THEME ARTICLE

Smart Growth: A New American Approach to Regional Planning

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Introduction: The Problem of Sprawl

Sprawling development patterns have become the leading land-use concern in the United States (US) (Freilich, 1999). Sprawl can take three main forms: (1) urban/suburban sprawl in the form of expanding urban/suburban areas that push outward into the countryside at densities of 1500 or more people per square mile; (2) commercial strip sprawl along major arterial roads leading to and from cities and suburbs; and (3) scattered residential sprawl outside established settlements at densities of 500 to 1500 people per square mile (Daniels & Bowers, 1997; Daniels, 1999a).

America’s 321 metropolitan regions contain nearly 80% of the nation’s 280 million people, and several regions are experiencing strong population growth (US Department of Commerce, Bureau of the Census, 2001). Most Americans now live in suburbs (US Department of Commerce, Bureau of the Census, 1991); many inner cities and older, inner ring suburbs are struggling with stagnant population growth, deteriorating public infrastructure, and disinvestment by the private sector, as development pushes farther outward creating new suburbs (Orfield, 1997; Rusk, 1999).

The new land-use patterns of suburban America feature:

(1) single-family houses on large lots—anywhere from 1/4 acre to 10 acres;
(2) the separation of where people live from where they work, a condition often reinforced by local zoning regulations;
(3) elaborate road networks to serve auto and truck travel;
(4) huge shopping malls, office parks, arterial commercial strips, and residential subdivisions.

Expensive infrastructure in the form of sewer and water facilities, schools and roads must be built to service the new suburban development. Meanwhile, sprawl has increased America’s dependence on the automobile and foreign energy supplies. Motor vehicles were one of the main reasons why the 1999 level of nitrogen oxide pollution, the major contributor to ozone and smog, was 17% higher than the 1970 level (United States Environmental Protection Agency (US EPA), 1999). From 1970 to 1995, America’s population grew by 28% while...
the number of cars increased by nearly 50%, and vehicle miles travelled soared by 116% (US EPA, 1995). By 2000, there were more than 200 million cars in America, and some states reported that cars and trucks were the leading sources of air pollution.

Polluted water run-off from roads and parking lots, and the increased use of on-site septic systems are serious causes of surface water and groundwater pollution. In 2000, according to the US EPA about 40% of America’s waterways were not fit for drinking or swimming, and about four out of every five Americans were living within 10 miles of a polluted lake, river, stream or coastal area (US EPA, 2000). The EPA has also identified non-point pollution sources, such as polluted storm water run-off, as leading causes of water pollution (US EPA, 2000).

Perhaps most evident is that sprawling development patterns resulted in the conversion of more than five million acres of farmland, forestland and natural areas each year from 1992 to 1997 (Natural Resources Conservation Service (NRCS), US Department of Agriculture, 2000). In sum, sprawling development has produced rapid and profound changes in many communities across America. Yet this pattern of development is not economically, environmentally or socially sustainable (Ewing, 1997).

State and Local Government Responses to Sprawl

Even though the highway, housing, and infrastructure spending programmes of the federal government exert an enormous influence on the location and intensity of development, America’s federal government has allowed state and local governments to wield regulatory power over land-use planning in general and private development proposals in particular.

The first state to try to respond to the threat of sprawl was Hawaii, which passed a statewide planning programme in 1961. This programme divided the state into four zones: urban, rural, agricultural and conservation. It was hoped that most development would locate in the urban zones, but the decline of agriculture and the rise of tourist resorts resulted in the conversion of thousands of acres to developed uses, both in the form of urban sprawl and scattered rural residential sprawl. However, most of Hawaii has a fragile environment and a large majority of the land area remains in conservation zones where development is tightly restricted and in agricultural zones (Flickinger, 1994).

Since 1973, the State of Oregon has worked with local governments to promote compact development that is cheaper to service than sprawl, while protecting the state’s valuable forest and farmland resources in special forest and farm zones. The state requires cities and counties to work together to draw ‘Urban Growth Boundaries’ within which there is sufficient buildable land to accommodate development needs for the next 20 years (Daniels, 1999b). Infrastructure—such as public sewer and water, schools and major roads—must be located inside the boundary. The growth boundary may be expanded as needed over time.

The State of Washington adopted the urban growth boundary requirement in its 1990 Growth Management Act. Growth boundaries are also found in
Durham, North Carolina, Virginia Beach, Virginia, Sonoma County, California, and Lancaster County, Pennsylvania, among others.

