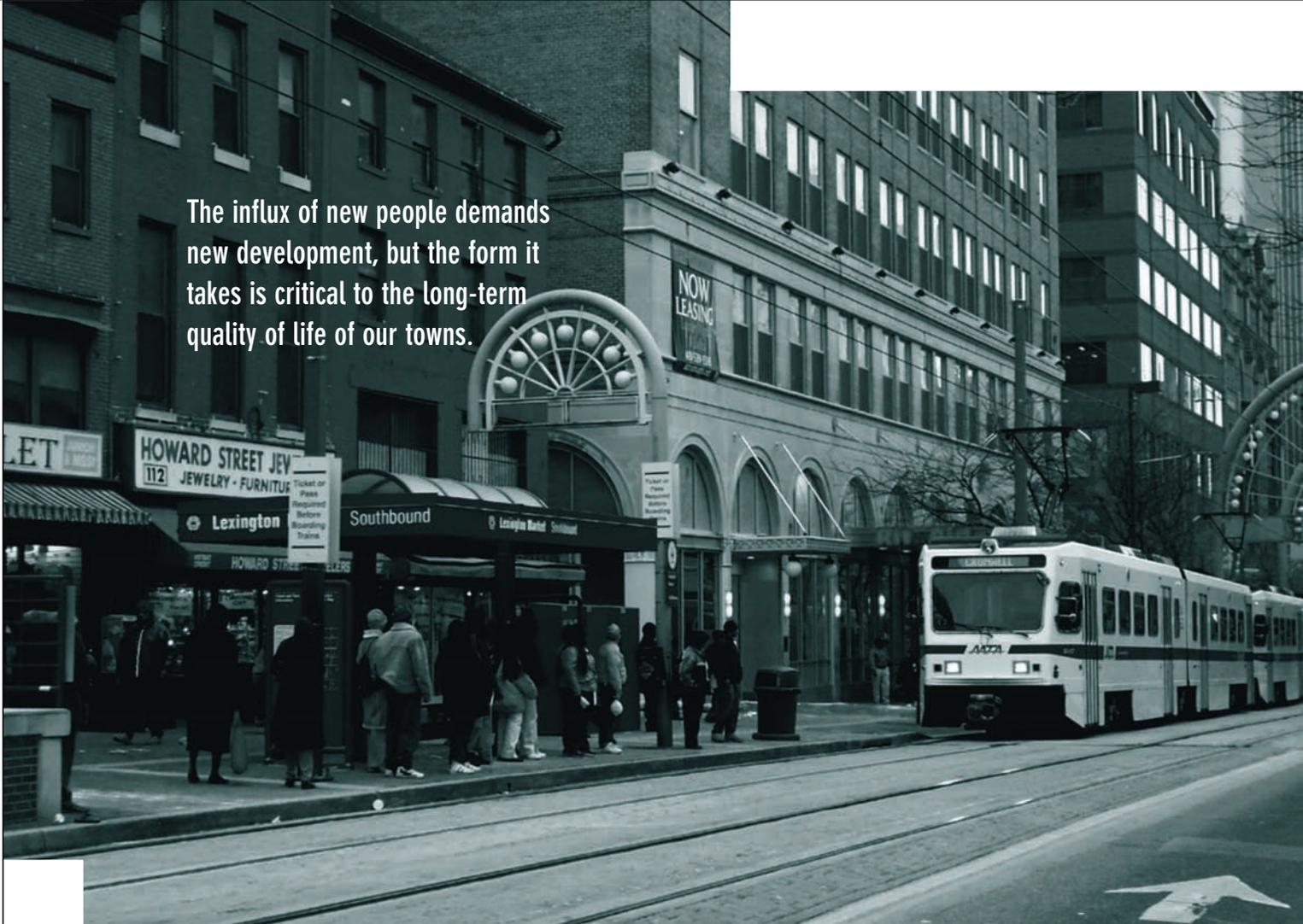




Smart Growth in Principle

The influx of new people demands new development, but the form it takes is critical to the long-term quality of life of our towns.



IIA. The Origins of Smart-Growth Planning and Development

By the mid-1990s – 50 years after the end of World War II had kicked off a sustained boom in housing and road-building, – “growth” had become something of a bad word in many communities around the country. Because it often seemed unplanned and unfocused, growth and development had come to be associated with the disappearance of treasured landscapes, a rise in traffic congestion, environmental degradation and other negative implications for quality of life. The world seemed increasingly to be divided into “pro-growth” and “no-growth” camps.

It was around that time that the concept of “smart growth” emerged and began to gain in popularity. Developed as a collaboration among key thinkers in city planning, urban design, real estate development, environmentalism, transportation, business, government and other fields, smart growth would be a third way. Growing “smart” would mean, first, that towns, cities and metro regions would acknowledge that growth and change are a nearly inevitable fact of life. Next, it would mean involving citizens

Today, many cities, towns, and regions across the nation are using smart-growth concepts to address local issues and make development decisions. Some local discussions focus on the problem of traffic congestion and how to manage it. In other places, the public pays attention to development overtaking farmland and other open space. Some conventional, post-war suburbs are fulfilling their desire for a more traditional pattern of development that creates pedestrian-friendly community centers with retail, office, and a mix of housing types,

“Smart growth is development that enhances our quality of life.”

