farmland, increased reliance on vehicles, urban blight, increased resource consumption, higher infrastructure costs, and greater service costs.

The authors discuss ways of incorporating social costs into the market price of “low-density, sprawling developments.” The use of impact fees coupled with excise taxes is the suggested method. A discussion of impact fees including their history, uses, and calculation is presented. The authors further suggest use of impact fees that take into account location of development. The costs of services and infrastructure that these fees offset are highly location dependent, increasing as location moves away from the urban core. Unfortunately, this is seldom taken into account. “The lack of geographic considerations in setting fees limits their ability to guide growth.” The rational nexus requirement for legally defensible impact fees limits their ability to counter many social costs of sprawl. Excise fees may be an appropriate method for countering these costs. These allow for much greater flexibility development charges and monetary use. However, they require approval by the public, thus facing their own hurdles. The legal issues faced by impact fees and excise taxes are presented.

Also included in this paper is a discussion of quantifying the direct and indirect impacts of sprawl. The importance of involving the public in creating these fees and taxes is also stressed.

Sorenson, A. A. and J. D. Esseks, **Living on the Edge: The Costs and Risks of Scatter Development**, American Farmland Trust, DeKalb, Illinois, January 1999 ([farmlandinfo.org/cae/scatter/e-loetoc.html](http://farmlandinfo.org/cae/scatter/e-loetoc.html)).

An analysis of the fiscal impacts of scatter development was conducted. Scatter development is a type of urban sprawl characterized by homes on large lots and widely scattered subdivisions. Three suburban sites around Chicago were systematically chosen for analysis. Three types of scatter development common to the Chicago area were identified and defined. Early scatter developments have recently begun to attract large numbers of non-farm residents. Maturing scatter developments have attracted large numbers of non-farm residents for quite some time. Transitional scatter developments are characterized by sparse development that will eventually reach relatively high overall density when fully developed. Results argue for modestly sized homes closer to public services and against scatter development. Hidden costs of scatter development are being passed on to all taxpayers in a region. The major findings are as follows:

- Homes in scatter development do not generate tax revenues sufficient to pay for the education of children living there.
- Homes in scatter development do not pay their full share of road maintenance costs on the roads to and through their subdivisions.
- Other taxpayers may pay the costs of building water and sewer infrastructure for scattered subdivisions.
- Individuals living in scattered development incur safety risks through significantly increased police, ambulance, and fire response times.

Sowell, T., *The Brawl Over So-Called Sprawl*, **Illinois Real Estate Letter**, Office of Real Estate Research, University of Illinois at Urbana-Champaign, Summer 1999, 8.

This author rails against critics of urban sprawl, claiming that they have no real conception of economics and are selfishly and piously making demands about how others use land resources. He contends that the suburbanization of former farmlands is the natural result of advances in agriculture, which has both reduced the amount of farmland it takes to feed our population, and shifted employment demands (and population)

away from farms and into urban areas. Comparing the government to Big Brother, he maintains that private citizens should be able to make their own decisions about development.

Spain, D., *Been-Heres Versus Come-Heres: Negotiating Conflicting Community Identities*, **Journal of the American Planning Association**, 1993, 59:2, 156-71.

This article discusses the conflicts that arise between established residents and new arrivals to a locality in the face of rapid immigration. The case is made that the conflicts are similar in both urban and rural areas. In both cases, conflict arises when the newcomers reach a “critical mass” of people with greater affluence than long-time residents, which results in resource allocation, and privatization of previously public resources. The need for planners to understand the common themes to these conflicts is stressed. Queen Village, Pennsylvania and Lancaster County, Virginia are provided as examples of the conflicts ensuing from urban renovation and rural growth, respectively. These areas illustrate the differing value systems and priorities held by the two groups, been-heres and come-heres, regarding changing communities and growth management issues. The role of planners as mediators between the two sides in negotiating a common vision for growth is discussed. Planners must come to understand the viewpoints, and sources of these viewpoints, of the two groups in order to act as advocates of fruitful negotiation rather than furthering the cause of one group at the expense of the other.

Staley, S. R., *Reforming the zoning laws*, in J. S. Shaw & R. D. Utt (Eds.), **A Guide to Smart Growth: Shattering Myths, Providing Solutions**, Washington, DC: The Heritage Foundation and The Political Economy Research Center, 2000, 61-75.

This chapter outlines the flaws in present planning and zoning policies and proposes a more market-oriented, consumer-choice policy. Shortcomings of present policy outlined by the author include the encouragement of low-density single-use development, a reliance on planning for an ideal vision of the community 20 or 30 years in the future which cannot properly factor in the dynamic nature of the economy, and the imposition of high costs on property owners wishing to capitalize on social and market situations. “Master plans unrealistically presume that local and regional governments can predict and control future land-use patterns.” The author contends that modern growth planning utilizing such master plans add 20 to 30 percent to the cost of housing and has served to politicize the development decision-making process.

