

SMART GROWTH

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In recent years, the term "smart growth" has become increasingly popular as public officials around the country have sought long-term, sustainable solutions to the urgent social, economic, and environmental issues that face our cities and metropolitan areas. A wide variety of national organizations, ranging from the Sierra Club to the National Association of Home Builders, have adopted policy statements that explicitly favor some form of smart growth. From coast to coast, many states have provided leadership on growth management issues, even as they have reaffirmed that the responsibility for resolving those issues lies mainly at the local level.

The American Planning Association will consider, at its Chicago Conference in April 2002, the following definition:

Smart Growth is the planning, design and development and revitalization of our communities to promote community and equity, to create a sense of place and to preserve our natural as well as cultural resources. Smart Growth enhances _ecological integrity over both the short and long term, and improves quality of life for all by expanding the range of transportation, employment and housing choices in the region in a fiscally responsible manner.

Source: Draft 4, Policy Guide on Smart Growth, September 7, 2001. Available on the APA website, www.planning.org; or from the APA's offices in Washington, D.C.

In Texas, some municipalities have adopted smart growth as the theme for their efforts to revitalize distressed neighborhoods and control suburban sprawl. For example, the City of Austin has attracted national attention with its innovative Smart Growth Initiative, even hosting the Urban Land Institute's 1998 conference on smart growth. In the Dallas-Fort Worth metropolitan area, the Town of Flower Mound has adopted a growth management program called "Strategically Managed and Responsible Town Growth" or "SMART Growth." Flower Mound's program is particularly notable because it served as the basis for a 1999 Attorney General's opinion that supports the authority of home-rule municipalities to manage the rate and character of residential growth.

As the merits of smart growth have gained increased recognition, some misunderstandings have inevitably arisen. Some communities have used the term "smart growth" in attempting to justify the imposition of unnecessarily large minimum lot sizes, the undue limitation or prohibition of multi-family residential development, and other land use regulations that tend to restrict housing opportunities for low- and moderate-income families. These exclusionary measures raise important public policy questions: How do these restrictions affect the supply and affordability of housing for the community's workforce? Is smart growth a divisive idea that inherently pits higher-income homeowners and environmentalists against developers and affordable housing advocates? Or is it more properly understood to be a set of principles that can enable all interest groups to work together toward the development of healthy, balanced communities? -What is smart growth and how might it influence the cities, towns, and rural areas of our state? This chapter seeks to answer those questions by describing the principles of smart growth, reviewing its driving forces and related movements, describing initiatives in other states, and providing examples from Texas communities.

Principles of Smart Growth

Cities and towns require different approaches to address the unique aspects of growth and development in their communities. There are certain principles, however, that are common to most smart growth initiatives across the country. In general, smart growth attempts to:

1. Protect environmental quality and conserve open space;
2. Alleviate traffic congestion by providing a range of transportation choices;
3. Protect public and private investment in existing neighborhoods;
4. Enhance a community's character, sense of place, and quality of life;
5. Ensure that the development process is predictable and easily navigated;
6. Provide housing and transportation choices for all income groups, while encouraging economic and racial integration;
7. Address multi-jurisdictional issues through regional planning;
8. Expand the availability of financing for desirable mixed-use development;

9. Preserve historic resources and sustain their utility;
10. Ensure that public money is spent efficiently; and
11. Give due consideration to the fiscal, environmental, and social impacts of today's growth decisions upon future generations.

Wide ranges of programs, policies, and projects have been implemented in order to improve communities according to the principles of smart growth. The following list summarizes some common strategies:

1. Ensuring conformity of local plans with state and regional land use and transportation plans;
2. Conserving open space and agricultural land through public purchase or the transfer of development rights;
3. Using incentives to promote private investment in central cities and older suburbs;
4. Prioritizing public investment in central cities, older suburbs, and other designated growth centers;
5. Creating high density, mixed-use development districts around transit stations;
6. Revising zoning ordinances to allow a diversity of housing types and commercial *uses* within mixed-use districts;
7. Using urban_ design strategies to create appealing neighborhoods of increased density;
8. Dispersing affordable housing throughout a community's neighborhoods;
9. Promoting the reuse of contaminated urban land, and the redevelopment of abandoned properties and buildings;
10. Streamlining the development review process as an incentive for reinvestment in older districts;
11. Locating major attractions within central cities, often through the use of public/private development partnerships;
12. Creating smart growth or sustainability criteria for the evaluation of development projects and public investments; and

13. Enabling municipalities to institute a split-rate property tax that taxes land at a higher rate than buildings in order to stimulate redevelopment and minimize land speculation.

As smart growth has entered the vocabulary of public policy discussions, some characteristics have mistakenly been attributed to smart growth. These myths tend to cloud productive discussion of smart growth policy initiatives at all levels of government. According to

the principles of smart growth described above, smart growth is not:

1. *A code word for no growth or even slow growth:* Advocates acknowledge that growth is inevitable and often desirable. Smart growth simply requires that the location, character, and influence of new growth should be the subject of public policy. .
2. *Anti-suburb:* Smart growth relies on the densification of designated districts in order to preserve the lower densities of existing single-family neighborhoods.
3. *Focused on regulations that slow development and increase costs:* To the contrary, smart growth attempts to ensure speed and predictability so that a developer's experience in the central city is comparable to his or her experiences in peripheral communities.
4. *Fighting against the market:* Smart growth advocates understand that changing household characteristics and lifestyle preferences are creating a growing market for the type of mixed-use, urban living that smart growth promotes.
5. *Encouraging growth boundaries for all regions:* Smart growth is not restricted to one set of planning tools, emphasizing instead a diversity of approaches that are adaptable to a variety of contexts.
6. *Bad for business:* In many cities throughout the country, businesses are making location decisions that advance smart growth objectives. These choices, such as BellSouth's decision to move its regional offices close to a transit station in Atlanta, are being made because they are good for business. Similarly, cities that possess and promote walkable, mixed-use

districts — such as Boston, Seattle, and Portland -- are experiencing a renaissance of central city growth. Smart growth advocates emphasize that quality of life has become the competitive advantage of the information economy.

