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Empire Sprawl

In the 1998 elections, voters in states and municipalities across the country approved more than 100 propositions intended to apply "smart growth" measures to curb urban sprawl. A sometimes vague rubric used to describe policies aimed at reducing infrastructure costs, preserving open space and mitigating traffic congestion, smart growth has become the major catch word in the urban planning field.

The smart growth movement combines some traditional planning and environmental approaches with a more contemporary blend of land use, mass transit and community development perspectives. It shifts the planning focus from reliance on restrictive regulation to an active promotion of growth that is compatible with broad land use objectives. It also attempts to integrate transportation and environmental considerations into a more comprehensive regional development strategy.

Some smart growth policies, such as promoting dense residential development around mass transit nodes, were characteristic of New York's historical development. Others, such as a focus on inner-city neighborhood revitalization, are already high municipal priorities for reasons quite apart from regional growth policy. Still, the smart growth movement provides a useful framework for coordinating regional, state and city policies and offers a basis for forging new political coalitions among formerly antagonistic interests. With New York trailing far behind other states in its official adoption of smart growth principles, planners, scholars and legislators are beginning to ask how the approach could benefit the Empire State.

Smart States

Underlying the political support for growth management initiatives is America's voracious appetite for land. In the 15 years ending in 1997, for example, the country's population grew by only 16 percent while its developed land area increased by 40 percent. Sprawl has occurred even around older cities that experienced population loss and relative economic decline. Concomitant with continued suburban development has been growing traffic congestion, rising municipal tax burdens, and diminished access to outdoor recreation.

One of the early attempts to quantify the economic impacts of low-density development was "The Costs of Sprawl," prepared in 1974 by the Real Estate Research Corporation for the Council on Environmental Quality, the EPA and HUD. Although that document's merit has been much debated, it provided a starting point for the further investigation of what many analysts suspected – that continued suburbanization had serious economic, environmental and social costs. In the years since, scholars such as Anthony Downs, David Rusk, and Peter Calthorpe have written smart growth manifestos and organizations such as the Urban Land Institute, the Regional Plan Association and the federal EPA have established smart growth programs.

Two states with notable smart growth programs are Oregon and Maryland. Portland, Oregon's principal city, was a declining industrial and logging center at the core of a sprawling, high-growth metropolitan area of 2 million. The state sought to revitalize the city's older neighborhoods and central business district while also preserving the natural beauty of the region and urban residents' easy access to it. Pursuant to its Statewide Land Use Planning Act, an Urban Growth Boundary was established in 1973, beyond which land is reserved exclusively for farming, forestry, parks and natural landscape. Within the boundary, land-use and other governmental regulations are intended to facilitate development.

Portland's public transportation system is considered a key to its growth strategy. The city's transportation authority operates about 100 bus lines and a new light rail system. The first segment of the $1.2 billion, 33-mile rail system began operating in 1986, running east from downtown Portland to the nearby city of Gresham. The second segment, which began operating in 1998, runs west through underdeveloped areas west of the city. By establishing transit service through under populated areas, planners hope both to trigger growth and to concentrate denser new development around rail stations. A 5.5 mile extension to the Portland International Airport is also scheduled to open in 2001. Since 1990 growth in transit ridership has grown about 20 percent faster than has the growth in vehicle miles traveled.

Although Oregon's growth management policies have became planning legend, there is little empirical research evaluating their effects. Calculations made by CHPC, however, indicate that Oregon's policies may indeed be curtailing sprawl. Between 1987 and 1992 population growth consumed .66 acres per person in Oregon compared to .96 acres in Texas, a state with comparable growth and population density.

Maryland provides a smart growth model with a different emphasis. With the heart of the state located between Baltimore and Washington D.C., its agricultural and forested areas are under severe development pressure. Nearly 20 percent of its land area is already developed and it is estimated that suburbanization is consuming an additional 20,000 acres per year in its central region. At the state level, it has mapped Priority Funding Areas, which receive first consideration for allocations of community investment, transportation, infrastructure, and related state funding. To reduce traffic congestion, a Live Near Your Work initiative was established, allowing companies to designate a preferred area of residence for employees and to receive matching funds from the state to subsidize that choice.