The author suggests moving toward market-oriented planning that “retools the approval and rezoning process to facilitate market trends while protecting the interests of neighbors and community residents.” In this, buyers and sellers, rather than governmental regulation, guide the scope, type and pace of growth. Four strategies that could help government officials to accommodate changes in consumer wishes are discussed. These four strategies are as follows:

1. Facilitate market trends; don’t hinder them.
2. Make nuisance and third-party harm the focus of planning and development review.
3. Adopt administrative rather than legislative reviews of development applications.
4. Align costs with property development.

Staley, S. R., *The Sprawling of America: In Defense of the Dynamic City*, Policy Study No. 251, Reason Public Policy Institute, 1999 ([www.rppi.org/ps251.html](http://www.rppi.org/ps251.html)).

The author takes issue with the ill-defined concept of sprawl and holds that much of the argument is founded in a dislike for suburban development. The author contends that suburbanization is a result of the dynamic nature of cities and does not appreciably decrease the quality of life for most individuals. Management of land development should be accomplished using real-estate markets rather than through comprehensive land-use plans or the establishment of growth boundaries.

Land-use trends were analyzed at the national and state levels. From this analysis the author reached a number of conclusions.

1. *Suburbanization and sprawl are local issues.* Outside interference is unnecessary because very little of the nation's land is developed.
2. *Urban development does not threaten the nation's food supply.* Loss of farmland trends of the past will not carry over into the future.
3. *Cost-of-development studies exaggerate the effects of suburbanization on local government costs.* The majority of cost is recovered via on-site improvements. "Local governments often choose not to recover the full costs of development, preferring to subsidize development through general revenues.
4. *Declining cities suffer from many "push" factors.* Suburbanization is a rational response to the factors of low quality schools, high crime, high tax rates, regulatory barriers, and scant housing choices, found in many cities.
5. *Air quality deteriorates as residential densities increase.*
6. *Open space is increasingly protected through the private sector.*

A market-oriented approach to land management is advocated, grounded in seven principles. The first is economic policy neutrality, in which no industry is given preferential treatment. Further, on-site infrastructure costs should be fully reflected in the price of the service provided. Flexible zoning laws should be enacted, allowing for mixed-use and higher-density development guided by market trends. Additionally, voluntary programs coupled with tax incentives should be utilized to protect open space. Private property rights should be bolstered. Nuisance-based standards for land-use regulation should be set up requiring objectors to particular land uses to prove tangible harm and receive appropriate compensation when this harm is established. Finally, land use regulations need to allow communities to naturally evolve rather than becoming agents of inflexible preservation.

Staley, S. R. and G. C. S. Mildner, *The Price of Managing Growth: The side effects of urban growth boundaries are beginning to be felt—especially the effects on housing, Urban Land*, February 2000, 18-23.

The author describes several unintended side effects of urban growth boundaries using Portland's UGB as an example and suggests some ways that these side effects can be avoided in the future. Establishment of the UGB has restricted land supply and increased land prices that, in turn, have contributed to Portland's rising housing prices. Speculation regarding how the UGB will influence land prices also compounds this effect. In addition, failure to meet minimum density goals has further restricted land supply, thus, creating a significant anticipated housing deficit, and, if trends continue, will precipitate the need to expand the UGB. However, strict enforcement of the UGB, coupled with numerous influential stakeholder groups, has made expansion a very political and sluggish process. Finally, "hobby farmers" who get rural home-building permits outside of the UGB under the exemption for farmers are circumventing the UGB and its goals of restricting exurban development.

As solutions to the above problems associated with UGBs, the author instead suggests using market-based approaches to growth management, such as allowing for market-determined densities, privatization of public infrastructure, and voluntary conservation easements and privately funded purchase-of-development rights to protect open space.

Starrett, B., Speech to the National Neighborhood Coalition Kick-off Event for the Neighborhoods, Regions and Smart Growth Project. National Press Club, Washington, D.C., July 12, 1999.

In this speech to the National Neighborhood Coalition, Mr. Starrett addresses the issue of smart growth. He defines smart growth as "growth that is environmentally sound, socially conscious, and economically prosperous." He further describes smart growth as the opportunity dividend resulting from successfully addressing urban sprawl and urban disinvestment. Mr. Starrett also mentions three key differences between smart growth and simply fighting sprawl: 1) smart growth has a targeted conclusion; 2) smart growth

recognizes the need for planned quality development; and 3) smart growth involves the formation of new partnerships. In regard to this final difference, Mr. Starrett describes the Funders Network that works to link the environment and the community. He goes on to mention the “three E’s” of smart growth, environment, equity, and economy, and holds that smart growth presently has an environmental bias. He closes his speech with a description of five reasons why neighborhoods should care about smart growth: 1) location; 2) opportunity; 3) equity; 4) prosperity; and 5) responsibility.

Stroup, R. L., *Planning Versus Market Solutions*, in J. S. Shaw and R. D. Utt (Eds.), **A Guide to Smart Growth: Shattering Myths, Providing Solutions**, Washington, DC: The Heritage Foundation and the Political Economy Research Center, 2000, 17-27.