– Ken Jackson, REALTOR®

in making a plan for the future would that ensure a wide choice in housing options for people of all incomes and ages; protect farmland and natural areas; revitalize, and not undermine, the places we had already built; and provide options for how to get around, and avoid unnecessary travel. The hope was that by doing these things, communities would get better as they grow. Or, as South Carolina REALTOR® Ken Jackson succinctly puts it: “Smart growth is development that enhances our quality of life.”

from apartments and townhouses to stand-alone houses. Below are a few examples of how smart-growth ideas are being put to work:

Preserving land for open space. In recent years, voters have approved billions of dollars for open space purchase through nearly 650 state and local ballot measures. According to the Trust for Public Land’s LandVote database, more than 78 percent of the conservation finance ballot measures put to voters between 1999 and 2003 were approved, generating



more than \$26 billion to preserve land for recreation, farming or environmental health. With funds for outright purchases limited, however, new techniques are being developed to help communities preserve farmland and forests and protect watersheds and wildlife habitat. These can include conservation easements, transfer of development rights, and purchase of development rights, clustering of development and other methods, to be discussed later in this toolkit.

Providing transportation options. In addition to building new roads, communities are working to coordinate development with transportation to make it easier to walk, bicycle, or take transit, or even to reduce the need to travel for daily needs. Dozens of communities are investing in new transit service, and transit usage has steadily increased since the mid-1990s. Providing transportation options can remove some cars from the roads and reduce congestion, and can also provide greater mobility for those without cars. Transportation improvements can be as simple as providing safer pedestrian routes by building sidewalks, or as large as building metropolitan transit systems that can include improved bus service, light rail, heavy rail, or commuter rail. Many major metropolitan areas, including Denver, Atlanta, Minneapolis-St. Paul, Dallas, Salt Lake City, Baltimore, and San Diego have upgraded their transit systems in recent years. These alternative

modes of transportation work particularly well where land uses are mixed and densities are high.

Revitalizing downtowns and neighborhoods.

Though they are often neglected, downtowns and older neighborhoods are centrally located and have infrastructure in place to handle some of the new development that has been eating up open space.

Brownfields, which are abandoned or underused

industrial and commercial properties that may be contaminated (former gas stations, vacant warehouses, abandoned rail yards), can be cleaned up and put back into productive commercial or residential use. In recent years, new housing construction has made a comeback in many major cities – from Washington, D.C., to Kansas City, Missouri, to Portland, Oregon – after decades of inactivity. REALTORS® note a growing trend of young singles and couples as well as empty-nesters seeking convenient, close-in neighborhoods.

Reexamining local zoning codes.

Zoning was created to protect residential neighborhoods from the noxious activities of an earlier industrial age. Unfortunately, in many places today, the crude tool of conventional zoning has resulted in such extreme separation of even compatible uses – one kind of housing from another, for example, or homes from schools and convenient shopping – that it is impossible to build complete communities. Many communities now are adopting new forms of zoning that allow for the widest range of housing: single-family homes, apartments, townhouses, condominiums, and mixed-use development (such as apartments over shops). In designated areas, they are once again allowing people to live near shops, restaurants and offices, thereby creating more options for more people. New “form-based” codes

worry less about segregating uses, and more about specifying the kind of development that a community wants, speeding approvals for developers who can provide it. Communities such as Arlington, Virginia, Emmaus, Pennsylvania, and Petaluma, California that have adopted these new ordinances usually have found favorable upturns in their real estate markets.

Reforming regulations. Subdivision and development regulations often require expensive, overly wide streets that encourage faster traffic and discourage pedestrians. In addition, school-building planners typically require large school sites with big parking lots, ensuring that schools will not be nestled within walkable neighborhoods, but rather will be built on busy roads at the edge of communities. Building codes designed to regulate new construction often make the rehabilitation of older homes and apartments economically unfeasible. These are examples of the unintended consequences of regulations that make it difficult to build communities in a smart way. Many communities are tackling these problems by changing the regulations. Smart Building Codes have been adopted in states and localities to create more appropriate standards for older buildings. Educators are changing site regulations and building design requirements to permit new schools to be built on small sites within neighborhoods. Localities and state highway departments are

trying different approaches, such as narrower streets, traffic calming, and roundabouts to slow traffic and make neighborhoods safer.

Town centers in the suburbs. Many suburban areas were built without a “downtown,” but as the population has increased, there is a growing need and market for giving them a focal point that also serves communities needs. These new high-density downtowns are popping up with increasing frequency around the United States and can include offices, stores, and homes in a pedestrian-friendly urban environment.

Smart growth tackles some big questions

How can cities and suburbs grow in population while avoiding the negative consequences both of automobile-dependent sprawl and poorly planned density, while preserving the home ownership levels and private space that Americans cherish?

Can more and more of us live the “good life,” but without creating a nightmare of traffic jams, throw-away landscapes and environmental degradation?

IIB. Changing Demographics, Changing Markets, Changing Attitudes

Many recent changes in planning and development arise from demographic trends, cultural shifts, and changing markets. The classic suburban development model that grew up in the post-war 1950s was aimed at a housing market dominated by new families who were having children as quickly as they could.

Today, though, for the first time ever, households of single persons outnumber those of adults with children at home (including single parents), 32 percent of the total versus 31 percent. Married couples with kids are an even smaller segment, 23.5 percent. As recently as 1970, couples with children accounted for more than 40 percent of households. The effect on real estate markets is palpable, Michael Carliner, an economist with the National Association of Home Builders, told the Los Angeles Times in August, 2005. Singles, he said, “place a greater priority on being close to the action. They are not worried about school districts or space, so they put a higher priority to being close in. That’s been a factor in boosting demand for urban or close-in suburban housing.” Generation Xers, those born between 1965 and 1981, are postponing childbirth, and gravitating toward cities in the meantime. Many are looking, not for their parents’ house in a subdivision on the metro fringe, but for neighborhoods that combine the convenience and vibrancy of urban neighborhoods with the family-safe features promised by conventional suburbs.