Driving Forces

The move toward smart growth has been driven by a host of social, environmental, economic, and political concerns that are present in nearly every city and region. The extensive list of pressing issues includes the following: traffic congestion; increasing concentrations of poverty; air and water pollution; loss of open space and farmland; overcrowded suburban schools; threatened historic districts; increased isolation and loss of community; suburban crime; the puzzling juxtaposition of decaying infrastructure and high taxes; and the spatial mismatch between affordable housing and jobs. These conditions exist within the context of a shifting economy in which regions are the competitive entities; and quality of life is a key advantage in that competition. The interplay of these issues with changing economic and political contexts has stimulated a dialogue about innovative planning approaches. The nation's regions, cities, and towns are increasingly using smart growth strategies to address the multitude of new challenges.

Many of the aforementioned problems are attributable to suburban sprawl. Sprawl has become a powerful and popular term to characterize the unplanned, dispersed growth of isolated single-use districts that rely on the use of private automobiles for virtually all trips. This separation of uses tends to exacerbate the effects of local road systems' that are increasingly insular and that require everyone to use the same collector roads for all trips. The result is an unavoidable pattern of traffic congestion that cannot be solved with wider collector roads. In fact, intuition about solutions to urban growth problems is proving to be wrong in several instances. For example, planners once believed that cul-de-sac development in communities away from the city core would provide safety. But suburbs now experience crime and drug activity, and crime inside gated communities often mirrors that on the outside.

Additionally, studies are demonstrating that adding highway capacity rarely relieves congestion; indeed, it often induces additional traffic. In this way, air quality problems and commute times are on the rise in most metropolitan regions. Some cities are actually removing freeways to try to reduce congestion and stimulate central city redevelopment.

Related Movements

Within the vast and complex umbrella of smart growth are several smaller, more focused movements. Those movements include the New Urbanism, transit-oriented development, sustainability, and regionalism.

New Urbanism

The Congress for the New Urbanism has gained national attention over the last decade by promoting a return to traditional neighborhood development. The Charter of the New Urbanism reflects the wide range of smart growth principles, covering issues related to regional planning as well small-scale design principles for individual neighborhoods. Despite the broad scope of their Charter, the proponents of the New Urbanism are perhaps best known for the design of new neighborhoods. Their neighborhoods incorporate mixed-use centers ("urban villages" and "towns centers") that provide a variety of housing options -- from apartments over small shops to single-family detached houses — within walking distance of shopping, school, church and parks. New Urbanist projects also use traditional street networks that usually connect neighborhoods to each other. "Walkability" is the centerpiece of New Urbanism, and the five- to ten-minute walk usually defines the size of a neighborhood. Throughout their work, New Urbanists emphasize the relationship between the built environment and a community's quality of life and inclusiveness. This emphasis has generated debate, as detractors have questioned the effectiveness of urban design in addressing economic and racial segregation, social isolation, and other social problems.

Transit-Oriented Development

Designers of transit-oriented development (TOD) utilize the pedestrian-scaled, mixed-use, higher-density designs characteristic of New Urbanist projects and many historic, central city neighborhoods. TOD developers build new neighborhoods and businesses around transit stops, most often fixed-rail stations. TOD relies on functional and economic relationships between land uses and transit systems; i.e. higher-density development tends to generate ridership for the transit system while access to transit tends to support the vitality of that development. Smart growth policies often incorporate public transportation as a critical element in alleviating traffic congestion and reducing auto dependence. Furthermore, the problem of spatial mismatch between housing and jobs is often addressed by using transit to connect neighborhoods and employment centers. Perhaps the most popular reason for establishing new light-rail systems has been to help stimulate the redevelopment of central cities with transit-oriented development. Integrating transit systems with surrounding land uses, however, is often a difficult challenge. Prolonged planning and construction phases, entrenched travel behaviors, and large capital costs pose obstacles to the implementation of successful rail systems. Still, ridership on new systems is high, and developers are responding to the promise of future rail service. In Dallas, for example, development has flourished along the DART system and the McKinney Avenue trolley line, and additional projects

are being developed today, in some cases several years before the projects will have access to a new light-rail station. In Houston, on the other hand, dense development is occurring in the inner city without the prospect of rail transit being available for many years. The immediate result is additional density without effective transit service to support the new growth. This scenario is adding more cars to the inner city, which is already congested and suffering from air pollution.

Sustainability

The concept of "sustainability" gained broad popularity before smart growth, and smart growth attempts to incorporate elements of this complex and somewhat nebulous

group of principles. Many published principles of sustainability place importance on the preservation and improvement of natural and social systems, and give due consideration to the impacts of today's decisions upon future generations and the environment. These principles emphasize a holistic approach to planning and design, in which environmental protection, economic development, and social equity are balanced. In practice, the projects and policies that fall under the title of sustainability often emphasize progressive approaches to environmental protection and resource conservation. These types of sustainable development initiatives include "green building," in which structures are designed to conserve energy or use power sources that are not based upon the consumption of fossil fuels. Wetland restoration and the use of specific plant types for the cleanup of contaminated lands are other examples of sustainable projects. These sustainability efforts are not always discussed as primary components of a smart growth policy. As environmental conditions deteriorate and technologies improve, however, the various concepts of sustainability may gain popularity among proponents of smart growth.