A significant proportion of the population, fueled by increasing mobility and rising affluence, has realized the American ideal of a large detached house. This has led to the problems associated with urban sprawl, distance from metropolitan areas, congestion, and disconnection with our community. These problems have led to a cry for change by many Americans. The author holds that the question of how this change is accomplished has led to two distinct points of view; a group that desires increased governmental control to guide change, and a group, skeptical of governmental control, that believes market-based decisions should be the guiding force. The chapter mounts the argument for decreased governmental control and the use of market-based decisions.

The author details several proposed problems with government decision making in regards to controlling growth. The first of these is the “rational ignorance of the voter.” While the public is likely to educate themselves on issues for which they shoulder the cost or reap the benefit individually, they make a rational decision to remain ignorant of governmental decisions, the impacts of which are shared. The author concludes that governmental decisions on growth would be made “without any serious checks by the voter.” The second problem is that of special interest groups. Unlike the typical voter, these groups are very knowledgeable about government. The author maintains that these groups can have a large impact upon governmental functioning because voters at large do not typically monitor them. “Thus, politicians tend to support legislation that will provide concentrated benefits to interest groups while spreading the cost widely among unorganized taxpayers.” The third problem is the so-called “tyranny of the majority” in which the majority (e.g. homeowners) may support legislation that financially damages the minority (e.g. landowners) without compensation. The fourth problem outlined by the author is that of shortsighted government, in which politicians support policies creating short-term benefit with long-term costs. The fifth and final problem is one involving stakeholders, individuals with vested interests in the governmental programs. The problem occurs, the author maintains, when these stakeholders are able to “throw ‘monkey wrenches’ into other people’s plans without being held accountable legally or financially themselves.” The author suggests that the consumer-supplier market demands be allowed to operate naturally in forming our communities and addressing the problems associated with urban sprawl.

Thomas, J. M., *Current Development Patterns Limit Opportunities for Low-Income People and for People of Color*, **Metropolitan Development Patterns – 2000 Annual Roundtable**, Lincoln Institute of Land Policy, 2000, 56-61.

The case is made that urban development patterns in the nation have limited the opportunities of minority individuals. “Exclusionary development is as American as the U.S. flag.” Modern urban growth is characterized by four patterns: a) racial ghettos becoming “excluded ghettos” marked by separation and concentrated poverty; b) suburban development and growth of edge cities; c) separation of upper-class residential areas into gated communities; and d) the pauperization of inner-ring suburbs. Historical trends guiding these patterns are discussed.

Critical areas of reform to address these problems are presented. The first is exclusionary zoning. The definition of “family” found in the ordinances of certain areas has restricted opportunities for non-traditional families. Exclusion of multifamily and small-scale affordable housing has also excluded many individuals from housing opportunities. The fragmentation of municipal government has also led to

difficulties. “Where each municipality can set its own laws governing development, the opportunity for exclusion is high.” Further, a diminishing but nevertheless damaging amount of prejudice leads to racial exclusion by illegal means.

The author holds that increasing opportunities for low-income residents and the creation of integrated communities will benefit a metropolitan region as a whole. The balkanization of the job market should also be halted. Access to housing choice, jobs, and transportation opportunities should be made available to all groups in our society.

Tischler, P. S., *Analyzing the Fiscal Impact of Development*, **MIS Report**, International City Management Association, 1988.

This report discusses the benefits of fiscal impact analysis and outlines common methodologies. Fiscal impact analysis projects the net cash flow to the public sector resulting from new development. The goal is to forecast all relevant operating expenses, capital costs, and revenues, typically over a two to ten year range. This analysis can be used to evaluate the impact of alternative land use policies, economic development plans, zoning changes, annexation decisions, etc. It can also be used for other budget and finance issues such as revenue forecasting and budget projections. Two common methods for generating these analyses are average cost method, and marginal cost method. Although defining marginal cost is more difficult, this method does more accurately capture each jurisdiction's unique characteristics. Fiscal impact analysis allows jurisdictions to maintain certain policies and articulate the assumptions on which they are based.

Thorson, J. A., *The Effect of Zoning on Housing Construction*, **Journal of Housing Economics**, 1997, 6:1, 81-91.

This paper studied the impacts of implementation of strict controls limiting the conversion of agricultural land to residential use in McHenry County, Illinois. The authors found no short-term impacts, but that long term there was a lower level of residential construction. The limited short-term impact was attributed to developers, who were aware of impending changes in zoning, obtaining plat changes in advance of the effective date of the ordinance. The study did not address issues of cost/price. Even the long-term impacts were somewhat limited by the willingness of local zoning boards to grant variances to the ordinance. The authors did not attempt to answer whether the effects of the zoning changes were worth the costs.

Tolson, J., *Putting the brakes on suburban sprawl: The neotraditionalist movement comes of age*, **U.S. News and World Report**, March 20, 2000, 64.