In addition, as baby-boom households become empty nesters, the fastest growing household type is couples without minor children living at home. By 2010, 36 million households, nearly a third of the total, will be empty nesters, and the occupants will live more years in that state than any previous generation.

At the same time, the changing nature of work and the shift from an industrial to an information/service economy is making new arrangements possible and preferable. Twenty years ago there was no market for “live-work” units, while today the demand is strong and growing. Professionals and others who increasingly spend at least some time working in home offices are looking for neighborhoods that integrate the coffee shop, lunch spots and business supplies and services they need. Many parents are raising their children single-handedly and would rather spend time with the kids than commuting to work. Some opt to run home-based businesses, while others join the growing ranks of telecommuters. Demand for new housing in most large central cities has increased greatly since the mid-1990s, fueling demand for loft-style housing, live-work units, and condominiums, which accounted for a record-high 13 percent of all homes sold in 2005.

Attitudes About Growth and Development

Marketing surveys and polls are documenting these cultural shifts and changing preferences. A September, 2004 poll by NAR and Smart Growth America found the prospect of lengthening commutes is leading more Americans to seek walkable neighborhoods closer to employment centers – a tenet of smart growth communities.

Asked to choose between two communities, six in ten prospective homebuyers chose a neighborhood that offered a shorter commute, sidewalks and amenities like shops, restaurants, libraries, schools and public transportation within walking distance over a sprawling community with larger lots, limited options for walking and a longer commute. Those who are in the market to buy a home are also more likely to say they want to be in or near a city as opposed to living in a farther out suburb or rural area.

For the purposes of the NAR/SGA survey, a smart growth community was described as a mix of apartments, condos, townhouses, and detached homes on various-sized lots with

Americans selecting those communities over communities with bigger lots and longer commutes. This is significant because minorities are an increasing part of the home-buying public.

NAR polls consistently show that people are not opposed to growth but they do want it managed more. For the past several years, the National Association of REALTORS® has conducted surveys that show people favor growth, but not necessarily at the expense of losing open space or worsening traffic.

Surveys in 2001 focused on these specific topics, providing a broader spectrum of people's views while introducing some

Even in California, where everyone has a love affair with the car, people want options. They want to keep their car, but they don't want to be in it all day.

— Kay Runnion, government affairs director for Ventura County Coastal Association of REALTORS®

sidewalks and places to shop, eat, read, and go to school within walking distance. It was also described as a place with nearby public transportation and a one-way commute of less than 45 minutes. A sprawling community was described as a place with only single-family detached houses on one-acre lots without sidewalks, where places to shop, eat, read, and go to school are within a few miles. Public transportation is distant or unavailable and a one-way commute is 45 minutes or more. After hearing detailed descriptions of two communities, Americans favored the attributes of walkable, smart growth communities over sprawling communities with longer commutes 55 percent to 45 percent.

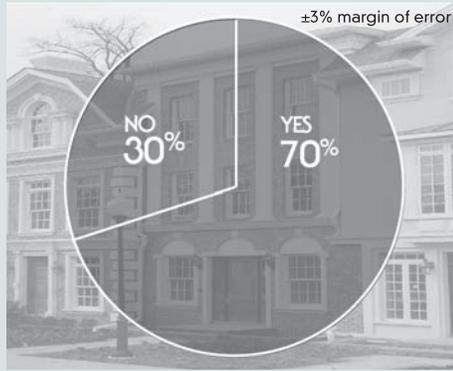
Women and minorities are even more likely than other Americans to choose a walkable neighborhood that has a shorter commute, with 59 percent of women, 57 percent of Hispanics and 78 percent of African-

solutions, including a clear call for increased public transportation. A 2002 survey, conducted with the National Association of Home Builders, suggested market-based incentives were the preferred way of achieving smart growth as opposed to regulations.

Open Space Survey

When asked how they felt about increased residential and commercial growth in the March 2001 open space survey, voters were three times more likely to support growth (37%) than to disapprove of it (11%). And half indicated that their position on growth depended “on the situation and circumstance.” The same survey showed that some want growth to be managed, but uncertainty arises around how much land or growth management is necessary. An overwhelming majority (82%) stated that decisions about land use and open space

Were a sufficient number of homes available in your price range?



Which of the following statements do you agree with? I wish...



Rate the importance of the following community amenities...



Would you buy a home in a Smart Growth neighborhood?



Source: NAR/NAHB 2002 poll of recent homebuyers.

should be made at the local level by town, city, or county governments. More than half of the public (54%) said it believes in more management of growth because “problems associated with growth need to be addressed.” But, a sizable 42% disagreed, saying instead that growth should be managed less because “there are already too many government regulations about how people can use their land.” Where people live, as well as gender, had some bearing on their opinion: Those living in more rural areas wanted less management (53%) than urban (42%) or suburban (38%) dwellers, while nearly two-thirds (61%) of suburban women favored more management.

In the open space survey, two of three respondents said they worry about loss of open space to commercial and residential development. However, they placed different values on different types of open space. In areas under development pressure, the survey found 80 percent of voters support preserving farmland, natural areas, stream corridors, true wilderness, and historic sites, but fewer (58%) supported preserving fallow fields no longer used for farming. A strong majority also supported creating open spaces with specific community purposes, such as playgrounds (75% in favor), soccer and baseball fields (61%), and neighborhood parks (60%).