Regionalism

While it serves as a fundamental element of smart growth, regionalism is stimulating debate outside of local smart growth discussions. Citizens are recognizing that many growth issues do not relate to political boundaries. For example, some environmental policies are set at the regional level because wind currents and watersheds determine the extent of air and water pollution. Other issues — including the provision of affordable housing, the equity of public school systems, the compatibility of land use plans, the routes of public transportation systems, and the competition for high paying jobs -- often pit one city against its neighbors. Many scholars, elected officials, and political commentators have come to promote regional solutions such as revenue sharing and the formation of regional authorities to address issues affecting multiple jurisdictions. Perhaps more than other smart growth strategies, these regional approaches face formidable political obstacles. Some of these issues and corresponding smart

growth approaches will be discussed below as we look at some smart growth examples from other states.

EXAMPLES FROM OTHER STATES

Various sources claim that between 27 and 44 states now have smart growth legislation, but a great many of those programs deal only with efforts to preserve green space. Still, the concept of smart growth is being discussed in most states, and the National Governors Association (NGA) has addressed smart growth principles extensively over the past decade. With the ascendancy of Maryland Governor Parris Glendening to the chairmanship of NGA, the organization has begun to address smart growth as its top priority. The nation's mayors have also begun to grapple with smart growth strategies, with Fort Worth Mayor Kenneth Barr co-chairing the U.S. Conference of Mayors (USCM.) Task Force on Regionalism and Smart Growth.

The American Planning Association (APA), in cooperation with NGA, USCM, and other public interest groups, has provided national leadership on smart growth legislation through its "Growing Smart" program. APA launched Growing Smart in 1994 for the purpose of helping states to modernize their planning and growth management statutes. Initially, the program focused on state and regional planning and the relationships between those efforts and planning at the local level. The program subsequently produced model legislation for local planning activities, addressing the structure of planning agencies and commissions, the process of plan preparation, and the integration of state environmental policy acts into local planning legislation. A third phase of the program will produce model legislation for a variety of plan implementation tools. The Growing Smart program seeks ultimately to publish a Legislative Guidebook with model legislation and commentary, to establish a national clearinghouse of planning statutes, and to create a database of state legislative materials.

As the Growing Smart program has discovered, many states have been productive laboratories for the application of smart growth principles. Some of the

country's most important initiatives have originated in Oregon, Maryland, Georgia, Pennsylvania, and New Jersey.

Oregon

Public officials in Oregon have been leading advocates and practitioners of smart growth for over 25 years. In 1973, Republican Governor Tom McCall worked to pass statewide planning and growth management laws. The major tool of the legislation was a requirement for every Oregon city to draw an urban growth boundary (UGB), beyond which urban services would not be extended and development was not permitted. Portland, the state's major metropolitan area, has a UGB that encircles 24 cities and parts of three counties. The Portland metropolitan UGB is managed by Metro, the only directly elected metropolitan government in the nation. Formed in 1979, Metro was the second major component of early smart growth legislation in Oregon. This regional government is primarily responsible for transportation and land use planning, but also provides solid waste disposal, operates arts and cultural facilities, and manages regional parks and the zoo.

The City of Portland quickly became a laboratory for a broad set of growth management principles designed to revitalize the downtown area. Today, many of these ideas make up the core of smart growth. Portland led the charge by putting a cap on downtown parking, reworking the street environment to accommodate pedestrians, converting two downtown streets into a transit mall, and constructing a light-rail system. To reestablish a relationship to the Willamette River, downtown leaders tore out a riverside freeway and -- through a groundbreaking study called LUTRAQ (Land Use Transportation Air Quality) -- proved that a projected new freeway would increase air pollution. LUTRAQ, which stopped the new freeway at the eleventh hour, convinced policy makers to reallocate highway funds for the light-rail, system.

The Portland region has experienced significant economic growth since it implemented its regional planning and downtown revitalization initiatives. Portland offers a quality of life that has attracted high-tech companies and 30,000 jobs to the central business district. The city has become a model for smart growth, and urban planners flock there on a regular basis to observe the experiment in action. On the downside, traveling a

few miles from the central business district reveals a suburban landscape that resembles most other American suburbs. The Metro 2040 Plan begins to focus on that issue, identifying more regional and town centers that should absorb a larger part of the region's growth.

A major issue in Portland is affordable housing, as rental and purchase prices have skyrocketed. Some blame the UGB for that problem, but the planning-oriented 1,000 Friends of Oregon has released a study that concludes the problem simply reflects the staggering demand for living space on the West Coast. The study notes that Denver and Atlanta have experienced similar price increases with no limits to sprawl.

Maryland

Many say that Maryland Governor Parris Glendening coined the term "smart growth," and certainly Maryland was the first to declare itself a smart growth state. Glendening's 1997 "Neighborhood Conservation and Smart Growth Initiative" manages growth by restricting use of the state's money to improve existing towns and cities. Glendening argued that the proper response to disintegrating communities was to spend state money to hold them together, rather than abandoning them in favor of new towns and villages.

In 1998, the state passed legislation that required local governments to inventory their infrastructure and to designate "priority funding areas." Only those designated areas will receive state money for development projects. There are no real restrictions on building outside those areas, but developers and local governments must rely solely on their own funds for such growth. This strategy of targeting infrastructure dollars to designated areas has become popular in many states and cities. Several Texas communities discussed later in this chapter are experimenting with targeted infrastructure funding.