There are two potential drawbacks to the urban growth boundary approach: affordable housing and constrained sprawl. By limiting the supply of buildable land, an urban growth boundary could drive up the price of land and housing. Also, good urban design within the boundaries which emphasises human-scale development, green spaces, mass transit and a pedestrian orientation is important to make living inside a growth boundary attractive. Otherwise, without design guidelines, growth within the boundary could be a constrained version of the usual uninspiring residential and commercial sprawl.

Both Oregon and New Jersey have responded to the affordable housing problem through ‘fair-share’ housing legislation that requires cities and suburbs to provide affordable housing to accommodate a variety of income groups (Porter, 1997). Suburbs, for example, must zone land for multifamily housing, not just large single-family house lots.

Greater Portland, Oregon is working to minimise sprawl by developing reliable mass transit that is tied to compact, mixed-use settlements. The Portland metro region is served by a light rail system and is pioneering the creation of ‘transit-oriented developments’ that combine a mix of residential and commercial developments with mass transit. In the Orenco Station project, west of Portland, 1,800 units of housing are being built on 200 acres, together with traditional three-storey commercial buildings. There is a range of housing types, from condominiums to single-family homes, and one-third of the housing units are designated for rental housing. Orenco Station is within walking distance of a light rail station, connecting to downtown Portland (Livable Oregon, 1999).

A key ingredient in attracting new residents and private investment to downtowns is the remediation and re-development of brownfield sites, properties that have been contaminated with hazardous waste. The US Conference of Mayors has cited brownfield clean up and liability protection for developers as their leading issue (Daniels, 1999b). Zoning ordinances that do not rigidly separate uses but allow a mix of residential and commercial development will also be essential to improve livability and a pedestrian orientation. Historic preservation and the re-use of older buildings can be very helpful in bringing in new businesses and residents and creating tourist attractions.

A further contributing factor to sprawl in America is the many small units of local government that are often reluctant to cooperate with each other. One reason is that local governments rely heavily upon local property taxes (known as rates in the UK), and hence compete for development that will expand the tax base. The outcome is often uncoordinated land-use planning and regional sprawl. But many land-use and infrastructure issues transcend individual city, suburban and county boundaries. Transportation, solid waste, public sewer and water, and future growth are all issues that point to the need for regional responses.

Metro of Greater Portland, Oregon is America’s only elected regional government, encompassing three counties and 24 municipalities. Metro has control of regional land-use planning, transportation, and utility development (Daniels, 1999b). In the spring of 1999, the State of Georgia created a regional transportation authority with control over transportation and land use in Greater Atlanta,
which sprawls over 110 miles from north to south (Ehrenhalt, 1999). Greater Minneapolis–St. Paul, Minnesota has a regional property tax sharing programme in which 187 communities pool some of their property tax revenues; 43 communities are net payers and 144 re-coup more revenue than they contribute (Orfield, 1997). This property tax sharing programme removes some of the incentive to seek new development simply to expand the tax base.

The State of Maryland Adopts ‘Smart Growth’

Maryland is a small state in the Mid-Atlantic region of the eastern US. Maryland covers about 6 million acres, of which about 1 million acres are already preserved or in public ownership and another 1 million acres have been developed (Young, 2000, pers. comm.). There are more than 5.1 million residents, and the state’s population is expected to reach more than 6.2 million by 2025 (US Department of Commerce, Bureau of the Census, 1999). Accommodating this growth is a major concern, especially given the potential impact of new development on the fragile environment of Chesapeake Bay, America’s largest estuary. There are 23 counties in Maryland with planning and zoning control over the unincorporated areas outside of cities and villages. Baltimore, the largest city, has 725 000 residents but contains only 30% of the population in its metropolitan region, an indication of the degree of sprawling settlement patterns (Daniels, 1999b).

The term ‘smart growth’ first appeared in the American media in 1997, during the debate over so-called ‘Smart Growth’ legislation in Maryland (Maryland Department of Planning, 1997). The primary goal of the Neighborhood Conservation and Smart Growth Act is to limit the sprawling patterns of low-density residential development and arterial strip commercial development, spilling outside of existing cities and villages. The Maryland Department of Planning had predicted that the public cost of servicing sprawling suburban development would be $10 billion more between 1995 and 2020 than for a more compact growth pattern (Maryland Department of Planning, 1994). A smart growth pattern would create “high density mixed-use and pedestrian oriented development that promotes efficient land use and increases transit ridership” (Maryland Department of Planning, 1997, p. 31).