Americans clearly support the purchase and preservation of open space, though not necessarily at any cost. In the 2001 open space survey, 75% supported local governments and non-profit groups like land trusts to buy and preserve open space. However, the public’s enthusiasm wanes as the price tag increases. Support for land purchase and preservation dropped to 50% if it would require a \$50 property-tax increase and plummeted to 31% if it meant a \$100 tax hike.

The surveys suggest the public feels growth and land stewardship are positive activities, not mutually exclusive goals. “Voters are telling us that they believe growth can accommodate

wise stewardship of the land,” noted Portland, Oregon REALTOR® Pat Kaplan, NAR Treasurer at the time of the survey.

Transportation Survey

Traffic is the other chief concern when it comes to growth.

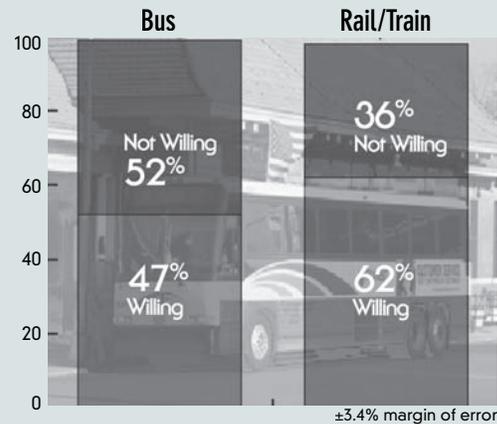
A NAR transportation survey in October 2001 showed that two out of three Americans are increasingly concerned about traffic congestion, with 62% saying traffic congestion is getting worse and 69% expecting it to worsen in the next five years. As for some of the causes, 64% blamed lack of convenient and accessible alternative transportation, and 60% said too much commercial and residential development has created more traffic. While 46% agreed that businesses and homes should be built closer together to shorten commutes and limit congestion, 51% disagreed.

The same survey also showed that the public definitely wants investment in public transportation and believes the government isn’t doing enough in this area. The results found that most voters are dissatisfied with the way their local governments are handling traffic congestion and public transportation. Nearly 60% ranked their local government “fair” or “poor” for easing traffic congestion on local roads and highways, and more than 50% said their governments are doing a “fair” or “poor” job providing practical and convenient public transportation.

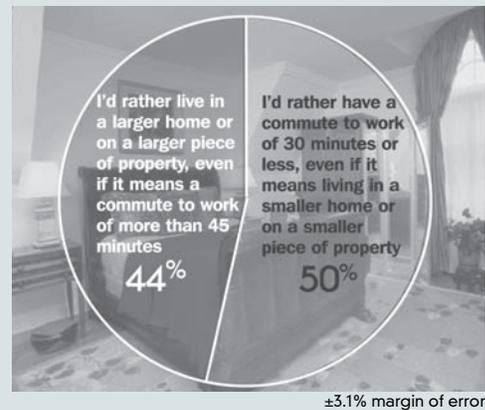
In the 2001 transportation survey, most commuters said they would be willing to use mass transit instead of driving themselves to work if it were convenient, safe, and available. About two out of three people said they would be willing to use car pools or ride shares, 62% said they would be willing to commute by rail or train, and nearly half, 47%, said they’d be willing to commute by bus.

These attitudes have persisted. NAR’s 2004 smart growth survey showed that half of all Americans believe improving public

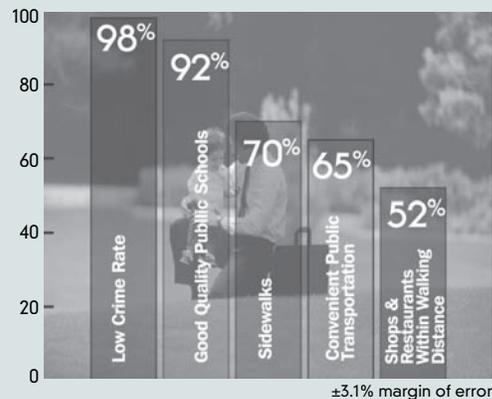
Would you be willing to commute using public bus, rail or train, if they were convenient, safe and available?



Which statement do you most agree with?



How important was each issue in forming attitudes and opinions about where voters chose to live?



Source: NAR 2001 poll.

“Voters are telling us that they believe growth can accommodate wise stewardship of the land.”

Pat Kaplan, Portland, Oregon REALTOR® and NAR Treasurer at the time of the survey

transportation is the best option to solving long-term traffic problems. Less than 20% believed that building new roads is the answer. Consistently, NAR surveys show that improving public transportation and developing communities where people do not have to drive long distances are more popular than building new roads.

Whatever the policy mechanism, Americans overwhelmingly want government funds

targeted at existing communities before putting money into new developments farther from cities and older suburbs. In the 2004 survey, nearly nine in ten people (86%) said they want improvements in existing communities to receive priority funding over incentives for new development in the countryside (12%).

To find out more about NAR smart growth polling, see: www.realtor.org/polling

IIC. The Principles of Smart Growth

With the market for walkable, mixed-use neighborhoods growing, citizens becoming increasingly anxious about fallout from poorly planned growth, and increasing numbers of metro areas running into limits to their financial and environmental resources, how should our cities grow in the future? The set of principles that have come to be referred to as smart growth arose from attempts by thousands of government officials, planners, environmentalists, business thinkers, development and real estate professionals and ordinary citizens to answer that question.