In addition to the priority funding areas, a Rural Legacy Program seeks to protect farmland, forests, and important natural areas either by purchase of title or by acquisition of development- rights. Other programs focus on job creation in the priority funding areas and encouraging people to work near their homes. In addition, Glendening has been aggressive in slowing roadbuilding, pulling funding from new

bypasses, and refashioning the department of transportation from a highway agency to a true transportation agency with a multimodal mission. A recent initiative is to complement the light rail system from Baltimore to Baltimore-

Washington International Airport with a new rail system that connects the airport to Amtrak and other rail services into Washington, D.C.

Georgia

Atlanta's experience demonstrates how a federal agency, a powerful governor, and local business leaders have each taken steps to incorporate smart growth principles into plans for the central city and the region.

In 1998, the U.S. Environmental Protection Agency imposed harsh economic sanctions upon metropolitan Atlanta in response to the region's violation of the Clean Air Act's emission standards. Atlanta was not allowed to use federal funds to expand its highway system, nor could it construct certain types of transportation projects that required federal approval even if those projects were not federally funded. Local business leaders were motivated to address the growth patterns that were responsible for widespread congestion, lengthy commutes, and central city disinvestment. They had seen Hewlett Packard decide not to locate a new facility in Atlanta, and had heard other corporations worry about the effects of a deteriorating quality of life upon employee recruitment. The Metro Atlanta Chamber of Commerce took the initiative of drafting proposed legislation to create the Georgia Regional Transportation Authority (GRTA). The passage of the GRTA bill gave Governor Roy Barnes and his appointed board the authority to shape future development -- particularly through control of transportation planning -- in all sections of the state that might be declared to be nonconforming by the EPA. In addition to serving as the region's Metropolitan Planning Organization (MPO), GRTA approves land use plans and subdivision requests that have regional impacts, and can also fund and build new transit systems.

Meanwhile, the Metro Chamber embraced "quality of life" as its central guiding principle, and a number of smart growth initiatives were developed. GRTA demonstrated its commitment to smart growth by allocating 60 *percent* of its 25-year mobility plan to public transportation uses. The private sector has demonstrated support for transit-oriented development by locating large corporate tenants, including Bell South, Coca-

Cola, and SunTrust, within walking distance of heavy rail stations operated by the Metropolitan Atlanta Rapid Transit Authority (MARTA). Finally, the EPA used a pilot program named "Project XL" to support the redevelopment of contaminated industrial property that was formerly the home of Atlantic Steel. Project XL allows the EPA to be flexible in its regulations so projects that may not otherwise be feasible can be implemented. In the case of Atlantic Steel, an EPA computer model named the Smart Growth INDEX showed that the same project would produce more vehicle miles traveled if it were built further out in the region. With the model, Atlantic Steel planners were able to demonstrate that smart growth principles could be used to mitigate environmental impacts, including air pollution. In order to support the Atlantic Steel redevelopment, the EPA is treating the entire project as a control measure against pollution. The agency has made an exception to the funding moratorium so that a bridge might be built across I-75/85 to connect the redevelopment site with the Arts Center MARTA station.

Today, GRTA and redevelopment projects such as Atlantic Steel attract attention among planners and smart growth advocates. Time will tell if these initiatives and others continue to steer Atlanta toward smart growth, or if suburban sprawl will continue to be the region's preferred development pattern.

Pennsylvania

A panel of citizens appointed by Governor Tom Ridge in 1997 reported that sprawl was clearly Pennsylvania's most pressing environmental issue, and recommended reforms to the state's land use laws. The Governor spearheaded an effort to produce "Growing Smarter" legislation, and in June 2000 he signed into law the first explicit anti-sprawl legislation in Pennsylvania's history.

The Pennsylvania bills revise the Pennsylvania Municipalities Planning Code (Act of 1968) so as to serve several purposes:

- Clarify the authority of counties and municipalities to create Locally Designated Growth Areas as part of their comprehensive land use plans;
- Allow municipalities jointly to target certain areas for regional development and to protect other areas as open space;

- Relieve individual municipalities of the requirement to zone for every land use, if they participate in regional planning;
- Encourage the transfer of development rights as a tool to preserve open space and farmland, and to drive growth toward areas where it is desirable;
- Give local governments greater ability to withstand legal challenges while effectively planning for growth in their communities; and
- Facilitate consistent planning at the local, county, and regional levels while retaining local control.

In 1995, the governor also signed into law a Land Recycling Program that offers private industry incentives to re-use Pennsylvania's abundant vacant industrial land. In the last five years, Pennsylvania's recycling law has fostered 500 clean-ups, and hundreds more are in the works. Ridge also successfully promoted a \$100 million increase in funding for Pennsylvania's farmland preservation program, which has invested \$300 million to buy the development rights to 1,300 farms.

Pennsylvania is also leading an expanding property tax reform movement. Several cities in Pennsylvania have tested a unique fiscal strategy to stimulate redevelopment of urban land while minimizing land speculation and neglect. A "split-rate" property tax, by which land is taxed at a higher rate than buildings, has been used in Pittsburgh and Scranton since 1913. Smaller cities such as Harrisburg (1975) and Allentown (1997) have enacted tiered tax systems more recently. This split-rate tax -- also known as a land value tax, site value tax, or graded property tax — tends to receive much less attention than do many other smart growth incentives. Still, the potential influence of property tax reform on development patterns merits an explanation of the land value or split-rate tax.

To understand how the split-rate tax works, it is helpful to view the single-rate property tax that is used in the vast majority of cities as a levy that combines two different types of taxes. The portion of the tax that falls on buildings tends to act as an economic disincentive to renovations and new construction on residential, commercial and industrial property, simply because these improvements most often increase one's tax bill. The split-rate tax approach

lowers or eliminates the taxes on buildings and improvements. The low building tax thus encourages new construction and improvements to buildings because the economic benefits of new improvements far outweigh the minimal increase in taxes owed.