The Maryland smart growth legislation has five main components, as follows.

(1) **Priority Funding Areas.** The state requires county, city and village governments to identify priority growth areas both within and adjacent to existing settlements. The local governments must then submit their proposed growth areas to the Maryland Department of Planning for review, negotiation and approval. The state then targets its grants and loans for public sewer, water, schools and housing to the designated growth areas. A county could allow a residential or commercial development to be built outside of a growth area, but there would be no state funding available for infrastructure. This is a serious flaw in the legislation because, since the mid 1980s, many of the extensions of sewer and water lines have been paid for by private developers (Vermont Forum on Sprawl, 1999). Moreover, Maryland, unlike Oregon, is
not using a definite boundary within which to accommodate population growth, infrastructure, and development.

(2) The Brownfields Redevelopment Programme is aimed at resolving landowner liability issues and helping to fund the clean up and redevelopment of industrial sites that have been contaminated with hazardous waste.

(3) The Job Creation Tax Credit Act offers income tax credits to business owners who create at least 25 jobs in a Priority Funding Area.

(4) The Live Near Your Work Programme provides a minimum of $3000 for people who purchase homes in older neighbourhoods and near their jobs.

(5) The Rural Legacy Programme. Outside the Priority Funding Areas, Maryland has established a Rural Legacy Programme to buy environmentally sensitive land and development rights to farmland. The programme has been funded at $500 to $600 million over the next 15 years (Young, 2000, pers. comm.). The Rural Legacy Programme complements the state’s farmland preservation programme, which since 1977 has purchased development rights on more than 185,000 acres. The goal of the Rural Legacy Programme is to preserve 250,000 acres. If sufficient rural land can be preserved or restricted, then sprawl will be largely contained by the location of infrastructure.

In 1998, Maryland’s Governor Glendening issued an executive order called the Smart Growth and Neighborhood Conservation Policy, requiring state agencies to focus on locating and maintaining their facilities in central business districts and revitalisation areas, and to consider the impact of projects on mass transit potential (Johnson, 1999).

In 2000, the Maryland Legislature passed ‘Smart Codes’ legislation, directing the state Department of Planning to draft model guidelines for infill development and building rehabilitation. The purpose of the Smart Codes is to hold proposed development and redevelopment projects to quality standards while reducing red tape and encouraging flexibility in project design within the Priority Funding Areas (Maryland Department of Planning, 2000).

In 2001, the Maryland legislature enacted a ‘GreenPrint’ programme to create an integrated network of preserved forests, wetlands and greenways to enhance wildlife habitat and rural environmental quality. The programme was funded at $35 million. The legislature also approved $500 million for upgrading and expanding mass transit service with the goal of doubling ridership statewide (Glendening, 2001).

The Performance of Maryland’s Smart Growth Efforts

Most of Maryland’s Smart Growth programme is just slightly more than four years old. Thus, for the most part, the Smart Growth programme is a work in progress. Yet, there is already a track record of performance.

All of the Priority Funding Areas in the 23 counties have been mapped. State infrastructure funding has been targeted to Priority Funding Areas. In 1999, for instance, 84% of the state’s school construction funding was earmarked for rebuilding and repairing existing schools, up from just 43% in 1995
In 2000, roughly 95% of state sewer and water funding was being spent within Priority Funding Areas (Nishida, 2001). Since 1997, 72 applications have been submitted for the clean up of more than 1500 acres of brownfields (Maryland Department of the Environment, 2001). Although figures on the Live Near Your Work and the Jobs Tax Credit programmes are not readily available, the success of these incentive programmes will also be crucial in attracting new investment and residents within the Priority Funding Areas.

The Rural Legacy Programme already features 23 designated areas covering well over 100 000 acres. The state has committed more than $54 million to preserve 26 000 acres within these Rural Legacy areas (Maryland Department of Natural Resources, 2000).

The Maryland smart growth effort shows that several programmes must be at work at the same time. State investment policy is the centrepiece, but local and regional planning and zoning are equally important, both to identify places where growth should go and to protect farmland from development. Designations of Priority Funding Areas and Rural Legacy areas are crucial. Ultimately, for smart growth to succeed, collaborative planning must work smoothly in a regional framework involving the state, counties, cities and villages. This collaborative planning remains to be fully realised because the state cannot control local government land-use decisions in the countryside, and local governments may extend sewer and water lines outside Priority Funding Areas.