Another “review” of Suburban Nation, the author reviews the issues leading to the development of Florida’s Seaside and other neotraditional developments which emphasize mixed use neighborhoods featuring shopping, housing and work within easily walkable distances, and which incorporate housing opportunities for various income levels. These communities depend on careful regulation of neighborhoods as their key to countering sprawl, a criticism leveled by many but the developers counter that zoning requirements of traditional neighborhoods similarly exert control, primarily by excluding higher density or mixed-use variety, resulting in higher income equivalents of ghettos.

ULI-the Urban Land Institute, **ULI on the Future: Smart Growth**, Washington, DC, 1998.

Individual chapters annotated separately.

University of Virginia, growth management planning application class, **Growth Management Toolbox**, 1999, (Downloaded PDF file from Web site).

This document is a compilation of information on growth management. A glossary of terms associated with growth management is included. Also included are summaries of the growth management activities of eight states active in this movement: Florida, Georgia, Maine, Maryland, New Jersey, Oregon, Vermont, and Washington. Several topics addressed in growth management are addressed: community design, economic development, environment, housing, public facilities, and transportation. These broad topics are broken down into component parts. Coverage of these components includes an overview, definitions and objectives, issues involved in the topic, examples or best practices from around the nation, and recommendations. The document concludes with a section on growth management recommendations. These recommendations are broken down into the previously mentioned growth management topics. A planner's checklist to evaluate community growth management efforts is also provided. Finally, recommendations are made specifically for the state of Virginia.

U.S. Environmental Protection Agency, **Smart Investments for City and County Managers: Energy, Environment and Community Development**, Washington, D.C., April 1998.

This report is aimed at the local government manager. The responsibility of such an individual is to assess the long-term impacts and costs of growth. If poorly planned or managed, growth can result in unanticipated infrastructure expenditures, increased operation costs, and long-term environmental impacts. Thus, an important aspect of facilitating effective growth is to streamline governmental operations and promote "smart growth." This report provides an extensive array of tools and practices to facilitate growth while maintaining the financial burden of residents. These tools and practices are illustrated through examples of communities that have pioneered these practices.

The practices discussed in this report are labeled smart investments and organized around a number of issues. The first section deals with smart energy efficiency investments. This section provides ideas for improving the energy efficiency of public facilities. The second section outlines smart water conservation investments. The practices outlined in this section focus on reducing water demand and wastewater flows. The third section discusses smart waste reduction and recycling investments. Practices leading to the reduction of waste sent to landfills, generating revenue from selling recycled material, reuse of materials, and stimulation of recycling markets are the foci of this section. Smart transportation investments are the subject of the next section. These investments promote travel alternatives besides the automobile and target cost reduction for government vehicle fleets. Smart development investments are also illustrated. Savings to government can be garnered through the use of building codes requiring conservation and efficiency as well as through zoning ordinances promoting high-density, mixed use development, and fees reflecting the costs of expanding infrastructure. It is argued that the investments in all the preceding categories represent investments in the environment in addition to fostering financial gain. The report closes with a chapter on garnering public support for smart investment strategies. Public outreach and education programs to gain public support are illustrated.

Utt, R. D., *The federal role in smart growth*, in J. S. Shaw and R. D. Utt (Eds.), **A Guide to Smart Growth: Shattering Myths, Providing Solutions**, Washington, DC: The Heritage Foundation and The Political Economy Research Center, 2000, 93-105.

This chapter discusses the relationship between federal programs and urban sprawl and makes some recommendations on legislation that may combat this problem. The main point of the article is that most federal policies have had little or no impact on sprawl and that policies allowing greater state and local decision making are needed to effectively address this problem.

Two federal programs held by some as major factors in inducing sprawl are specifically addressed; mortgage insurance programs of the Federal Housing Administration (FHA), and the Interstate Highway

Act. The author holds that FHA has played an ever-diminishing role in mortgage finance over the same time period, which saw increasing home ownership rates in the U.S. and rapid suburbanization. A 1999 General Accounting Office study is cited which indicates that the percentage of federally assisted mortgages for central-city houses (41%) is above the percentage of the population residing in these areas. The author's conclusion is that federal mortgage programs are not targeted toward building suburbs at the expense of cities. The author goes on to state that the decline in cities began around 1950, prior to the Interstate Highway Act of 1956 and was well underway prior to the completion of this interstate system in 1980.

The author suggests reforming the federal transportation policy and the federal housing policy to combat sprawl. Central to the author's suggestions about transportation policy reform is increasing state control of funds. The author makes two suggestions by which funding could be better utilized to address local transportation problems: 1) a federal block-grant to states equal to the federal fuel tax revenue raised within their borders; or 2) allowing states to keep the federal fuel tax revenue raised within their borders. In regards to housing policy the author suggests doing away with programs subsidized housing projects, which concentrate a cities poor into one area, in favor of alternative plans, perhaps rent vouchers, which could allow poor families to integrate themselves into the larger community. The author also suggests revising the Community Development Block Grant program to make projects addressing quality of life issues eligible for funding.