Smart growth is less a set of prescriptions than it is a way of thinking about how to make great communities with lasting value. To grow “smart” means involving citizens in choosing a future that provides housing options for people of all incomes and ages; protects farmland and open space; revitalizes neighborhoods and offers a variety of convenient options for getting around. The state of Maryland, whose 1997 Smart Growth act helped to popularize the term, identified three key goals: To steer development toward land designated by local communities as appropriate for new growth; to steer development away from designated natural and cultural areas, agricultural lands and environmentally sensitive zones; and to ensure that development makes efficient use of land and the roads, sewers, schools and other infrastructure we all pay for.

None of these goals can be accomplished unless the resulting development is appealing to current – and future – residents. In fact, making better communities that age gracefully is one of the best arguments for applying smart growth concepts. For that reason, much of the innovation being done under the smart-growth banner is aimed at making places that are more convenient, affordable, beautiful and

safe. The goal is to make neighborhoods that are walkable and complete, with daily needs close at hand, and that are distinguishable one from another, rather than having a one-size-fits-all look and feel.

You might hear some people say that “smart growth means different things to different people.” That’s true in the sense that state and local communities are free to implement their “smart” plans as they see fit. Nevertheless, the central principles discussed below are almost universally recognized as defining smart growth, and they have been embraced not only by many of the nation’s key conservation, environmental, historic preservation, affordable housing and business organizations, but also by the national associations of planners, developers, real estate professionals, local government officials and federal agencies. For a partial list of endorsing organizations visit www.smartgrowth.org/sgn/partners.asp

The following section is derived from the 10 principles adopted by the Smart Growth Network, an alliance of government, professional, business and other agencies that have embraced smart growth. Learn more about the Smart Growth Network at www.smartgrowth.org

Smart Growth Network's Ten Principles of Smart Growth

- 1 Create Range of Housing Opportunities and Choices
- 2 Create Walkable Neighborhoods
- 3 Encourage Community and Stakeholder Collaboration
- 4 Foster Distinctive, Attractive Communities with a Strong Sense of Place
- 5 Make Development Decisions Predictable, Fair and Cost Effective
- 6 Mix Land Uses
- 7 Preserve Open Space, Farmland, Natural Beauty and Critical Environmental Areas
- 8 Provide a Variety of Transportation Choices
- 9 Strengthen and Direct Development Towards Existing Communities
- 10 Take Advantage of Compact Building Design

1. Create Range of Housing Opportunities and Choices

Providing quality housing for people of all income levels is an integral component in any smart growth strategy. Housing is a critical part of the way communities grow, as it constitutes a significant share of new construction and development. More importantly, however, it is also a key factor in determining households' access to transportation, commuting patterns, access to services and education, and consumption of energy and other natural resources. By

using smart growth approaches to create a wider range of housing choices, communities can mitigate the environmental costs of auto-dependent development, use their infrastructure resources more efficiently, ensure a better jobs-housing balance, and generate a strong foundation of support for neighborhood transit stops, commercial centers, and other services.

No single type of housing can serve the varied needs of today's diverse households. Smart growth represents an opportunity for local communities to increase housing choice

not only by modifying their land use patterns on newly-developed land, but also by increasing housing supply in existing neighborhoods and on land served by existing infrastructure. Integrating single- and multi-family structures in new housing developments can support a more diverse population and allow more equitable distribution of households of all income levels across the region. The addition of units – through attached housing, accessory units, or conversion to multi-family dwellings – to



existing neighborhoods creates opportunities for communities to slowly increase density without radically changing the landscape. New housing construction can be an economic stimulus for existing commercial centers that are currently vibrant during the work day, but suffer from a lack of foot traffic and consumers in evenings or weekends. Most importantly, providing a range of housing choices allow all households to find their niche in a smart growth community – whether it is a garden apartment, a row house, or a traditional suburban home – and accommodate growth at the same time.

2. Create Walkable Neighborhoods

Walkable communities are desirable places to live, work, learn, worship and play, and therefore a key component of smart growth. Their desirability comes from two factors. First, walkable communities locate within an easy and safe walk of goods (such as housing, offices, and retail) and services (such as transportation, schools, libraries) that a community resident or employee needs on a regular basis. Second, by definition, walkable communities make pedestrian activity possible, thus expanding transportation options, and creating a streetscape that better serves a range of users – pedestrians, bicyclists, transit riders, and automobiles. To foster walkability, communities must mix land uses and build compactly, and ensure safe and inviting pedestrian corridors.

Walkable communities are nothing new. Outside of the last half-century, communities worldwide have created neighborhoods, communities, towns and cities premised on pedestrian access. Within the last fifty years public and private actions often created obstacles to walkable communities. Conventional land use regulation often prohibits the mixing of land uses, thus lengthening trips and making walking a less viable alternative to other forms of travel. This regulatory bias against mixed-use development is reinforced by private financing policies that view mixed-use development as riskier than

single-use development. Many communities – particularly those that are dispersed and largely auto-dependent – employ street and development design practices that reduce pedestrian activity.

As the personal and societal benefits of pedestrian friendly communities are realized – benefits which include lower transportation costs, greater social interaction, improved personal and environmental health, and expanded consumer choice – many are calling upon the public and private sector to facilitate the development of walkable places. Land use and community design play a pivotal role in encouraging pedestrian environments. By building places with multiple destinations within close proximity, where the streets and sidewalks balance all forms of transportation, communities have the basic framework for encouraging walkability.