Even more dramatic steps have been taken by Maryland's county governments, especially Montgomery County, just north of Washington, D.C.. The county has zoned its northern third (about 90,000 acres) for agriculture, with a minimum lot size of 25 acres for new housing units . Within the area, however, agricultural land is awarded transferable development rights at the rate of one unit per 5 acres, which can be sold to provide additional density within designated urban development zones. The County has also adopted the most aggressive inclusionary housing program in the country; all new subdivisions must provide 15 percent of the dwelling units to households earning no more than 65 percent of the county's median household income. The public housing authority has the right of first refusal to buy one-third of those units for lease to low-income families. Between 1976 and 1997 the program produced about 10,000 units of housing for low- and moderate-income families.

Peer Pressure

The New York metropolitan area is by far the nation's largest, containing over 20 million residents in four states. It is also extensively developed and economically mature. Between 1990 and 1998 the metro area grew by only 3 percent, which pales in comparison to Phoenix's 31 percent, Raleigh-Durham's 22 percent, or Portland's 20 percent. Nevertheless, during that 8-year period the New York metro area added over 600,000 residents, with serious consequences for its transportation and infrastructure.

The core of the Census-defined "consolidated metropolitan area" are the five boroughs of New York City plus Westchester, Putnam and Rockland counties. Since 1990 that core has grown by about 2 percent, with the largest population increases coming in Manhattan and Queens. The fastest growth has come at the fringes, however; in Middlesex, Hunterdon, Monmouth, Somerset and Ocean counties in New Jersey, in Suffolk and Orange counties, New York, and in Pike County, Pennsylvania. The population of those counties, collectively, has grown by about 10 percent during the 1990s. The Connecticut portion of the region has had no net population growth during the decade.

With 35 percent of its land area already developed, New Jersey is the most extensively developed state in the nation and has been the most aggressive of the Northeastern states in adopting anti-sprawl measures. The Garden State has had an open space preservation program in operation since 1961, for which voters have since approved nine separate bond issues totaling $1.4 billion. In 1998 the program was greatly expanded through the Garden State Preservation Trust Act, which provides nearly $100 million in annual land acquisition funding for each of the next ten years. The objective is to preserve an additional million acres of open space, amounting to over 20 percent of the state's land area. Another ambitious open space initiative was New Jersey Pinelands Commission, created in 1979 to manage growth within a 927,000-acre pinelands preservation area. The Commission's techniques for managing growth have been used as a national model for the protection of other environmentally sensitive areas that are near large population centers and have already incurred significant development.

New York too has a long history of conservationism and open space preservation. The creation of Central Park (1859) and the Adirondack Park (1892) were landmarks of the conservation movement. More recently, a preservation plan for Long Island's pine barrens was implemented. New York has not had a statewide policy of containing suburban sprawl, however, and smart growth legislation has only recently begun to percolate through the state legislature.

Several pieces of smart growth legislation were introduced during the 1999 legislative session. The bills fell into two categories. One version would simply create a temporary task force of existing state agencies and designees of the legislature to study the implementation of smart growth policies in New York State. It would also create a local assistance office within the Department of State to provide municipalities with scientific and technical assistance and with grants for the preparation of smart growth plans.

The second version would make a deeper state commitment to smart growth principles. It would create a new Article 20 in the General Municipal Law that provides local governments the opportunity to adopt Smart Growth Plans. The plans would be reviewed by a new Smart Growth Review Board, and, if certified, state agencies would be required to give priority funding to those municipalities to the greatest extent practicable.

Among the specific incentives that would be made available to local governments with certified plans are: priority status for open space land acquisition and agricultural protection; grants to facilitate construction projects implementing smart growth plans; and priority for grants to purchase homes in older urban neighborhoods and within close proximity to places of work. The bill would also restrict Industrial Development Authority funding to local governments with certified plans. The Smart Growth Review Board would not, however, be authorized to issue bonds and would not be given the power of eminent domain.

