

BIG FORCES AND BIG CHALLENGES FOR SMART GROWTH

By John W. Frece

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For nearly half a century, state and local governments have been experimenting with radically different ways to manage growth. They have trotted out tough regulatory approaches and sweet-as-can-be incentive-based approaches. They have drawn urban growth boundaries, established priority funding areas, mapped urban service districts, concocted statewide growth maps, appointed growth commissions, revised building and subdivision codes, instituted parking requirements, limited highway access, levied builder impact fees, imposed protections against sediment runoff, prohibited the filling of wetlands, penalized the cutting of trees, and devised every imaginable form of zoning. As if to make sure every possible permutation was tried, some cities and states have sworn off zoning altogether, leaving it completely to the private sector to decide what is to be built and where.

In all of this time, however, there has never been such a convergence of huge national and international forces as there is today that collectively point to the need for a smarter pattern of development in the United States.

The huge forces facing our nation—global climate change and sea level rise; increases in the general population as well as growing immigrant and elderly populations; steadily rising energy prices; chronic shortages of affordable housing; and the new challenges

posed by international economic competition—are simply becoming too powerful to ignore. Together, they represent the proverbial “perfect storm” of forces that would seem to make obvious the need to manage our resources more wisely. Each force by itself seems to be reason enough for us to do a better job planning for and managing our growth. Collectively, they seem to demand—in the popular phrase of our time—“smart growth.”

Yet, despite these imperatives, we seem incapable of finding the right combination of actions to actually produce smarter growth on a regular or consistent basis. American planners often talk wistfully about “the European model,” with dense center cities surrounded by greenbelts. But in the U.S., regulatory efforts to emulate that approach are often attacked as the unconstitutional “taking” of personal property. Incentive-based approaches, on the other hand, often seem inadequate by themselves to influence development decisions. Highway construction is still generally viewed in this country as a God-given right, while transit construction is still considered a subsidy. People who walk through their neighborhoods are as likely as not to be asked if their cars have broken down.

Efforts to require the timely construction of infrastructure to support development through instruments such as adequate public facilities ordinances become meaningless when governments fail to provide the necessary funding. This, in turn, often opens the door to the “Not in My Back Yard” crowd to demand building moratoria in growth areas, a move that often has the unintended consequence of deflecting development to the very

parts of a region where growth was never desired or planned.ⁱ Many local governments, politically unable or unwilling to raise the taxes needed to pay for infrastructure, instead often tax the building industry directly by assessing ever higher impact fees. The federal government, meanwhile, complicates the picture further by adopting an “anti-terrorist” policy of decentralizing its workforce, often moving federal workers from offices in cities or established close-in suburbs accessible by transit or even by foot to new offices in far-off rural areas accessible only by car.

But there is one additional, often unmentioned challenge that threatens “smart growth” planning, even in the face of global warming, rising fuel prices and all the other big forces Americans today confront. The challenge is that in many places residents no longer want or welcome new growth and development. What was once almost universally considered as progress is now often seen as a detriment to a community—an impact that will somehow change the lives of existing residents for the worse. Already faced with endless traffic congestion, crowded schools, loss of open space and scenic beauty, air pollution, degradation of rivers and streams, threats to wildlife, and more, the public simply seems to have had enough.

The underlying concept behind “smart growth” is that development is coming and we should collectively be smart about how we plan to accommodate it. But when our elected leaders are battered relentlessly by the NIMBY crowd, when they fear for their own re-election if they allow another new large scale, high density development, their political

instincts tell them to stop the development if they can, limit it if they cannot, deflect it to a neighboring jurisdiction if possible, or charge higher fees for it if they have to accept it.

At a time when major global forces make clear the need for smarter choices in how and where we build, our political processes—and our political leaders—seem increasingly incapable of allowing that to happen.

Smart Growth

The phrase “smart growth” has always been a curious mix of marketing genius and in-your-face insult. It was meant to be inspirational: we can do better; we can be smarter about how we build and grow and develop. But it also was an implicit put-down for the cookie-cutter subdivisions, forgettable strip malls, and other manifestations of post-World War II land development in the United States: If it was not “smart growth,” then it must have been “dumb growth”!