3. Encourage Community and Stakeholder Collaboration

Growth can create great places to live, work and play – if it responds to a community’s own sense of how and where it wants to grow. Communities have different needs and will emphasize some smart growth principles over others: those with robust economic growth may need to improve housing choices; others that have suffered from disinvestment may emphasize infill development; newer communities with separated uses may be looking for the sense of place provided by mixed-use town centers; and still others with poor air quality may seek relief by offering transportation choices. The common thread among all, however, is that the needs of every community and the programs to address them are best defined by the people who live and work there.

Citizen participation can be time-consuming, frustrating and expensive, but encouraging community and stakeholder collaboration can lead to creative, speedy resolution of development issues and greater community



understanding of the importance of good planning and investment. Smart growth plans and policies developed without strong citizen involvement will at best not have staying power; at worst, they will be used to create unhealthy, undesirable communities. When people feel left out of important decisions, they will be less likely to become engaged when tough decisions need to be made. Involving the community early and often in the planning process vastly improves public support for smart growth and often leads to innovative strategies that fit the unique needs of each community.

4. Foster Distinctive, Attractive Communities with a Strong Sense of Place

Smart growth encourages communities to craft a vision and set standards for development and construction which respond to community values of architectural beauty and distinctiveness, as well as expanded choices in housing and transportation. It seeks to create

interesting, unique communities which reflect the values and cultures of the people who reside there, and foster the types of physical environments which support a more cohesive community fabric. Smart growth promotes development which uses natural and man-made boundaries and landmarks to create a sense of defined neighborhoods, towns, and regions. It encourages the construction and preservation of buildings which prove to be assets to a community over time, not only because of the services provided within, but because of the unique contribution they make on the outside to the look and feel of a city.

Guided by a vision of how and where to grow, communities are able to identify and utilize opportunities to make new development conform to their standards of distinctiveness and beauty. Contrary to the current mode of development, smart growth ensures that the value of infill and greenfield development is determined as much by their accessibility (by car or other means) as their physical orientation to and relationship with other

Density and Your Community

Density provides a variety of benefits to our communities and cities:

1. Density makes walkable neighborhoods. Walkable neighborhoods have possible residential and non-residential land uses close to each other. Shops, houses, restaurants, schools, etc. are located within close proximity to each other, providing people the convenience to go out to eat, walk to school, or purchase a quart of milk within a 5-10 minute walk.

2. Density supports housing choice and affordability. Higher density gives developers the flexibility to integrate diverse housing types in a given development, primarily by expanding allowable housing types to include both single and multifamily units. One common result of higher density is expanded housing choice. Higher density means less land per unit, reduced site preparation, and lower per unit infrastructure costs, all factors that reduce the hard costs of construction. This generally allows developers to provide more housing at a lower cost to the homeowner.

3. Density expands transportation choices. Higher density development expands transportation choices by making it easier to use non-automobile transportation – walking, bicycling, bus or rail, by locating activities closer together. Transportation choice gives people the freedom to select from a variety of transportation modes as they complete their daily travel. Transportation choice makes it possible for persons to choose the means of travel that makes most sense for them.

4. Density helps minimize air pollution. Since higher density communities can provide greater transportation choice, it is often the case that their residents drive less. One San Francisco study found that people in compact neighborhoods made 42-percent fewer auto trips than their counterparts in less compact neighborhoods. Also, with activities closer together, vehicle trips are shorter – with less vehicle miles traveled, less pollution is produced.

5. Density enables protection of open space and provision of parkland. Density allows communities to accommodate greater amounts of development on a given parcel(s) of land. This compact development relieves some of the pressure to develop open spaces. As a result, communities are able to preserve existing open space, create internal neighborhood parks and protect environmentally-sensitive lands.

6. Density helps protect water quality. As communities employ density to protect open space, they also achieve water quality benefits. Density protects water quality by minimizing the impervious surface per household. This in turn reduces storm water runoff.

7. Density reduces infrastructure cost. It is cheaper to serve more households in a smaller, denser area than to serve the same number of households across a larger, dispersed geographic area. Communities are recognizing the redundancy of paying for new infrastructure when existing infrastructure is underutilized.

buildings and open space. By creating high-quality communities with architectural and natural elements that reflect the interests of all residents, there is a greater likelihood that buildings (and therefore entire neighborhoods) will retain their economic vitality and value over time. In so doing, the infrastructure and natural resources used to create these areas will provide residents with a distinctive and beautiful place that they can call “home” for generations to come.

5. Make Development Decisions Predictable, Fair and Cost Effective

For a community to be successful in implementing smart growth, it must be embraced by the private sector. Only private capital markets can supply the large amounts of money needed to meet the growing demand for smart growth developments. If investors, bankers, developers, builders and others do not earn a profit, few smart growth projects will be built. Fortunately, government can help make smart growth profitable to private investors and developers. Since the development industry is highly regulated, the value of property and the desirability of a place is largely affected by government investment in infrastructure and government regulation. Governments that make the right infrastructure and regulatory decisions will create fair, predictable and cost-effective smart growth.

Despite regulatory and financial barriers, developers have been successful in creating examples of smart growth. The process to do so, however, requires them to get variances to the codes – often a time-consuming, and therefore costly, requirement. Expediting the approval process is of particular importance for developers, for whom the common mantra, “time is money” very aptly applies. The longer it takes to get approval for building, the longer the developer’s capital remains tied up in the land and not earning income. For smart growth to flourish, state and local governments must make an effort to make development decisions about smart growth more timely, cost-effective, and predictable for developers. By creating a fertile environment for innovative, pedestrian-oriented, mixed-use projects, government can provide leadership for smart growth that the private sector is sure to support.