Also, under the dominant single-rate system, holding a vacant or neglected parcel in an urban area is relatively inexpensive. The vast amount of underutilized land in urban areas is, in part, a testament to these low holding costs. In contrast, the land portion of the split-rate tax helps to discourage land speculation because the higher tax rate increases the land's holding costs. A split-rate system encourages landowners to convert urban property to a productive use that takes advantage of existing public infrastructure. Once land scarcity caused by speculation is reduced, land values are largely determined by the proximity, of public investments such as roads, water and sewer lines, and public schools. Therefore, with a higher tax rate on land values and a lower rate on buildings, the public is able to recapture more efficiently the value created by its investments. Conversely, value created by individual labor and capital improvements is largely kept in the private sector. This economic efficiency is one reason many economists favor a land value tax over many other tax systems.

Several studies have indicated that the split-rate property tax in Pennsylvania, by taxing land at a much higher rate than buildings, has helped to:

- Encourage building upkeep;
- Stimulate new construction on vacant parcels served near existing infrastructure;
- Keep land prices down and housing affordable by discouraging land speculation;
- Discourage sprawl by encouraging growth in developed areas;
- Lower property taxes for the majority of home and business owners; and
- Revitalize downtowns and other central city districts.

The split-rate tax reform has been used in 16 cities and one school district in Pennsylvania. In November 1998, Governor Ridge signed enabling legislation that authorized the split-rate property tax option for boroughs also. Since this new law was passed, many smaller communities have begun to experiment with phased conversions

to a split-rate system. New York, Maryland, and Washington D.C. have also enacted enabling legislation for a split-rate system. Other states — including Connecticut, Minnesota, Missouri, New Hampshire, New Jersey, Oregon, Virginia, Washington, West Virginia, and Wisconsin -- are also exploring property tax legislation as an initiative to support their smart growth objectives.

New Jersey

New Jersey's 1992 Development and Redevelopment Plan is a non-mandatory set of guidelines to promote development in previously developed areas with existing infrastructure or in designated growth centers. The state is also receiving attention for its attempt to preserve about half of the state's undeveloped land over the next decade. In 1998, Governor Christine Todd Whitman campaigned for a successful ballot initiative authorizing up to \$1 billion in bond sales for open space protection. Combined with other state and local initiatives, voters approved nearly \$3 billion for open space acquisition and preservation, farmland protection, and historic preservation.

In addition to the states described above, Tennessee, Washington, Utah, Florida, Minnesota, Colorado and others are experimenting with smart growth initiatives. For example, both Tennessee and Washington have adopted the concept of urban growth boundaries. The states' various programs demonstrate how combinations of incentives and regulations are being used to guide expansion in a way that is consistent with the principles of smart growth. While Texas, to date, has not implemented smart growth programs at the state level, local and regional planners are testing a variety of approaches to improve the way that Texas communities handle growth.

EXAMPLES FROM TEXAS COMMUNITIES

Cities, towns, and metropolitan areas throughout the Lone Star State are paying increased attention to the principles of smart growth. Different communities have faced different issues and have approached even common issues in different ways. The following profiles illustrate the variety of those issues and approaches as they pertain to

Austin, Fort Worth, the North Central Texas region, Flower Mound, Houston, and San Antonio.

Austin

Austin provides a helpful introduction to smart growth in Texas. Among Texas cities, Austin is particularly experienced in policy discussions concerning smart growth principles. Within the last decade, the region has experienced tremendous population growth and new development. High-tech companies continue to be attracted by the mild climate, an educated work force, and a renowned park system. The adverse impacts of recent development, particularly the water pollution that threatens the Edwards Aquifer and Barton Springs, caused public officials and community leaders to seek new solutions to growth-related problems. In 1998, Austin hosted the second annual Partners for Smart Growth conference, co-sponsored by the U.S. Environmental Protection Agency and the Urban Land Institute. Later that year, Austin's City Council responded to public demand for new planning approaches by approving the Smart Growth Initiative. The City's Smart Growth Initiative continues to evolve as public officials interact with residents and developers in a search for the right set of policies to both stimulate desirable development and preserve neighborhood character within the rapidly growing city. To date, the Smart Growth Initiative has largely focused on the protection of natural resources and the revitalization of central city neighborhoods. Accordingly, Austin is establishing planning tools — including incentives, regulations, and public investments -- to influence where growth occurs.

In order to stimulate "smart growth," Austin has:

- Divided the city limits into prioritized Desired Development Zones on the city's eastern side, and a Drinking Water Protection Zone to the west;
- Created a Smart Growth Criteria matrix that allows a quantitative analysis of development proposals with respect to the City's Smart Growth goals;
- Reduced development fees to stimulate growth within the Desired Development Zone;

- Identified transit corridors and future light-rail station locations around which transit-oriented development of higher density could develop;
- Created incentives and guidelines -- including a Traditional Neighborhood Development ordinance approved in 1997 — to attract pedestrian-scaled and transit-oriented development within the Desired Development Zone;
- Attempted to simplify the Land Development Code so as to encourage central city development;
- Streamlined the building permit process in order to offer service comparable to that provided by outlying suburban cities;
- Funded substantial land conservation initiatives, both to protect natural resources within the Drinking Water Protection Zone and to construct parks and greenways that should attract development in the Desired Development Zone; and
- Funded central city redevelopment projects, including the expansion of the Convention Center.

The Smart Growth actions listed above, as well as others under consideration, have generated a great deal of discussion and media attention. Neighborhood leaders wonder if smart growth can coexist with neighborhood preservation. Some community leaders fear that higher density development and rising housing costs could negatively transform well-established neighborhoods. Others applaud the decisions of large employers such as Dell and Motorola to locate within the central city's Desired Development Zone, an area neglected for many years by large corporations.