Whether you like the phrase or not, it has been around for a decade now and seems to have caught on nationally. Even in states where elected leaders object to the term and create synonym titles for their programs such as “balanced growth” or “livable communities,” their efforts are routinely referred to under the omnibus banner of “smart growth.” Those two words have become the currently accepted short-hand for the broad array of growth management strategies that include “New Urbanist” building standards, mixed-use zoning regulations, renewed emphasis on public transportation, and master

plans that restrict development to designated growth areas as a means of protecting farms, forests and waterways from the detrimental impacts of sprawling development.

In Maryland, where the two-word phrase began to gain currency with the 1997 enactment of the “Smart Growth and Neighborhood Conservation” initiative, the goal was to use the financial resources of the state as incentives to support growth in certain geographic areas and discourage growth elsewhere by withholding state funds. The theory was that where the state spent its money on growth was important enough that it could influence development decisions. At the same time, Maryland launched an ambitious new land preservation program, called Rural Legacy, which was designed to identify and protect from encroaching development the best remaining farms, forests and other natural areas in the state. This “inside/outside strategy” was soon emulated elsewhere.

The “smart growth” movement, in Maryland or in other states, of course, is only the most recent wave in a series of state growth management efforts that date back to at least the 1960s and have blossomed at different times and under different names in Oregon, Florida, Vermont, Hawaii, Colorado and elsewhere. In almost every case, the call to manage a state’s growth more effectively was precipitated by concern over the impact of that state’s suddenly high rate of growth and loss of open space. Similar concerns are now reflected in a new tier of states, among them: Washington, New Jersey, Connecticut, Utah, California, and Rhode Island. Leaders in states as different as Arizona, Louisiana, Maine, and Michigan are now looking for better ways to plan for future growth.

Since the late 1990s, most smart growth advocates have subscribed to a set of 10 “principles” that reflect core characteristics of what they see as “smart growth” development. These principles call for:

- mixing land uses;
- encouraging higher density design;
- creating housing opportunities and choices for a broader mix of incomes and lifestyles;
- creating more walkable communities;
- fostering distinctive, attractive communities with a strong sense of place and a reverence for historic structures and the public realm;
- preserving open space, farmland, natural beauty, and critical environmental areas;
- strengthening and directing development toward existing communities;
- providing a variety of transportation choices in addition to the automobile;
- making development decisions more predictable, fair, and cost-effective; and,
- encouraging community and stakeholder collaboration in development decisions.ⁱⁱ

Growth Management Debates

A decade ago, when then Governor Parris N. Glendening initially proposed his “Smart Growth” initiative, he had to wage an uphill battle just to convince Maryland residents there was a problem related to rampant and often unplanned growth that needed to be addressed. That challenge, in Maryland and in many other states around the nation, appears largely to have disappeared. These days, citizens and elected officials alike seem

to understand that expanding development affects their lives. Where they differ is on what to do about it.

Those who have accepted the reality that growth is coming have moved beyond the question of whether state and local governments should try to manage that growth to the much more difficult question of how best to do it. How should they balance individual rights against what is best for the entire community? Regardless of whether they live in heavily urbanized states such as New York or Florida or largely rural states such as Iowa or Wyoming, the public and public officials alike are struggling with the challenge of devising a balanced approach to managing growth that is fair to all.

But not everyone agrees that their jurisdiction needs to accept passively the growth that is projected to come their way. One need only look at the pendulum-swinging battles over land use in places like Queen Anne's County, Maryland, or Loudoun County, Virginia, to appreciate how contentious the question remains of what government should do about managing future growth. Over the past decade, the citizens of these Maryland and Virginia counties have alternatively voted into—and out of—office opposing groups of pro-growth and slow-growth supervisors.