Utt, R. D., *The relationship of cities and suburbs*, in J. S. Shaw and R. D. Utt (Eds.), **A Guide to Smart Growth: Shattering Myths, Providing Solutions**, Washington, DC: The Heritage Foundation and The Political Economy Research Center, 2000, 77-91.

This chapter speaks to the decline of America's central cities and the population explosion in surrounding suburbs. The author posits that declining cities did not appreciably add to the growing suburbs. Thus, reversing this trend and revitalizing city centers will not slow the growth of suburbia. A direct rather than inverse relationship may exist here such that revitalizing a city benefits the entire area, leading to growth in the city and the surrounding suburbs. Conversely, declining cities also lead to declining suburbs. Rather than due to city residents fleeing to the suburbs, it is suggested that growth of suburbia is more attributable to overall population growth in the U.S. and to emigration from small towns and rural areas.

The author places the modern city in historical perspective. The industrial revolution encouraged the concentration of a large workforce within a dense urban area. The manufacturing plants employing these workers encouraged the growth of other business interests within this concentrated area. This economic concentration led to an increase in the cost of land in this area in comparison to surrounding regions. With the advent of the internal combustion engine and falling transportation costs, the suburbs came into being. Retail and other businesses soon followed, relocating to be closer to consumers living in the suburbs. This eventually led to many suburban areas becoming self-sufficient socially and economically. At this point, the cities began to decline.

The author suggests that many federal policies put in place to help the cities actually undermined them by driving businesses, jobs, and workers out of the cities. Housing projects meant to provide reasonably priced housing to city residents has had the unfortunate effect of concentrating the poor in one area, often leading to increased crime rates and a decline in the quality of city life for all involved. The author further contends that governmental policy toward mass transit, and light rail in particular, has done little to help and in some cases has made situations worse for city dwellers.

The author holds that the key factors in attracting people back to the cities are reducing crime rates and restoring quality education. He points to New York City under Mayor Giuliani in which the police took a proactive rather than reactive approach to crime control and holds that cities must reduce crime rates to a comparable level with suburbs to attract families. The author also points to a need to reform public education within cities, noting the recent trend of parental choice and competitive educational systems.

Villaraigosa, A. R., *America's Urban Agenda: A View From California*, **The Brookings Review**, Summer 2000, 18:3, 48-51.

This article presents the common plight of cities and suburbs and describes the situation in California both in terms of what actions the state should take and the actions it has taken. States are gaining in power to effect cities. The question addressed by the author is how they will utilize this power. The author suggests that states have three important roles to play in regards to metropolitan areas: 1) helping cities and suburbs address fiscal problems; 2) making communities more livable by addressing infrastructure, congestion, pollution, and open space; and 3) supporting working families, in particular the economically distressed. Steps that either have been taken or should be taken by California leaders are outlined for these three areas. The author stresses the shared plight of cities and their suburbs. Aid should not be funneled to one area at the expense of the other. "If we're all in the same boat, it makes little difference whether the boat starts to leak at the urban end or the suburban end. Eventually, all of us will be treading water."

Voith, R., *The Determinants of Metropolitan Development Patterns: Preferences, Prices and Public Policies*, **Metropolitan Development Patterns – 2000 Annual Roundtable**, Lincoln Institute of Land Policy, 2000, 50-55.

Many hold that since people have chosen to live on large suburban lots, then they must prefer this type of decentralized metropolitan development, typified by high per capita land consumption by high-income suburban dwellers and concentration of low-income households in the urban core. An urban model developed by Mills (1967) is described which indicates that this development pattern is a natural result of economic forces. The author makes the case that public policy effects this pattern as well. In particular, two kinds of policies are analyzed: the federal tax treatment of owner-occupied housing and metropolitan highway investment. These policies shift the costs of housing and commuting. The author argues, "both policies tend to increase the relative attractiveness of suburban locations compared to city locations, and both policies will tend to have different impacts for high- and low-income households." These policies increase the amount of suburbanization and socioeconomic sorting indicated from economic models of development.

Results are summarized from a series of papers addressing the role of the federal tax treatment of housing in metropolitan development. Owner-occupied housing is favored by mortgage and property tax deductions as well the untaxed return on home equity. It has been estimated that 20% of the federal subsidy is capitalized into housing prices, leading to an increase in the demand for housing and residential land. Results also suggest fairly high elasticity of demand for residential demand, suggesting that policies, which affect land prices, will have an impact on residential development patterns, making them less dense. Further, a differential effect of housing tax treatment exists, dependent upon income-level. Tax deductions lower the relative price of housing for higher-income individuals but not for moderate- or lower-income individuals. This increases the economic sorting of housing and creates an incentive for exclusionary zoning.

Highway expenditures also affect land use patterns. Lower transportation costs lead to flatter price gradients away from central cities. This results in increased land consumption and decentralization. Unintended consequences may also result, "highway investments may result in inefficient patterns of development, even if those investments are, on average, funded by highway users." Communities with quality transportation infrastructure are attractive to people and businesses. Investment in highways in an area can also increase nearby land values. When such investment is local, resulting spatial distribution of development is the simple outcome of a free market. This is generally not the case. Federal transportation expenditures can shift the attractiveness of one community relative to communities not receiving funds.