These debates echo those occurring throughout the country. Similar discussions will increasingly be heard throughout Texas cities as the merits of smart growth policies are weighed against the costs of doing business as usual. The additional Texas examples described below demonstrate how various conditions, ranging from distressed historic neighborhoods to severe air quality problems, are triggering discussions of smart growth policies.

Fort Worth

While environmental concerns inspired Austin's Smart Growth Initiative, the need to restore urban vitality to older, central city commercial districts and neighborhoods has stimulated innovative planning approaches in Fort Worth.

Fort Worth's City Council adopted a new Comprehensive Plan in August 2000. The new Plan is the first complete update in the last 35 years, and it incorporates significant policy recommendations that support smart growth principles. The concept that has received the most attention is the designation of mixed-use and industrial growth centers. These areas are scattered throughout the city, and are designated as special districts within which the City should take steps to promote and shape new growth and redevelopment.

Fort Worth's mixed-use growth centers are expected to evolve into compact urban districts that advance smart growth objectives and help to preserve existing low-density neighborhoods. Each of the designated mixed-use growth centers possesses three or more of the following characteristics:

- Concentration of jobs;
- Concentration of residents;
- One or more major transportation facilities;
- One or more major institutions;
- One or more major tourist destinations.

The Comprehensive Plan has established a smart growth blueprint that focuses on the growth center concept and the revitalization of the central city. Accordingly, the primary policy challenge is the removal of regulatory and financial impediments to desirable development within the growth centers. The following regulations have been identified by the Planning Department as impediments to the development of mixed-use growth centers as described in the adopted Plan:

- Prohibition of residential and mixed uses in commercial districts;
- Limitation of multi-family residential density to 24 units per acre;
- Excessive off-street parking requirements;
- Excessive front and side yard setback requirements; and
- Front yard landscaping requirements in 'compact commercial districts.

In response, the City Council has begun to examine development regulations that have been used to create successful mixed-use districts throughout the country.

The Comprehensive Plan establishes the guidelines for smart growth throughout Fort Worth over the next twenty years. Towards that long-term goal, the City is using public investment within the central city to transform Downtown and surrounding districts into vibrant urban locations that attract redevelopment. These redevelopment projects demonstrate the prioritization of capital improvement projects located within the central city. As discussed in the description of Maryland's efforts, this targeted infrastructure investment strategy is gaining acceptance as one of smart growth's most effective policies. To illustrate this commitment, the list below includes projects currently being designed or planned for the south end of Downtown Fort Worth:

- The Lancaster Corridor Redevelopment Project, including the removal of the 1-30 overhead freeway;
- The expansion and renovation of the Fort Worth Convention Center;
- The restoration of the city's oldest park as Fort Worth's civic square;
- The physical and operational enhancement of the Water Gardens;
- The introduction of commuter rail service at the new Intermodal Transportation Center
(ITC) and the historic T&P terminal; and
- A new public market just south of the ITC.

Other projects that should promote the development of transit-oriented, mixed-use growth centers include a proposed light-rail transit system and a brownfields redevelopment program. The proposed light-rail system is an ambitious plan to connect the central city growth centers and to promote transit-oriented development within these districts. Furthermore, the transit system should help alleviate congestion and air pollution problems. (The proposed prioritization of these types of transportation initiatives by the region's Metropolitan Planning Organization will be discussed below). The redevelopment of contaminated central city sites presents another environmental challenge. Fort Worth's

new brownfields program should increase funding and facilitate partnership with the US EPA to restore these sites to productive use.

Fort Worth has also been proactive in promoting the development of housing in Downtown and the adjacent Medical District, two of the regional mixed-use growth centers. The City's central city redevelopment relies on a critical mass of residents living in these districts.

Planners recognize that the success of urban redevelopment projects, such as the Downtown initiatives listed above, largely depends upon a substantial number of neighboring housing units. As downtown living gains popularity throughout the country, Fort Worth is taking steps to encourage new housing development in its urban districts. Tax abatements and other incentives -- traditionally used to attract development to peripheral locations -- have recently supported developers of central city housing. The number of Downtown housing units has doubled within the last several years. In fact, if the current popularity of new Downtown housing is an accurate indication of future trends, Fort Worth's City Council may soon face the policy challenge of encouraging housing options for a wider range of income groups within the city's growth centers.

North Central Texas Region

As mentioned earlier, smart growth emphasizes regional planning solutions to address growth impacts that cross municipal boundaries. Portland's Metro, an elected regional government, serves as an effective authority over the transportation and land

use issues that have regional impacts. No Texas region has an elected regional authority, yet the state's Metropolitan Planning Organizations (MPOs) address many of the same issues as Metro. As air pollution continues to threaten several Texas regions, the potential influence for MPOs to advance smart growth's transportation objectives grows. The changing focus of the North Central Texas Council of Governments (NCTCOG) illustrates this possibility.

NCTCOG's Regional Transportation Council (RTC) is the policy body for the MPO. The RTC consists of 37 members, predominantly locally elected officials, and oversees the regional transportation planning process and the selection of projects for federal and state funding. Historically, projects for which the local funding match was greatest generally rose to the top of NCTCOG's list. Recently, the MPO announced a proposed policy that would incorporate the use of smart growth criteria in the prioritization of projects.