Most recently in Loudoun County, which is one of the fastest growing jurisdictions in the country, a slow-growth board was sued after it put in place new restrictions on building that affect two-thirds of the county (generally turning a 3-acre minimum lot size for new homes into a 10- or 20-acre minimums), only to have the state courts declare the effort

invalid because county officials had not clearly described the affected area in a required public notice. Now the board, squeezed by both the pro- and anti-growth sides, once again has to decide what to do.

But Loudoun County may simply be an over-heated example of the growth management debates that are playing out throughout the mid-Atlantic region.

- As Delaware Governor Ruth Ann Minner begins her final year in office, she and her staff are trying to cement the legacy of her Livable Delaware initiative in ways that will continue long after she has left office. Much of her cabinet's attention in her final year, therefore, is likely to be focused on Sussex County in the southern part of the state, where sprawling development has already changed the character and look of the rural farming landscape that lies west of the Delaware beaches.ⁱⁱⁱ Some 60,000 new housing units have already been approved and are in the development pipeline in Sussex County, which leaves state taxpayers facing a potentially enormous bill for the infrastructure and services needed to support such expansion.
- In Pennsylvania, Governor Edward G. Rendell and his cabinet have developed the state's own set of 10 "Keystone" principles that are intended to guide state investment in support of growth at the local level.^{iv} The first principle, "Redevelop it First," reflects an overall strategy to concentrate new growth and development within Pennsylvania's existing towns and cities. The second principle says the state should efficiently provide needed infrastructure with a "Fix it First" approach to the infrastructure that is already in place.

- In Virginia, a state that traditionally has been reluctant to involve itself in local land use decisions, Governor Tim Kaine has recognized the inescapable link between transportation projects and land use decisions. More specifically, the Commonwealth has begun to impose requirements to assure that locally constructed roads meet certain standards before they may be accepted into the state highway system. The Virginia Department of Transportation is also developing a plan to improve traffic flows through better management of roadway access points.
- In North Carolina, as in several other states along the Atlantic and Gulf coasts, the threat of increasingly dangerous storms has prompted creation of a growth management act specifically targeted to coastal communities. Under the state's Coastal Area Management Act, development projects that are inconsistent with the policies of a local land use plan can be denied.^v
- In Maryland, the state's new governor, Martin O'Malley, is trying to regain some of the momentum that the state's signature Smart Growth program lost in the years after Glendening left office in 2003. O'Malley has already re-staffed and reinvigorated the state's Office of Smart Growth, installed cabinet secretaries at Planning, Transportation, Environment and Natural Resources who have experience with and support for the Smart Growth program, and has charged his Smart Growth Sub-Cabinet with responsibility for developing a plan to make Maryland's Smart Growth program more effective. O'Malley seems intent on incorporating Smart Growth under a broader "sustainability agenda" that includes

measures to mitigate and/or adapt to climate change and sea level rise and to reignite the stalled efforts to restore the Chesapeake Bay.

Global Climate Change

Why is there so much activity? Because state leaders are recognizing that the threats their states face today have become almost inescapable. Of all the challenges, none has more potential to affect land use decision-making than global climate change. In many instances, it will simply mean that we shouldn't build in harm's way. As the planet warms, scientists say we are more likely to experience more extreme weather events, like Hurricane Katrina, or extended periods of severe droughts or excessive precipitation. If heeded, these warnings should mean building safely away from coastlines, or areas susceptible to wildfires, mudslides, or that already have shortages of drinking water.

But the core problem is that a major source of the greenhouse gases that cause global warming comes from the emissions that spew from the vehicles we drive. To reduce the amount of greenhouse gases that are released, the country will likely be forced to produce more fuel efficient cars and less polluting fuels. Slowly, we're on that path, with the development of the Toyota Prius and other new fuel-efficient hybrid cars and alternative fuels, such as ethanol.

But those two changes alone, while significant, won't get us there. (And the surge in acreage now being devoted to growing corn to meet our new-found need for ethanol may, as an unintended by-product, produce a whole new set of environmental challenges.)