6. Mix Land Uses

Smart growth supports the integration of mixed land uses into communities as a critical component of achieving better places to live. By putting uses in close proximity to one another, alternatives to driving, such as walking or biking, once again become viable. Mixed land uses also provide a more diverse and sizable population and commercial base for supporting viable public transit. It can enhance the vitality and perceived security of an area by increasing the number and attitude

of people on the street. It helps streets, public spaces and pedestrian-oriented retail again become places where people meet, attracting pedestrians back onto the street and helping to revitalize community life.

Mixed land uses can convey substantial fiscal and economic benefits. Commercial uses in close proximity to residential areas are often reflected in higher property values, and therefore help raise local tax



Density-related “myths”

Myth #1: Density creates traffic congestion. In the absence of other modes of transportation – rail or bus transit, walking, and bicycling – any development will add to neighborhood trips and congestion. To counteract this trend, communities need to increase the viability of non-auto modes of transportation. This counters congestion by providing options for people to make trips either on foot, by bicycle or rail and bus transit, rather than only by car. Density makes a wider range of transportation choices viable. The following features help increase non-auto travel:

- Sidewalks on both sides of all streets.
- Pedestrian routes that are straight, direct, and unimpeded.
- Parking behind structures and buildings closer to the sidewalk.
- Windows and doors of buildings facing the street and sidewalk directly, providing “eyes on the street” that enhances safety.

Myth #2: Density clashes with existing communities. It is possible to integrate density into a neighborhood so that it does not engender public disapproval. One poorly designed dense development can become a lightning rod for community opposition to density in successive years. New higher density development should fit into the vicinity into which it is being introduced. Successful dense developments will incorporate public participation into the design and approval process to ensure that community goals are met. Rather than increasing

opposition, a well-run public process will result in less opposition and more certainty for builders.

Myth #3: Density-driven development will cost more in the long run. Many jurisdictions are concerned about the fiscal impact of new development – particularly residential development. Concerns arise that new dense developments will overtax existing resources – schools, roads – and cost the community much more than lower density developments. In truth, dense developments help use existing resources most efficiently and cost the community much less than the same number of units accommodated in low-density development.

Myth #4: Density eats up privacy and green space. Well-designed dense residential developments include public and private spaces and provide residents with the opportunity and space to gather and socialize. Common open and civic spaces can include plazas, small parks, and squares within a development. Private open space includes balconies, courtyards, porches, and gardens connected to residences that overlook or are adjacent to the public realm: Streets, alleys, and parks.

Making Density Work. To make density work, to make it acceptable and even sought after, requires working with the community to create a well-designed, well planned development. Planning and designing as a team can minimize the perceived negative impacts of density, and maximize positive outcomes.



receipts. Businesses recognize the benefits associated with areas able to attract more people, as there is increased economic activity when there are more people in an area to shop. In today's service economy, communities find that by mixing land uses, they make their neighborhoods attractive to workers who increasingly balance quality of life criteria with salary to determine where they will settle. Smart growth provides a means for communities to alter the planning context which currently renders mixed land uses illegal in most of the country.

7. Preserve Open Space, Farmland, Natural Beauty and Critical Environmental Areas

Smart growth uses the term "open space" broadly to mean natural areas both in and surrounding localities that provide important community space, habitat for plants and animals, recreational opportunities, farm and ranch land (working lands), places of natural beauty and critical environmental areas (e.g. wetlands). Open space preservation supports smart growth goals by bolstering local economies, preserving critical environmental areas, improving our community's quality of life, and guiding new growth into existing communities.

There is growing political will to save the "open spaces" that Americans treasure. Voters in 2000 overwhelmingly approved

ballot measures to fund open space protection efforts. The reasons for such support are varied and attributable to the benefits associated with open space protection. Protection of open space provides many fiscal benefits, including increasing local property value (thereby increasing property tax bases), providing tourism dollars, and decreases local tax increases (due to the savings of reducing the construction of new infrastructure). Management of the quality and supply of open

space also ensures that prime farm and ranch lands are available, prevents flood damage, and provides a less expensive and natural alternative for providing clean drinking water.

The availability of open space also provides significant environmental quality and health benefits. Open space protects animal and plant habitat, places of natural beauty, and working lands by removing the development pressure and redirecting new growth to existing communities. Additionally, preservation of open space benefits the environment by combating air pollution, attenuating noise, controlling wind, providing erosion control, and moderating temperatures. Open space also protects surface and ground water resources by filtering trash, debris, and chemical pollutants before they enter a water system.

8. Provide a Variety of Transportation Choices

Providing people with more choices in housing, shopping, communities, and transportation is a key aim of smart growth. Communities are increasingly seeking these choices – particularly a wider range of transportation options – in an effort to improve beleaguered transportation systems. Traffic congestion is worsening across the country. Where in 1982 65 percent of travel occurred in uncongested conditions, by 1997 only 36 percent of peak travel occurred did so.

NAR Principles for REALTORS® and Smart Growth

In 1999 a special Presidential Advisory Group on Smart Growth developed five guiding principles specifically for REALTORS®:

1. Provide Housing Opportunity and Choice:

Home ownership is the cornerstone of the American dream and deserves a preferred place in our system of values as it contributes to community responsibility; civic, economic, business, and employment stability; and family security and well-being. These objectives can be met through market-driven housing approaches that foster a wide range of urban, suburban, and rural housing choices at all price levels to suit a diverse population.