The Dallas-Fort Worth region is currently in violation of ozone emission standards mandated by the Clean Air Act. Despite this situation, new highway projects and road expansions dominate NCTCOG's list of proposed transportation projects. In addition, the state's transportation funds will pay for only 36 percent of proposed projects per year. In response to air quality and funding challenges, the NCTCOG staff has proposed that projects must demonstrate a commitment to anti-sprawl strategies in order to merit funding. In this way, the MPO is increasing its focus on the relationship between transportation systems and land use.

Smart growth activists in Texas have criticized the historical divide between land use and transportation planning for years. NCTCOG's proposed policy — which faces opposition from some RTC members -- is seen by many community leaders as a refreshing shift toward holistic planning. Even without the powers granted to regional authorities such as the Georgia Regional Transportation Authority and Metro, NCTCOG could still significantly influence the land use decisions of municipalities throughout the DFW region. In seeking federal transportation funds, all member communities must abide by the policies established by the MPO. Conceivably, cities and towns that continue to promote exclusively the development of low-density, single-use, auto-oriented districts will find that their proposed transportation projects are ranked toward the bottom of the MPO funding list.

For example, if the policy is approved, NCTCOG's project selection criteria may focus in part on a project's potential to facilitate:

- High-density development around transportation nodes, particularly rail stations;
- A mixture of uses that includes employment and housing opportunities in close proximity to the transportation system;

Density allowances that increase the number of housing units per acre that can be built within a certain distance of the system.

This proposed policy shift is part of the MPO's initiative to promote "sustainable development." Their concept of sustainable development -- which NCTCOG describes as compact, transit-oriented, mixed-use growth centers — has been well received by the general public in community meetings. Still, many local transportation planners remain skeptical. This proposed policy would signify an important shift toward smart growth at the regional level. As with other smart growth policies, NCTCOG's policy faces a battle before it is embraced.

Flower Mound

Flower Mound is a rapidly growing, affluent suburb in the Dallas-Fort Worth region. The city has experienced an annual population growth rate of nearly 13 percent over the last decade. New residential and commercial development threatens to transform the town's pastoral character. In response, city officials have adopted a SMARTGrowth Management Plan, an acronym for "Strategically Managed and Responsible Town Growth," to address the impacts of growth and development.

The SMARTGrowth policy establishes Threshold Zoning Criteria with which new development projects can be evaluated. This evaluation process utilizes performance-based and qualitative criteria under seven general categories in order to guide development approval. A decision to grant approval is based upon whether a project advances community objectives related to:

- Adequate public infrastructure;
- Adequate public facilities;
- Adequate public services;
- Economic development;
- Fiscal impact;

- Environmental quality; and
- Community character.

The new SMARTGrowth Management Plan followed a 13-month moratorium — from January 1999 until February 2000 -- on new master-planned residential development, an action taken so that infrastructure improvements could catch up with new growth. During the moratorium period, Texas Attorney General John Cornyn issued an opinion supporting Flower Mound's authority to manage the rate and character of residential growth. Flower Mound officials now emphasize the merits of their qualitative, "character-based" approach, in which a project's impacts on community character and quality of life are assessed. In contrast to an inflexible growth cap, the qualitative criteria may be less subject to litigation.

The National Association of Home Builders has criticized the layers of regulation within Flower Mound's SMARTGrowth policy. Other opponents assert that the town's version of SMARTGrowth bears little resemblance to balanced smart growth, in that it will effectively eliminate all housing choices other than upscale single-family homes. It remains to be seen if Flower Mound's policy can balance the preservation of community character with the provision of housing for the town's share of the regional workforce. In a recent decision involving the Dallas suburb of Sunnyvale, the U.S. District Court for the Northern District of Texas enjoined the town from implementing its restrictive zoning and subdivision regulations, which the court found to have effectively precluded the development of affordable housing. Other states, including New Jersey through its landmark Mount Laurel cases, have also disallowed land use regulations that result in exclusionary zoning.

It is interesting to note that Flower Mound, in 1996, rejected a plan for an urban village designed by renowned New Urbanist Andres Duany. The Village of Lakeside would have incorporated many of the design principles championed by smart growth advocates, including a mixture of uses to reduce car trips, native landscaping to reduce water use, and multifamily units to provide housing options. This traditional smart growth plan was not consistent with the emerging SMARTGrowth principles in Flower Mound, demonstrating the wide range of objectives and strategies now falling

under the smart growth label.

Houston

Public officials, business leaders, and community activists in the Houston region are exploring smart growth principles, mainly to respond to air quality problems. The Houston region, along with Los Angeles, suffers from the highest ozone levels among American metropolitan areas. In a city that has rigorously minimized land use regulations, the smart growth discussion has initially focused on congestion and environmental conditions, and their possible impacts on business. For example, as in Atlanta, business leaders recognize that congestion and pollution detract from quality of life and employee productivity. As the concerns of business leaders coalesce with those of environmentalists and central city activists, the prospects of smart growth in Houston will improve. The following timeline of smart growth initiatives illustrates how Houston is slowly embracing the principles of smart growth.

January 1999 - Coast	Houston Gulf Coast Smart Growth Initiative begun by the Gulf Institute.
May 1999 -	Smart growth panel discussion led by Austin Mayor Kirk Watson.
October 1999 - Coast.	Building Choices: Smart Growth Conference for the Houston Gulf Houston Gulf Coast Smart Growth Initiative begins monthly meetings, with broad representation from business, government, and community.
1999 -	Air quality becomes the highest priority of both city government and the Greater Houston Partnership, representing the area's business community.