According to a forthcoming book called “Growing Cooler,”^{vi} even if fuel efficiency standards were increased to 35 miles per gallon and fuel carbon content were reduced by 10 percent, emissions from the transportation sector would still increase by 40 percent over 1990 levels by the year 2030.

That means that, by necessity, part of the solution will have to come from reducing the number of miles we drive every year. But to do that will require the creation of higher density communities that are walkable and include a mix of uses. It also will require development of more (and more effective) public transportation systems. None of this will be easy and none of this is currently happening at a scale that is likely to produce the needed reduction in greenhouse gases.

In fact, the trends are going the other way. Over the last 15 years, the number of vehicle miles traveled has increased three times faster than the U.S. population and is projected to increase by nearly 60 percent between 2005 and 2030.^{vii} More transit will be imperative if we are to get drivers out of their cars, but for now, only about five percent of all Americans live within a half mile of a fixed guideway transit system. And, with the federal government largely abdicating any responsibility for the problem, no one seems to know where the huge amounts of money necessary to retrofit our urban areas with rail lines is likely to come from.

In a poll conducted in 2007 by the National Association of Realtors® and Smart Growth America,^{viii} about 70 percent of the survey respondents expressed concern about how

growth and development is affecting global warming. More than 90 percent said they believed that building communities where people can walk more or drive less is a key solution to reducing greenhouse gas emissions.

Rising Energy Prices

Another reason state leaders are—or should be—increasingly worried about our development patterns is the steadily rising cost of fuel and other forms of energy. We may hate it, but we're at the end of the era of cheap oil. A gallon of gasoline in most parts of the U.S. now costs 50 percent more than a gallon of milk. While there may be price dips, no one seriously believes gas prices will ever drop significantly.

This becomes a land use issue because expensive fuel hits those of modest means the most. The financial effect on families with two and three or even four cars will be huge. The more we spread out, the farther we live from our jobs or our schools or the restaurants, museums, or other city amenities we love, the costlier it will become.

Most households spend more on housing than on anything else, but transportation is a close second. As fuel prices go up, what will they cut out in order to cover the higher costs of driving their cars? Health care? Entertainment? Will they have to move to lower priced housing? Or will they find a way to drive less?

But, we'll never succeed at driving less unless we begin building different communities where shopping and jobs are in close proximity to where people live, and where walking,

bicycling or public transportation are realistic options to meet our daily needs. About a third of all Americans today are too old, too young, or too ill to drive. Isn't it unfair to trap them in an environment in which they either are dependent on a car or they simply cannot get around?

For all of these reasons, we need to invest in transit in a big way and make that transit system the skeleton for a less costly and more environmentally friendly pattern of development. To do this, we need serious, long-range plans to connect our major cities with commuter rail and also to move people around inside our cities and towns with light rail, trolleys and buses, all connected to networks of sidewalks and bike trails. In place of our current pattern of development—which uses excessive amounts of land, damages our natural resources, consumes our farms, and is costly in almost every way—we should concentrate new development around the transit stations.

While the cost of doing this will be tremendous, the necessity is inescapable. Not only will it give us a more environmentally friendly and less costly alternative to driving everywhere we want to go, but the transit stations can become the centers of our new, more functional town and city centers

Population

The impact of population increases is much like the issue of race relations: people know it's there, it affects our land use decisions, but as a general rule, they don't like to talk

about it. But, like it or not, the nation’s population is rapidly growing, our immigrant population is growing, and the percentage of our population that is elderly is growing.

In 2000, the population of the United States was just over 282 million. By 2020, it will be nearly 336 million. By 2050, it will be nearly 420 million.^{ix} That means, based on these estimates, that within the next 42 years, Americans will have to find enough room, enough housing, enough food, enough of everything to accommodate about 100 million more people, give or take, than we have today.

How will we be able to move those people on roads that, at least in urbanized states along the coasts, are already congested? Will they live in new apartments and condominiums in the heart of our existing communities, in new satellite cities that surround our older cities, or will they be allowed—or even encouraged—to sprawl all over the landscape?

However we decide these questions will affect our environment, our pocketbooks, and our quality of life.