Wachter, S. M., *Cities and Regions: Findings from the 1999 State of the Cities Report, Metropolitan Development Patters – 2000 Annual Roundtable*, Lincoln Institute of Land Policy, 2000, 20-25.

This report outlines conditions of cities and suburbs in the nation. In the present economy, most cities around the nation are undergoing fiscal and economic recovery. The unemployment rate is higher in cities than suburbs but is falling faster. Suburban population growth is much greater than central city population growth. However, the central city population drain occurring after the 1970s has reversed. Between 1980 and 1996, two-thirds of the nation's central cities increased in population. Nonetheless, many cities are experiencing population declines, high unemployment rates, and poverty. A number of older suburbs are now experiencing difficulties once associated with urban areas (disinvestments, crime, job loss, etc.).

The broad costs of suburban sprawl are discussed. These broad costs are: increased public capital and operating costs; loss of open space and environmentally sensitive lands; declining air and water quality; increasing travel costs; concentration of poverty in central cities; spatial mismatch between workers and jobs; and loss of a sense of community.

The perennial central city problems and emerging suburban troubles have brought about agreement on a common urban-suburban agenda. A regional approach is called for. Wide agreement exists that this approach should include redevelopment in the urban core, expanding housing opportunities in the urban core, redevelopment of urban brownfields, and expanding regional transit. Policy implications are discussed. Most importantly, the untapped central city markets for labor, retail, and land development should be utilized. Additionally, the federal government has a role to play in overcoming the shared central city/suburban problems.

Walker, J., *Undiscovered Country*, **Reason**, August-September 1999, 13-15.

The author examines "The Costs of Sprawl" (Federal Transit Administration) and concludes that it does not adequately clarify what sprawl actually is and that the costs and benefits are largely unknown. A number of issues of contention are discussed which are not clarified in the report. Contradictory research exists on sprawl and its effects. Where agreement exists on the impacts of sprawl, interpretations differ. The author mentions that, in response to the report "one gets the impression not only that we don't know much about suburban growth now but that we never will."

Wasserman, M., *Urban Sprawl*, **Regional Review**, Q1 2000, 10-16.

The author contends that sprawl is widely vilified but not well understood. Additionally, the actual size of the problem is difficult to measure. The difficulty in addressing the issue of sprawl results from a lack of consensus on what it constitutes. At minimum, sprawl is considered to be uncontrolled low-density development that "leapfrogs" over undeveloped areas. However, the term "low-density" lacks a universal definition. Additionally, sprawl is associated with many negative societal impacts, yet "the relationship between sprawl and these issues is hard to disentangle." Further, attempting to solve some of the problems associated with sprawl may worsen other problems associated with sprawl. For example, protecting open space within a city may lead to lower density. Simply increasing housing density may not achieve the aesthetic value that many anti-sprawl advocates call for. Further, making cities more compact could lead to a worsening rather than easing of the equity issues of racial and economic segregation by increasing the cost of housing. The connection of traffic congestion and sprawl is also more complex than commonly thought. Additionally, the author holds that some of the animus towards sprawl is simply discontent with growth in general.

The costs and benefits of sprawl are discussed. Americans typically value being closer to the countryside, having more space, and owning larger homes. The key question is whether these choices impose costs on others. The general consensus is that this is the case but quantifying the extent of these costs is problematic, especially for environmental impacts.

Effectively dealing with sprawl will be difficult. The author holds that the inability to accurately measure the costs of sprawl makes it hard to mount a case for changing a valued way of life, suburban living. To deal with sprawl it is necessary for people to consider the impact of their actions on society as a whole. We must move beyond the idea that “[s]prawl is always what someone else is doing.”

Wassmer, R. W., *Urban Sprawl in a U.S. Metropolitan Area: Ways to Measure and a Comparison of the Sacramento Area to Similar Metropolitan Areas in California and the U.S.*, **Social Science Research Network Electronic Paper Collection**, ([http://paper.taf?abstract\\_id=241975](http://paper.taf?abstract_id=241975)).

While sprawl has been consistently associated with many negative outcomes, precise measures of whether development constitutes sprawl make actual measurement of this connection problematic. This report discusses the literature on defining sprawl in order to reach a consensus on ways to measure the degree of sprawl within a metropolitan area. In broad terms, sprawl is a form of “excessive” suburbanization, occurring when decentralized development results in private and social costs outweighing benefits in comparison to more centralized development. In other words, sprawl creates externalities, costs shifted to society as a whole. Unfortunately, measuring all the costs and benefits of suburban development is difficult.