There are also a number of federal programmes and incentives and consumer tastes that Maryland’s Smart Growth programme must overcome in order to curb sprawl. Federal tax and spending programmes have created strong financial incentives for building in the countryside, outside established settlements. In the 1990s, congress passed two major transportation bills, ISTEA and TEA-21, with $400 billion for transportation projects. However, the overwhelming majority of the money will be spent on road construction, typically to make outer suburbs and hinterlands more accessible, and facilitate sprawling development.

The federal income tax deduction of mortgage interest has been an important factor in fostering sprawl (Daniels, 1999a, 1999b). Many people perceive the countryside as a safer, cleaner, cheaper and more rewarding place to live, compared to the congestion, crime and high property taxes of cities and the monotony and rising taxes of the suburbs. A home in the accessible countryside is viewed as having substantial appreciation potential. Moreover, the federal government allows the first $500 000 in capital gains from the sale of a house to be free of tax. The mortgage interest deduction and the capital gains exclusion combined mean that for many families a house has become their major investment vehicle. Consequently, there has been a strong demand for ‘McMansions’ on 1- to 10-acre lots. This pattern is made possible by weak local planning and zoning that allows for considerable residential development in the countryside (Daniels, 1999a). Several Maryland counties allow this type of development to occur in their rural areas.

Containing sprawl in Maryland and elsewhere also depends on the ability of rural landowners to earn a decent living from farming, as farmers own most of the privately held land in America (Daniels & Bowers, 1997). Farmers in Maryland own slightly more than one-third of the state’s 6 million acres and
Maryland farmers sold $1.3 billion worth of crops and livestock in 1997 (US Department of Agriculture, 1999). Farming involves long hours and hard work, often for a low return. In 2001, the farm economy could easily be described as depressed, with farm commodity prices at or near historic lows. Moreover, nationwide, 63% of those who consider farming their main occupation are 55 or older (US Department of Agriculture, 1999). A valid question is, where will the next generation of farmers come from? Clearly, hundreds of thousands of acres will change hands in Maryland in the next 20 years. What uses the farmland will be put to will depend on the health of the farm economy, if any children want to farm, development pressures, and local land-use regulations.

A final, yet very important aspect of Maryland’s Smart Growth efforts is that they have stimulated substantial national momentum. Proponents of smart growth cite the passage of 172 ballot measures involving $7.5 billion for land conservation and smart growth projects in 1998, 93 ballot measures involving $1.8 billion in 1999, and 174 ballot measures providing $7.5 billion in 2000 as proof of widespread public support (Land Trust Alliance, 2001). In addition, in 1999, 15 states took legislative steps to promote smart growth (Salkin, 1999b).

Conclusions

The term ‘smart growth’ suggests a public–private approach to managing growth that will produce the best of both worlds: economic growth without the ugliness, congestion, environmental degradation, and wasteful public subsidies of sprawling development (Glendening, 1997). The smart growth model emphasises a land-use pattern of compact cities and suburbs surrounded by countryside that is devoted primarily to farming, forestry, and open space. Smart growth aims to create more compact development that is cheaper to service, less land consumptive, and more attractive than sprawl.

There is no single ‘smart growth’ blueprint, and Maryland was by no means the first state to tackle growth management (see Weitz, 1999). However, the Maryland Smart Growth effort has highlighted the connection between land-use patterns, transportation, the loss of open space, the costs of public services, and people’s quality of life.

Many of America’s metropolitan regions will continue to grow and change in the new millenium. How they grow and where they grow will greatly influence the cost and efficiency of their infrastructure, the loss or retention of open space and ecological services, and the sense of community and quality of life they are able to offer.

Metropolitan America demonstrates that no community exists in isolation, but rather is part of a larger, regional community (Rusk, 1993; Daniels, 1999b). However, a state role is often necessary to help communities to work together and to enact land-use plans and ordinances that promote efficient infrastructure and well-designed development.

Smart growth embodies a confidence in being able to accommodate population growth. In America, it is not legal to place a population cap on a city, county or state. The test of smart growth will be how well Maryland absorbs another 1 million residents by 2020. Yet, the rest of the US cannot afford to wait
and watch Maryland’s planning experiment. America’s population is projected to increase by more than 100 million to 393 million residents by 2050 (US Department of Commerce, Bureau of the Census, 1997). Finding space for these people will be one of America’s greatest challenges in the 21st century.

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