The rapidly expanding immigrant population in many cities—or in their surrounding suburbs—is creating a different array of issues. (See Figure 1) In some cities, the immigrant population is partly responsible for the redevelopment and rebirth many inner city areas have experienced. Some cities, such as Baltimore and Washington, have begun

Figure 1:

**Projected Population of the United States,
by Race and Hispanic Origin: 2000 to 2050**

Population, or percent	2000	2010	2020	2030	2040	2050
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and race, or Hispanic origin						
Population Total	282,125	308,936	335,805	363,584	391,946	419,854
White alone	228,548	244,995	260,629	275,731	289,690	302,626
Black alone	35,818	40,454	45,365	50,442	55,876	61,361
Asian alone	10,684	14,241	17,988	22,580	27,992	33,430
All other races	7,075	9,246	11,822	14,831	18,388	22,437
Hispanic	35,622	47,756	59,756	73,055	87,585	102,560
White alone, not Hispanic	195,729	201,112	205,936	209,176	210,331	210,283
Percent of Total Population	100.0	100.0	100.0	100.0	100.0	100.0
White alone	81.0	79.3	77.6	75.8	73.9	72.1
Black alone	12.7	13.1	13.5	13.9	14.3	14.6
Asian alone	3.8	4.6	5.4	6.2	7.1	8.0
All other races	2.5	3.0	3.5	4.1	4.7	5.3
Hispanic (of any race)	12.6	15.5	17.8	20.1	22.3	24.4
White alone, not Hispanic	69.4	65.1	61.3	57.5	53.7	50.1

Source: U.S. Census Bureau, 2004, "U.S. Interim Projections by Age, Sex, Race, and Hispanic Origin," <http://www.census.gov/ipc/www/usinterimproj/>
Internet release date: March 18, 2004

to gain population after decades of exodus and decline. To some extent, that can be attributed to the new immigrant population.

But, as older cities become more attractive to young singles, empty-nesters, or those with higher incomes who have tired of time-consuming and costly long distance commutes, immigrants are sometimes being priced out of the cities and pushed to the surrounding suburbs. This migration, in turn, has created new demands for moderately priced housing, schools that must educate children whose first language is not English, and a variety of social and other services.

The aging of the Baby Boomer generation presents another set of issues that range from housing design (with accessible bedrooms on the first floor) to the need for easier access to health care and the provision of more transit options as age or illness make it difficult, unsafe, or even impossible for older Americans to drive.

Growth Visioning Exercises

Over the last several years, the National Center for Smart Growth Research and Education at the University of Maryland, in conjunction with other partners, including the Urban Land Institute and 1000 Friends of Maryland, have conducted a half dozen growth visioning exercises under the name “Reality Check.”^x In these exercises, a cross-section of the citizenry—business leaders, builders and developers, environmentalists, farmers, local and state elected officials, homemakers, and others—are invited to participate in day-long exercises in which they are asked to help decide where the growth projected to

come to their region over the next 20 or 30 years should go. Participants from different parts of the region and representing various stakeholder interest groups or points of view are grouped together around large, table-top maps of their region. Each table is equipped with a set of plastic Lego® blocks of different colors representing the amount of jobs and houses projected to come to the region by a certain date, such as 2030. The participants are then given about three hours to decide where on their map the new growth should go. They are not allowed to put the blocks in their pockets or shove them off to a neighboring jurisdiction somewhere off the map; they must play them all.

Before placing the first Lego, however, the participants are usually asked to reach consensus on a set of principles that will collectively guide their decisions on where they will place the projected jobs and housing. This is always one of the most interesting parts of the exercise, not because the principles are so different but because they are almost always the same or similar. Almost every table of participants starts with environmental protection: a desire that environmentally-sensitive areas, such as wetlands, shorelines or forests, not be adversely affected by the new growth. (See Figure 2) To achieve this end,

Figure 2:

Summary of Statewide Principles from Reality Check Maryland Exercises
<u>Environment</u> : More stringent measures should be taken to protect environmentally sensitive areas, watersheds, and other natural areas, as well as farmland and forests, before they are forever lost to development.
<u>Density</u> : Land use plans should concentrate new development inside designated growth areas or in other existing communities, in part by encouraging infill development and revitalization of older areas.
<u>Infrastructure</u> : Plans should give priority to new development in areas where infrastructure already exists and efforts should be made to provide new infrastructure to support new development in a timely fashion.