Gleaning information from a number of sources, the author created an operational definition of sprawl. Sprawl is seen as occurring on a continuum. Measurable characteristics of sprawl include: low density, scattered development, separation of employment from homes, and a lack of functional open space. Also included in the definition of sprawl is excessive decentralization. Ways of measuring this sprawl aspect include assessing percentage of employment and business activity in the metropolitan or city core. If this level is low in comparison with comparable areas or if this decreases over time, than excessive decentralization may be occurring. Another measure of centralization is the employment to population ratio of the central city compared to the ratio of the entire metropolitan area. U.S. Census data can also be used to get at the percentage of a metropolitan regions population that lives within a city’s “urbanized area.” Assessing change in land percentages utilized in farming over time in a regions central county compared to change in the region as a whole is another method for getting at the level of decentralization. The author stresses that, when measuring sprawl, it is important to compare the area under study with earlier points in time and with comparable areas at the same time.

The author assessed the degree of sprawl for Sacramento, California, in comparison with five similar regions in both California and from around the nation. Detailed information is presented on the relative levels of decentralization and suburbanization for these regions. The author used the information from this analysis to calculate the correlation between sprawl and negative outcomes typically attributed to it. Urban sprawl was measured by: 1) percent of the regions population living in the central city; 2) percent of the region’s employment occurring in the central city; and 3) the central city employment to population ratio. The negative outcomes measures utilized were: 1) central city poverty relative to suburban poverty; 2) wealth in the suburbs relative to poverty in the central city; 3) central city unemployment relative to suburban unemployment; and 4) long commutes relative to short commutes. Nine of the twelve correlation coefficients calculated show the expected relationship, with negative outcomes decreasing as centralization measures increase. Many of these coefficients were small in magnitude, possibly due to the limited number of cases studied. The author presents reasonable explanations for the three coefficients with a positive relationship between increasing centralization and negative outcome. Additionally, this indicates that not all metropolitan problems are directly associated with suburbanization.

Watkins, A. R., *Impacts of Land Development Charges*, **Land Economics**, August 1999, 75:3, 415-24.

The effects of impact fees upon urban land development are analyzed. The cost burden of these fees may fall upon the purchaser of the developed land through higher prices, the land seller through lower land

prices, or the developer through lower profit margins. How this cost burden shifts among these parties is the topic of the analysis. A mathematical theory explaining this shifting is presented. This mathematical model rests upon certain assumptions: a) all land markets are competitive and reach equilibrium; b) no barriers exist for entry of developers; and c) developers are profit maximizers. Derived theoretical equations support the view that impact fees are felt by consumers when demand for developed land is inelastic and supply of raw land is elastic. This cost burden is borne by land vendors when the reverse is true. However, the model indicates that the land developer inevitably assumes at least half the cost of the impact fees regardless of the elasticity of supply and demand.

Weitz, J. and T. Moore, *Development Inside Urban Growth Boundaries: Oregon's empirical evidence of contiguous urban form*, **Journal of the American Planning Association**, Autumn 1998, 64:4, 424-40.

This study developed case studies of three urban growth areas in Oregon in 1995 to determine to what extent their growth during the 20-year growth management period conformed to various models of urban growth. The article concludes that recent development inside urban growth boundaries tends to be continuous to the urban core rather than dispersed, consistent with Oregon's policies for urban form.

In a literature review, the authors cited studies indicating that the 20-year experiment has not achieved all the objectives the advocates had hoped, particularly since the residential development at the edge of cities has resulted in low-density residential ring outside the UGBs. They indicate this will continue as new developments leapfrog because the boundaries are only temporary. However, they found that the infill development after the leapfrogging is probably at higher density than would have been the case if the parcel had not been skipped during the initial development phase.

The summary found that the case study data revealed that dispersed development had not occurred to any significant degree. The authors also evaluated how various development approaches satisfied the principles of the urban growth management, rating the methods desirable, acceptable or not desirable. 1) Primarily urban core development is desirable. 2) Over time, a combination of development that is predominantly urban core infill, redevelopment, or contiguous to the urban core is desirable. 3) Over time, development nearly contiguous to the urban core is acceptable. 4) Urban clusters are not desirable, but, over time, urban cluster infill and development are desirable, and development contiguous to existing urban clusters is acceptable. 5) Urban strips are acceptable. Over time, urban strip infill and redevelopment is desirable and development contiguous to urban strips is acceptable. 6) Development in the rest of the UGB is not desirable.

Wiewel, W., J. Persky and M. Sendzik, *Private Benefits and Public Costs: Policies to Address Suburban Sprawl*, **Policy Studies Journal**, 1999, 27:1, 96-114.

A well documented articles which endeavors to evaluate the issue without apparent bias. Article begins by reviewing alternative methods that might be use to constrain deconcentration or sprawl and better allocate costs. Studied approaches include congestion pricing, impact fees, growth management, reverse commuting, affordable housing development, tax base sharing, special taxing districts and policies to attract growth to older areas.