2. Build Better Communities:

Real estate of all types flourishes best in livable communities that offer a high quality of life at a reasonable cost. Livable communities offer a variety of affordable housing choices, good schools, low crime, quality public services, efficient transportation systems, ample recreation and park areas, open space, strong employment base, and an economically viable commercial sector. To promote these essential livable community elements, growth policies should encourage market-driven and culturally diverse growth patterns that sustain and enhance a community's quality of life.

3. Protect the Environment: To maintain a region's quality of life and to protect the environment, governments at all levels

should consider policies and programs that aid the control of pollution; provide for programs that encourage preservation of natural resources, significant lands and properties of historic significance; and further encourage, through incentives, the protection of endangered species, aquifers, rivers/streams, agricultural lands, wetlands, scenic vistas, natural areas, and open space. Government must recognize the importance of local decision-making, private property rights, and the value of a healthy economic sector.

4. Protect Private Property Rights:

Private property rights are fundamental to our free-market economic system and are protected by the 5th and 14th Amendments to the United States Constitution. The continued strength of our nation's economy depends on the preservation of the right to freely own, use, and transfer real property.

5. Implement Fair and Reasonable Public Sector Fiscal Measures:

To support adequately the infrastructure needs of communities resulting from growth, governments at all levels should cooperate in the adoption of balanced, fair, equitable, and incentive-based approaches to finance and pay for the development, expansion, and maintenance of roads, schools, water, and sewer facilities. Revenue and financing mechanisms established to pay for necessary infrastructure costs should be shared proportionally by those segments of the population served by improvements.

In fact, according to the Texas Transportation Institute, congestion over the last several years has worsened in nearly every major metropolitan area in the United States.

In response, communities are beginning to implement new approaches to transportation planning, such as better coordinating land use and transportation; increasing the availability of high quality transit service; creating redundancy, resiliency and connectivity within their road networks; and ensuring connectivity between pedestrian, bike, transit, and road facilities. In short, they are coupling a multi-modal approach to transportation with supportive development patterns, to create a variety of transportation options.

9. Strengthen and Direct Development Towards Existing Communities

Smart growth directs development towards existing communities already served by

infrastructure, seeking to utilize the resources that existing neighborhoods offer, and conserve open space and irreplaceable natural resources on the urban fringe. Development in existing neighborhoods also represents an approach to growth that can be more cost-effective, and improves the quality of life for its residents. By encouraging development in existing communities, communities benefit from a stronger tax base, closer proximity of a range of jobs and services, increased efficiency of already-developed land and infrastructure, reduced development pressure in edge areas thereby preserving more open space, and, in some cases, strengthening rural communities.

The ease of greenfield development remains an obstacle to encouraging more development in existing neighborhoods. Development on the fringe remains attractive to developers for its ease of access and construction, lower land costs, and potential for developers to assemble



larger parcels. Typical zoning requirements in fringe areas are often easier to comply with, as there are often few existing building types that new construction must complement, and a relative absence of residents who may object to the inconvenience or disruption caused by new construction.

Nevertheless, developers and communities are recognizing the opportunities presented by infill development, as suggested not only by demographic shifts, but also in response to a growing awareness of the fiscal, environmental, and social costs of development focused disproportionately on the urban fringe. Journals that track real estate

By encouraging buildings to grow vertically rather than horizontally, and by incorporating structured rather than surface parking, for example, communities can reduce the footprint of new construction, and preserve more green space. Not only is this approach more efficient by requiring less land for construction, it also provides and protects more open, undeveloped land that would exist otherwise to absorb and filter rain water, reduce flooding and storm water drainage needs, and lower the amount of pollution washing into our streams, rivers and lakes.

Compact building design is necessary to support wider transportation choices,

“[Smart growth is] Growing in an economically efficient manner so that the new addition provides a positive contribution to the greater whole of the built environment.”

– Vince Graham, founder and developer of the award-winning smart growth community I’On near Charleston, South Carolina

trends routinely cite the investment appeal of the “24-hour city” for empty nesters, young professionals, and others, and developers are beginning to respond. A 2001 report by Urban Land Institute on urban infill housing states that, in 1999, the increase in housing permit activity in cities relative to average annual figures from the preceding decade exceeded that of the suburbs, indicating that infill development is possible and profitable.

10. Take Advantage of Compact Building Design

Smart growth provides a means for communities to incorporate more compact building design as an alternative to conventional, land-consumptive development. Compact building design suggests that communities be designed in a way which permits more open space to be preserved, and that buildings can be constructed which make more efficient use of land and resources.

and provides cost savings for localities. Communities seeking to encourage transit use to reduce air pollution and congestion recognize that minimum levels of density are required to make public transit networks viable. Local governments find that on a per-unit basis, it is cheaper to provide and maintain services like water, sewer, electricity, phone service and other utilities in more compact neighborhoods than in dispersed communities.

Research based on these developments has shown, for example, that well-designed, compact New Urbanist communities that include a variety of house sizes and types command a higher market value on a per square foot basis than do those in adjacent conventional suburban developments. Perhaps this is why increasing numbers of the development industry have been able to successfully integrate compact design into community building efforts. This despite

current zoning practices – such as those that require minimum lot sizes, or prohibit multi-family or attached housing – and other barriers – community perceptions of “higher density” development, often preclude compact design.

REALTORS® across the country have been educating themselves and their communities about the principles of smart growth. Read about the Florida Association’s Smart Growth Task Force and the Michigan Land Use Academy in Section V.

ONLINE RESOURCES

NAR Smart Growth homepage:
www.realtor.org/smartgrowth

Smart Growth Network:
www.smartgrowth.org

Smart Growth America:
www.SmartGrowthAmerica.org

American Planning Association:
www.planning.org/sgreader