<u>Affordable Housing</u> : More housing for citizens of modest incomes must be provided.
<u>Housing/Jobs Balance</u> : Housing should be located closer to jobs, and vice versa.
<u>Community Character</u> : The rural and/or historic character of the state’s small towns and communities should be preserved.
<u>Transit</u> : More transit services, especially rail, should be provided in all four regions of the state, but especially in the urbanized parts of the state.
<u>Regionalism</u> : Greater regional cooperation should be encouraged, and regional planning authorities or regional plans should be created.

Source: *Today’s Vision, Tomorrow’s Reality*, the Summary Report of the “Reality Check *Plus*” Growth Visioning Exercises, page 9, National Center for Smart Growth Research and Education, Urban Land Institute – Baltimore District Council, and 1000 Friends of Maryland, September 26, 2006.

the participants almost always arrive at the only possible solution: they agree that most of the new development should be targeted to areas that are already developed. Those are the areas, they generally agree, where new infrastructure should be built or old infrastructure improved. And, those are the areas where they say planners should try to place jobs so the people who live there don’t have to drive so far to get to work.

Whether these exercises are conducted in Virginia, the District of Columbia, or Maryland – or, for that matter, in states as different as Florida, Texas and California – the results are often remarkably similar. When forced to make a choice, the public generally understands the trade-offs. Not surprisingly, they want working farms, clean air, and rivers full of healthy fish. They understand the environmental value as well as the scenic beauty of forests. And, if the only way to protect those resources is to cram more houses and jobs into existing cities and towns, then so be it.

People Don't Want More Growth

The problem with this, of course, is that these admittedly crude visioning exercises are only theoretical; there are no personal or community consequences to the decisions about where a bunch of plastic blocks are placed on a map. As more than one critic of Reality Check exercises has pointed out, there often is a disconnect between what people say they want during visioning exercises of this sort and what they actually will support when the higher density development is proposed next door. They are not, for example, required to give their political and financial support for the sewer, water, roads, schools or other services or infrastructure that would be necessary to support such development plans.

In fact, in most cases, a more fundamental problem exists: Most participants in these exercises, if given the choice, probably would prefer to find a way to stop or deflect most if not all of the growth projected to come to their region. In a number of the growth visioning exercises co-managed by the National Center for Smart Growth, participants protested the job and household projections used as the basis for the exercise—not because they necessarily believed the projections were faulty, but more likely because they feared they were true. They simply did not want to accept as a given forecasts that showed their region's population was about to explode.

The exercises were valuable in raising the awareness among participants about how much growth is projected to come to their regions and the tough choices that will have to be

made if those projections come true. But they failed to give participants the option many of them would prefer: to find a way to prevent so much growth from coming their way.

One participant at a Reality Check event on Maryland's rural, still agrarian, nine-county Eastern Shore did not disagree with the forecast for his region, but said such an influx of people would permanently and irreparably change the character and look of the Eastern Shore. It wasn't that he felt the projections were wrong; it was that he feared they were correct. It wasn't that he wanted to find a better way to accommodate this growth; it was that he wanted to find a way to stop or repel it. This is a serious challenge for smart growth advocates and one that is not likely to improve with time.

Meeting Housing Demand

In the abstract, the public may not want more growth, but in real life, everyone needs a place to live. For their part, homebuilders and developers say they will abide by development rules, as long as the rules are fair, predictable, and, ultimately, cost-effective. But some in the building community are convinced that the combination of environmental and "smart growth" requirements imposed by state and local governments (such as regulations that require the use of certain building materials or designs) are making it impossible to provide what one developer describes as "normal housing for normal people with normal incomes and normal mortgages." Builders say those who push for these well-meaning requirements are guilty of ignoring the real world economic impact they have on housing costs, or the unintended consequences that occur when housing prices are out of sync with what people can afford.