The legislation had some other interesting provisions. It would disallow "cities with a population of one million or more" from submitting a smart growth plan but would make such cities eligible for state funding as though no smart growth funding priorities were in place. It would also provide indemnity from the state in the event of legal actions brought against local governments resulting from the implementation of smart growth plans, except in cases of "intentional wrongdoing, recklessness, or an unlawful discriminatory practice including the finding that any land use control was intended to exclude a particular group or individual."

Among the primary sponsors of the legislation were assemblymen Thomas DiNapoli (D, Great Neck), Sam Hoyt (D, Buffalo), Richard Brodsky (D, Elmsford) and Senator Mary Lou Rath (R, Williamsville). Neither house passed a smart growth bill during the last session, although $800,000 was allocated in the new state budget for smart growth planning. Two regions – Southern Hudson Valley and Long Island – are earmarked to receive $150,000 with the remaining money available to other municipalities around the state.

Furthermore, on January 21, 2000, Governor Pataki issued an executive order intended to promote "Quality Communities." The order creates a task force headed by Lieutenant Governor Mary O. Donohue with Secretary of State Alexander F. Treadwell serving as vice-chair. The Commissioners of the Departments of Agriculture and markets, Economic Development, Environmental Conservation, Health, Transportation, the Office of Parks, Recreation and Historic Preservation, the Division of Housing and Community Renewal and the Director of the Budget will also serve on it, as will representatives of other state agencies and private groups.

The mission of the Task Force will be to recommend ways of redeveloping the state's urban centers and older suburbs and to devise community development strategies that link economic development and environmental protection. The Governor has mandated it to inventory and evaluate all state and federal programs affecting community development and environmental protection, to hold public hearings around the state, and to make recommendations for a voluntary program of incentives, technical assistance and inter-municipal cooperation.

Regionalism and Provincialism

Because the principles of smart growth are so diffuse each state that has embraced them has stressed different elements of the program according to its own political and economic concerns. In Oregon's case, for example, the emphasis is on preventing an auto-dependent, Southern California-type sprawl from developing around its rapidly growing cities. In Maryland, there has been a greater emphasis on agricultural and open space preservation, and, because of the racial polarization of Baltimore and Washington which fuel suburbanization of the state's countryside, a very aggressive inclusionary housing component. Similarly, planners thinking about what type of growth would be "smart" for New York must confront the divergent development trends in a large and mature state.

Support for smart growth legislation is strongest in the downstate areas most affected by population growth, urban sprawl and increasing traffic congestion – Long Island and the Hudson Valley. However, there is also support for the concept within the string of upstate cities that have been severely affected by urban de-industrialization and residential suburbanization.

In contrast to the continued population growth of the Hudson Valley and the resurgent growth of New York City, the upstate tier of cities (Buffalo, Syracuse, Rochester, and Albany) has been declining in both population and employment. Between 1990 and 1998 the 18 counties comprising those metropolitan areas had a net population loss of about 1 percent and, despite the strong national economy, nearly no net job creation. Moreover, the central cities have shown little signs of the urban revitalization that has characterized New York, San Francisco, and many other large cities.

William A. Johnson, Jr., the Mayor of Rochester, has made some interesting points in his attempt to position an urban revitalization agenda in smart growth context. He argues that in a no-growth metropolitan area like Rochester, each new housing unit or foot of retail space built in the suburbs has been matched, on virtually a one-for-one basis, by an offsetting vacancy or abandonment in the central city. Meanwhile, the cost of delivering services and infrastructure to outlying areas is more expensive, requiring higher taxes and making the entire region less competitive. He points out, for example, that Rochester's school busing costs have doubled in ten years (to $53 million) even though the number of students rose by only 8 percent. He advocates using state incentives to channel development to locations where infrastructure and service are already available.