- April 2000 - Strategic Mayor Lee P. Brown's office releases the Houston 2000 Transportation Plan, calling for connecting land use planning to transportation, and for using smart growth principles for future growth. This document is more than a transportation document, as it addresses environmental issues and is being referred to in other initiatives throughout the region.
- Spring 2000 - Enron Field opens for baseball in the Central Business District, spurring a broad mix of new development. The ballpark, the transformation of the old convention center into an entertainment complex, and various street improvement programs have had a major impact on private investment. Houston now has the fastest growing residential downtown in the United States.
- Spring 2000 - Houston-Galveston Area Council of Governments presents proposal for new regional planning process using smart growth principles.
- Summer 2000 - Resolution. Greater Houston Partnership board releases Sensible Growth
- Summer 2000 - redevelopment of Main Street Master Plan is released, calling for complete 7.5 mile Main Street Corridor, and the term smart growth is used in describing the concepts. The plan includes light rail, increased density, and a coherent pedestrian environment
- Summer 2000 - City of Houston Planning and Development Department convenes citizens' committee to propose recommendations for reducing air pollution emissions using planning powers. Report goes to director in late August and outlines plan to create walkable neighborhoods. The report calls for a comprehensive plan and a new, alternate development code based on New Urbanist principles.

November 2000 - A conference called "Connecting the Visions: Creating the Future We Want" is scheduled to synthesize all the visions and goals that have been expressed by government, business, and community groups over the last decade. The goal is to produce a single document as the basis for policy and comprehensive planning in the region. Most major players in the city are engaged in the conference.

As the timeline shows, Houston is focusing on smart growth concept, and opposition to the general idea has essentially disappeared. However, a powerful development community is not interested in new rules, so a great deal of negotiation is necessary. Air quality remains the driving factor. Sensitive to the realization that high-tech companies are having trouble attracting bright young people to the city because of the quality of life issue, business leaders are coalescing around improvement strategies. Discussions of quality of life are going far beyond air quality. Houston is now in the process of reinventing itself, as other cities are doing, to compete effectively in the global market.

San Antonio

Throughout the past three decades, San Antonio has experienced a burgeoning population, bringing both prosperity and new, urban problems. The expanded population base, and the residential and commercial developments that accompany it, inspired San Antonio's leaders to explore new policies for addressing issues associated with this growth. The principal concern has been the need to provide a more spatially balanced growth pattern aimed at protecting important water and land resources, while preserving and enhancing the existing infrastructure of the city.

San Antonio's Master Plan, adopted in May 1997, establishes a framework for current attempts to enact appropriate policies. The vision expressed within the plan provides for dynamic and sustainable neighborhoods; responsible urban design and planning; and protection of cultural, historic, and natural resources.

In 1998, City leaders established the Community Revitalization Action Group, or CRAG, as it has come to be known. CRAG, a "blue ribbon" committee comprised of various public and private sector leaders, was charged with identifying impediments to inner-city revitalization, and exploring tools • or methods for implementing and spurring

new urban revitalization efforts. The results of the 1998 CRAG initiative included recommendations for programs in the following two fiscal years, including support for neighborhood retail activity; mixed-use, mixed-income projects; and in-fill construction on vacant lots. The committee also recommended the continuation of the CRAG process and, as a result, CRAG 2000 was implemented and assigned the task of continuing to identify and discuss inner-city revitalization issues. CRAG 2000 identified a specific target area to begin implementation and forwarded recommendations and innovative projects to elected officials for funding in the annual budget. The recommendations included financial incentives, community education programs, and concentrated neighborhood and commercial revitalization strategies.

Another on-going project in line with the CRAG process is the proposed creation of the La Paz Tax Increment Reinvestment Zone No. 8, which will help facilitate the development of a 733-acre tract of land in a historically underdeveloped part of San Antonio. The development would involve public improvement costs of more than \$69 million, with the debt to be repaid in approximately 23 years. The project's new urbanism design characteristics are expected to foster a greater sense of community by including a variety of housing types and prices, pedestrian amenities, green space, street interconnectivity, and mixed-use components.

Perhaps the greatest, if not the most influential, of recent attempts to change the urban face and development pattern of the City includes the comprehensive revision of the City's Unified Development Code (UDC). In September 1999, the City entered into a contract with a consulting firm to prepare a new UDC document that included as its objectives the incorporation of the philosophy expressed in the City's Master Plan, and incentives for encouraging smart growth and quality development. The new UDC would include options for Traditional Neighborhood Development (TND) use patterns, including narrower street widths, and connectivity requirements. Additionally, it would include other use patterns and/or development options that are conducive to new urbanism ideals. Among these new patterns are an Infill Development use pattern to encourage development on vacant, bypassed lands, or underutilized structures within existing built-up areas. The new UDC would also encourage other use patterns such as transit-oriented development (TOD) nodes, which seek to create land use patterns amenable to pedestrians and public transit, and Conservation Subdivisions, which

require that a certain percentage of open space be part of the development if it occurs within environmentally sensitive areas. What is perhaps most influential in the new UDC revisions, however, is a revised set of zoning regulations that will allow for mixed-use development, as of right, in some instances.

The foregoing are examples of innovative changes to existing policies in San Antonio's approach to urban development. The City hopes that many of these new policies, ordinances, programs, and projects will generate a new pattern and quality to San Antonio's urban landscape that is consistent with the smart growth philosophy.

Conclusion

As the foregoing discussion clearly shows, the term "smart growth" encompasses a wide range of ideas for creating livable cities and metropolitan areas. While those ideas may take different forms in different places, they generally emphasize development that enhances existing communities, that is compatible with the natural environment, and that uses tax dollars efficiently while attracting private investment. These goals are certainly consistent with traditional Texas values, yet the rapid growth and change that our state is likely to experience in the years ahead will raise many new and complex policy issues for public officials to address at the local, regional, and state levels. By learning more about smart growth in its various dimensions, planners can rise to the challenge of providing effective leadership on those emerging issues.