To remedy this shortage, some local governments impose “inclusionary zoning” requirements that force home builders to incorporate a certain number of moderately priced housing units within new subdivisions of a certain minimum size. Such requirements not only help meet the need of providing a greater supply of affordable housing, but also provide ancillary benefits, such as diversifying school enrollment with children from families of different income levels. But, of course, none of this is free.

A new study by the University of Maryland’s National Center for Smart Growth and funded by the National Association of Homebuilders^{xi} found that housing prices in cities that adopted inclusionary zoning increased about 2-to-3 percent faster than cities that did not adopt such policies. The study, which primarily focused on the effect inclusionary zoning programs had on housing markets in California from 1988 to 2005, concluded that cities with inclusionary housing programs experienced a significant and relatively large increase in the ratio of multifamily to single family housing production. Said another way, inclusionary zoning programs appear to have the desired effect: that is, the creation of more moderately priced housing, but they also “demonstrate that inclusionary zoning policies do not come without cost.”^{xii}

On top of these types of requirements, many local governments simply assess an impact fee on every house that is built. These costs, frequently as high as \$25,000 per house, are intended to cover the costs of roads and schools and other infrastructure and services required by the new development, but often end up being largely passed through to

homebuyers, making homes less affordable. In Anne Arundel County, Maryland, where large areas of the county are already under a building moratorium because the schools do not meet capacity standards stipulated by the county’s adequate public facilities ordinance, the county executive recently proposed huge increases in impact fees—in some cases, 10 times more than is currently levied.^{xiii} (See Figure 3) Currently, any house that is built in the county is subject to a \$4,069 impact fee, but under the new proposal, the larger the house, the larger the fee. The fee for a two-bedroom house would increase to \$12,683; for a four-bedroom house to \$28,898; and for a five-bedroom house to \$39,942. Local homebuilders say if this new fee structure is approved, home building in Anne Arundel County, including projects already in the works, will simply stop.

Figure 3:
Proposed Residential Housing Impact Fees,
Anne Arundel County, Maryland
Single Family Homes

Current Fee	
Any home	\$4,069
Proposal	
1 bedroom	\$3,571
2 bedroom	\$12,683
3 bedroom	\$20,651
4 bedroom	\$28,898
5 bedroom	\$39,942
Maryland county comparison (3- bedrooms with 2,000 sq. ft. on 10,000 sq. ft. lot)	
Montgomery County	\$31,105
Frederick County	\$23,641
Charles County	\$19,276
Calvert County	\$12,950
Prince George’s County	\$12,706
Harford County	\$8,189
Anne Arundel County	\$4,069
Howard County	\$2,960

Source: *The Capital*, Annapolis, Md., January 4, 2008, and the National Impact Fee Roundtable, Inc.

Well, home building may stop in Anne Arundel County, but it won't just stop. It will move elsewhere where the rules are easier or the land is cheaper or the ability of the local government to say "no" is weaker. That's what always happens: development follows the path of least resistance. And the most damaging development is usually the easiest to get approved. That's what happened in Queen Anne's County, Maryland, where the development that was stopped in Anne Arundel County simply migrated across the Chesapeake Bay Bridge into Queen Anne's. If our leaders don't make it easy and cost-effective to build where they want growth to go, if they don't provide the infrastructure needed to support growth in designated growth areas, and if they don't also penalize development that goes outside those areas, then we will continue to get more of the same.

The imposition of impact fees raises another question related to fairness: Should only new homebuyers subsidize the costs of new roads and schools or other infrastructure and services, or should those costs be spread among the broader community through higher taxes? Or, is there a more equitable compromise between the two?

One result of passing ever higher fees and costs along to homebuyers is that families in search of a home they can afford increasingly feel they must "drive until they qualify" for a loan on a house they can afford.