Areas that are feeling the effects of continuous suburban development have much the same interests in directing population growth back toward center cities. Residents of those areas see open space diminishing and traffic congestion increasing with additional development, and fear that the distinctive features of their regions will be lost to a monotonous residential sprawl.

It would seem that a New York interpretation of smart growth that stresses central city revitalization would be congenial to New York City's interests. However, neither the city's government nor its legislative delegation have taken an aggressive stand on smart growth issues. Among the 31 Democrats who co-sponsored the principal Assembly bill, only 11 are from the city, and of the ten Republicans who co-sponsored smart growth legislation in the Senate, only one, Frank Padavan of Queens, represents New York City constituents.

Some skeptics argue that most existing smart growth programs, especially of the type envisioned in the proposed state legislation, are too weak to fundamentally alter the forces promoting suburban sprawl. They argue that unless the underlying fiscal relations between city and suburb are realigned, both state and national policy will continue to promote low-density development.

Scholars have demonstrated that the fiscal imbalance between city and suburb has intensified the underlying trend toward suburbanization in the United States. Because low-income populations and many social problems are concentrated in central cities, middle- and high-income populations are able to escape redistributive taxes by residing outside them. That fiscal imbalance is self-fulling; the more high-income households leave the city, the greater the tax burden on those remaining. In New York State, the vicious fiscal cycle is epitomized by the current litigation over inequities in the state formula for funding public schools.

Perhaps even more telling was the repeal last year of the city's commuter tax, which will have the effect of shifting a $500 million tax burden from suburban commuters to city residents. Such fiscal provincialism further encourages residential suburbanization, even if new job creation is city-generated.

Can Smart Be Affordable?

Both critics and sympathizers acknowledge that housing affordability is a potential Achilles heel of the smart growth movement. They recognize that restrictions on low-density suburban development will be more easily implemented than will the active promotion of higher-density housing options, especially in the suburbs. That asymmetry in its political appeal could exacerbate housing affordability problems in areas that embrace only the restrictive half of the smart growth agenda.

A number of fair housing experts consulted by CHPC also expressed concern that restrictions on suburban development, without a corresponding stimulus to higher-density suburban housing models, could impede the gradual desegregation of metropolitan areas that has been occurring since the 1970s. A growing black middle class is rapidly gaining the financial means to access suburban housing opportunities, and it is feared that once again the door will be shut just as African-Americans are on its threshold.

The obstacles to developing higher-density and affordable suburban housing are both regulatory and financial. On the regulatory front, zoning is the principal barrier. Many suburban communities have historically sought to preserve their sylvan character--and their tax base--by permitting only single-family detached housing types, often requiring large, expensive lots. Some make no zoning provisions whatsoever for multi-family housing. In many communities, public employees and other necessary service workers, as well as young people who were raised there, are unable to find housing affordable to them.

Under the terms of *Berenson v. Town of New Castle*, decided in 1975, municipalities in New York state are required to make some zoning provisions for multifamily and affordable housing. In that case, the state Court of Appeals ruled that municipalities, when enacting zoning ordinances, must consider regional needs and requirements for multi-family housing. There must be a balancing of the local desire to maintain the status quo and the greater public interest that regional housing needs be met. Although the Berenson decision has since been reaffirmed, no numerical requirement has been imposed and there is no effective court monitoring of compliance with its mandate.

The other important key to mitigating housing supply constraints in a smart growth program is direct assistance to multi-family housing development. New York State was once a pioneer in public assistance for housing creation. Most of the housing assistance it now offers serves very low-income or special needs populations; its principal middle-income assistance program is through the Affordable Housing Corporation. That vehicle is geared to homeownership programs which, although often built at densities greater than are typical for suburban housing, is not fully suitable for multi-family housing projects.

The city's Housing Development Corporation's highly-regarded program for stimulating higher-density housing served as the model for a program recently designed by its counterpart state agency. Because of an apparent lack of gubernatorial support, however, that program has yet to be launched. If a New York version of smart growth is to be adopted, an effective program for supporting middle-income, multi-family housing development will be essential.■

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