The research emphasizes that there is no simple solution to sprawl. Rather coordinated activities using a variety of approaches in small measures may allocate the costs and benefits most fairly. Limited impact fees were judged to help, but the concept of congestion pricing (or charging commuters to use roadways during peak periods) would not be accepted. Their conclusion was that growth management was effective, but inconsistent. The research identified benefits of tax base sharing, but concluded that the implementation of special taxing districts may be the most saleable approach to evening tax burdens. Finally, the article determined that reverse commuting plans, which may hasten the departure of some businesses from central locations, are extremely valuable in ensuring otherwise place bound residents of

cities and inner suburbs have cost effective transportation to the new suburban employment centers, providing much needed income to support local businesses.

In their conclusion the authors identify four policies which they believe are the most effective in terms of combating sprawl and ensuring urban communities retain viable central locations: 1) impact fees, especially regionally imposed, 2) expanded reverse commuting programs, 3) special districts to share taxes and services, and 4) programs to attract growth and businesses to central locations.

**Wolff, P., *Hot Towns: The Future of the Fastest Growing Communities in America*, Rutgers University Press, 1999, Chapter 9—Smart Public Policy. p. 182-208.**

Some underlying principles tying smart growth initiatives together are presented. The first of these involves community planning. The author states a need for community planning reform. Qualified individuals representing the demographic makeup of the community must be brought together to form a planning board empowered to make community-planning decisions. Community planning teams should also be utilized, calling on the expertise of professional organizations. The function of these teams should go beyond planning to include “garnering publicity, influencing politics, gathering insight, collecting wisdom, and harnessing expertise.”

The second principle involves monitoring the planning process. Citizens and citizen organizations must closely monitor this planning process. Communities must be cognizant that some monitors may also be advocates. Further, the author suggests the use of community report cards comparing trends with established community benchmarks when formal monitoring instituted.

The third principle is that infrastructure should come before development. Cities must effectively manage capital budgets. A great deal of debt makes a city dependent upon high-volume growth. Additionally, developers must shoulder some of the infrastructure cost burden prior to being allowed to proceed with construction. Also, infrastructure maintenance costs must be taken into account. The author holds that controlling infrastructure is the best method for achieving properly timed growth that matches with the wishes of the community. Petuluma, California is provided as an example in timed growth. Infrastructure and quality design criteria from this area are presented as possibilities for other communities. The lesson to be learned is this: “within a desirable community, if infrastructure is extended, population growth will follow, so plan in advance for it.”

The fourth principle is to coordinate the work of the public and private sectors to achieve a shared vision. Neither sector can achieve a successful town without the help of the other. Therefore, collaboration is key to the growth process.

The author suggests utilizing innovative tax policies and sound economic forecasting as another principle. Undeveloped land should be lightly taxed, to provide an incentive for its continued use in this fashion. Other incentives are discussed: governmental or public acquisition of land; restrictive easements; and time-limited reduction of real estate taxes. Additionally, innovative economic formulae should be applied for feasibility and risk assessment.

Additional, fairly self-explanatory principles are put forth. Tourism should be planned for and controlled. Growth management should be coordinated regionally or statewide. Diversity in industry and job type should be encouraged. Finally, recreational opportunities must be available to community members.

**Zovanyi, G., *Growth Management for a Sustainable Future*, Westport, CT: Praeger Publishers, 1998.**

The case for no growth is advanced in this text. This author begins this book by documenting existing global limits on growth. A principle argument of in the text is that, to achieve a sustainable future, the growth imperative must be halted. Growth management programs should serve to halt growth.

The second chapter of this text outlines the progression of the growth management movement in the U.S. The author characterizes the movement to date as biased toward growth accommodation. This bias is divergent with sustainable behavior. Protection of the environment and growth are not equally important and cannot proceed together. It is argued that added growth is not sustainable and should be halted through growth management programs that focus on sustainable behavior rather than growth accommodation.

The third chapter of the text presents the pro-growth bias of planners. These individuals are key players in the shaping of developmental policy. However, they are guided by the growth imperative, developing managed growth rather than halted growth programs. The changes that this profession must undergo to help shape a sustainable future, free of growth, are discussed.

The role of the nation's courts in growth management is the focus of the fourth chapter. Regulations have been at the heart of this movement from its inception. The ensuing conflict between land-use regulation and private property rights is discussed. The nature of property rights and the standards by which courts decide on the legality of growth management regulations are presented. The author concludes that the majority of growth management regulations have been upheld, despite a pro-growth judiciary. The rationale behind this is that the regulations tend to accommodate further growth. The author speculates on whether courts would uphold regulations that halt growth. The case is made that land-use law presents a significant, but not insurmountable, impediment to regulations halting growth.

The fifth and final chapter of the book addresses ecological sustainability. Environmental issues taken on by growth management systems are reviewed. The author makes the case that the three primary environmental planning responses of growth management have been ineffective in advancing ecological sustainability. The three responses discussed are: 1) impact assessment planning; 2) land-suitability analyses; and 3) planning based on carrying capacities of natural systems. Ecological sustainability cannot coexist with sustained growth. Measures of ecological sustainability (discussed in the text) must become the foci of the growth management movement. An ecological imperative must replace the growth imperative.