All of this, of course, comes at a time when those concerned about greenhouse gas emissions want to reduce the amount of vehicle miles driven each year; when rising energy costs make such long distance commutes more unaffordable than ever; and when environmentalists are increasingly concerned that sprawling development will continue to destroy forests and farmland, harm waterways, threaten limited supplies of drinking water, and ruin the beauty of our dwindling supply of undeveloped natural areas.

A Champion and a Crisis

The forces we are facing are big, scary and world-changing, and they are here to stay. Frankly, we aren't very smart if we don't start addressing them now. Yet, we don't seem capable of doing that. We cannot seem to align our political processes in ways that can address these threats. Our failure is not primarily a failure of policy, for we generally know what policies are needed to change our patterns of development to meet these challenges. No, our failure is broader and more fundamental: It is a failure of willpower; a failure to implement the policies we know we need. It is a failure reflected in the distinction between politicians who are mostly interested in their next election and statesmen who are mostly interested in the well-being of the next generation.

If we are to meet these challenges, we will have to change how we live in countless ways. But, we are unlikely to make sacrifices without strong, sustained, future-thinking leadership. What we need are champions. It will always be hard to get people to do something today for a result they may not see for years, decades, or even in their own lifetimes unless someone with strength and vision leads them there.

But, even that may not be enough. We surely need champions, but we just as surely need a crisis, the other great motivator for change. The forces we are facing are likely to have a lasting effect on what is built and where it is built in the years and decades to come.

But, unless we get our act together, we may produce consequences on the land that we never intended and which cannot be reversed. There will surely be regional winners and losers from the fight for smart growth and environmental protection, but the winners may not be the regions that smart growth and environmental advocates have in mind.

The crisis is surely coming. Now, if we could only find some champions who will face up to it.

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ⁱ *ADEQUATE PUBLIC FACILITIES ORDINANCES IN MARYLAND: INAPPROPRIATE USE, INCONSISTENT STANDARDS, UNINTENDED CONSEQUENCES*, NATIONAL CENTER FOR SMART GROWTH RESEARCH AND EDUCATION, UNIVERSITY OF MARYLAND (2006), available at http://www.smartgrowth.umd.edu/research/pdf/NCSG_APFOMaryland_041906.pdf.

ⁱⁱ These principles were first adopted by the Smart Growth Network, a national coalition of organizations that share information on growth management efforts, and have subsequently been endorsed by at least 50 units of government and some 40 non-governmental organizations and 13 private sector groups, according to a tally maintained by the U.S. Environmental Protection Agency.

ⁱⁱⁱ <http://stateplanning.delaware.gov/>

^{iv} *Agencies Announce Keystone Principles for Growth, Investment & Resource Conservation*, Commonwealth of Pennsylvania, October 24, 2005.

^v <http://dcm2.enr.state.nc.us/Planning/planning.htm>

^{vi} *Growing Cooler: The Evidence on Urban Development and Climate Change*, by Reid Ewing, Keith Bartholomew, Steve Winkelman, Jerry Walters, and Don Chen, Smart Growth America, the Urban Land Institute, The Center for Clean Air Policy, and the National Center for Smart Growth Research and Education, <http://www.smartgrowthamerica.org/gcindex.html?JServSessionIdr012=qqnn3qhnp3.app14b>

^{vii} Ibid.

^{viii} *2007 Growth and Transportation Survey*, National Association of Realtors and Smart Growth America, http://www.realtor.org/smart_growth.nsf/Pages/pollingresults?OpenDocument

^{ix} Projected Population of the United State by Race and Hispanic Origin: 2000 to 2050, U.S. Census Bureau, March 18, 2004.

^x See: www.realitycheckmaryland.org

^{xi} *Housing Market Impacts of Inclusionary Zoning Programs*, by Gerrit-Jan Knaap, Antonio Bento, Scott Lowe, National Center for Smart Growth Research and Education on behalf of the National Association of Home Builders, January 2008.

^{xii} *Ibid.*

^{xiii} *Dramatic Boost in Impact Fee Sought*, by Erin Cox, The Capital, January 4, 2008.