

# Growing Smart

## Open space preservation

**helps communities grow smart,  
preventing the higher costs of unplanned development.**

*In the future, livable communities will be the basis for our competitiveness and economic strength. Our efforts to make communities more livable today must emphasize the right kind of growth—sustainable growth. Promoting a better quality of life for our families need never come at the expense of economic growth. Indeed, in the 21st century it can and must be an engine for economic growth.*

—Vice President Al Gore



Slavic Village was designed to offer affordable housing and a public park. The development also has brought economic renewal to its Cleveland, Ohio, neighborhood.



In many ways the 1990s were a great decade for Austin, Texas. Attracted by oak-covered hillsides and a relaxed, almost small-town, atmosphere, more than 800 high-tech companies have moved to the Austin region in recent years, swelling the local tax base. *Newsweek* recently dubbed Austin “the utopian workplace of the future,” and *Fortune* has designated it the nation’s new number-one business city.

However, this growth has not come without cost. Destructive urban sprawl has become a headline issue in Austin, where the population swelled from 400,000 to 600,000 in the last decade and where many residents fear that Austin’s success carries the seeds of its own doom. A million people now live in the Austin metro area. Roads are clogged with traffic, air quality is in decline, sprawling development threatens drinking water, and the oak-dotted hillsides are disappearing beneath houses and shopping centers. In 1998, the Sierra Club ranked Austin the second most sprawl-threatened mid-sized city in America.<sup>1</sup>

But even if Austin is one of the nation’s most sprawl-threatened cities, it has also begun to mount an admirable defense. A 1998 Chamber of Commerce report recognized Austin’s environment as an important economic asset worth protecting, and the city council has launched a smart growth initiative in an attempt to save the goose that lays the golden egg. The initiative includes regulatory changes in an attempt to encourage denser development patterns. It also includes efforts to protect open space. Over the last decade, Austin voters have approved over \$130 million in local bonds to help create parks and greenways and protect critical watershed lands.

Some of this money is going to the purchase of open space that will attract new residents to a 5,000-acre “desired development zone,” says real estate developer and Austin City Councilmember Beverly Griffith. “We’re identifying and setting aside the most sensitive, the most beautiful, the most threatened lands in terms of water quality, so the desired development zone will have a spine of natural beauty down the middle of it, and that will attract folks to live and work there.”

“Planning for housing, open space, and recreation is what’s going to enrich the desired development zone,” Griffith says. “People will be able to work and live in the same area.” ▶



ERIC SWANSON

Town Lake, Austin, Texas, is one of many greenspaces that makes the city an attractive place to live and work.

*Planning for housing, open space, and recreation is what’s going to enrich the desired development zone. People will be able to work and live in the same area.*

–BEVERLY GRIFFITH  
City Councilmember, Austin, TX



ERIC BEGGS

Beverly Griffith.

## Ask William Moorish

“Before increasing the density of a community we like to increase the intensity of nature,” says William Moorish, director of the Design Center for American Urban Landscape at the University of Minnesota. Moorish cites an example from the Lake Phalen neighborhood of St. Paul, Minnesota, where a 1950s shopping center is being torn down to uncover a lake and wetland. Plans call for restoring the wetland as the centerpiece of a mixed-use neighborhood already served by infrastructure and mass transit.

Open space makes higher-density living more attractive, Moorish contends. Every community should provide infrastructure to its residents, and Moorish would expand the definition of infrastructure to include open space and a quality environment. Currently, the design of much urban infrastructure—roads, bridges, power lines, airports, water treatment plants—strips the richness of nature from communities. By preserving open space we fashion a richer, greener, more complex infrastructure that makes cities more appealing places to live. This, in turn, will reduce the pressure to bulldoze economically valuable farmland and natural areas on the urban fringe.

*Many community leaders expect that the taxes generated by growth will pay for the increased costs of sprawl, but in many instances this is not the case.*

### ► Smart Growth and Open Space

Austin is not alone in its efforts to protect open space as a way of supporting local economies and guiding growth into more densely settled, multiuse, pedestrian-friendly neighborhoods. Open space conservation is essential to any smart growth plan. The most successful higher-density neighborhoods—those most attractive to homebuyers—offer easy access to parks, playgrounds, trails, greenways and natural open space.

To truly grow smart a community must decide what lands to protect for recreation, community character, the conservation of natural resources, and open space. This decision helps shape growth and define where compact development should occur.

Many Americans believe that smart growth communities are more livable than are sprawling suburban neighborhoods. But accumulating evidence also suggests that smarter, denser growth is simply the most economical way for communities to grow. This is one reason that the American Planning Association, the U.S. Conference of Mayors, the National Association of Counties, and many business leaders are getting behind the smart growth movement.

## Can conservation lower property taxes?

Does land conservation force a rise in local property taxes by removing land from the tax rolls?

The answer may be yes and no, according to a pair of 1998 studies by the Trust for Public Land. The studies examined the relationship between land conservation and property taxes in Massachusetts.

In fact, the study found, in the short term property taxes did rise after a land conservation project.

But in the long term, Massachusetts towns that had protected the most land enjoyed, on average, the lowest property tax

rates—perhaps because they had less development, which requires roads, schools, sewer and water infrastructure, and other services.

Every community is different, the report cautions; decisions about conservation must be informed by a careful analysis of tax consequences and broader community goals:

“The challenge when evaluating future investments is to strike a balance between what improves a community, what residents can afford and what is fair. Planning for both conservation and development is an important part of achieving that goal.”<sup>2</sup>

Increased density saves in infrastructure costs and contains sprawl.



LARRY ORMAN

### The Costs of Sprawl Outpace Tax Revenues

Sprawl development not only consumes more land than high-density development, it requires more tax-supported infrastructure such as roads and sewer lines. Police and fire services and schools also must be distributed over a wider area.

One study found that New Jersey communities would save \$1.3 billion in infrastructure costs over 20 years by avoiding unplanned sprawl development.<sup>3</sup>

Another predicted that even a modest implementation of higher-density development would save the state of South Carolina \$2.7 billion in infrastructure costs over 20 years.<sup>4</sup> And a third found that increasing housing density from 1.8 units per acre to 5 units per acre in the Minneapolis/St. Paul area would slash \$3 billion in capital infrastructure costs over 20 years.<sup>5</sup>

Many community leaders expect that the taxes generated by growth will pay for the increased costs of sprawl, but in many instances this is not the case.

- In the island community of Nantucket, Massachusetts, each housing unit was found to cost taxpayers an average of \$265 a year more than the unit contributed in taxes. “Simply stated, new dwellings do not carry their own weight on the tax rolls,” a town report concluded.<sup>6</sup>
- And in Loudoun County, Virginia—the fastest growing county in the Washington, D.C. area—costs to service 1,000 new development units exceeded their tax contribution by as much as \$2.3 million.<sup>7</sup>
- Studies in DuPage County, Illinois, and Morris County, New Jersey, suggest that even commercial development may fail to pay its own way. In addition to making its own demands on community resources, commercial development can attract costly residential sprawl.<sup>8</sup>

### But do people want to live in clustered housing?

Many communities are saving money and land by encouraging—or even mandating—clustered housing.

In a typical clustered development, homes are built closer together on smaller lots and surrounded by protected open space or conservation land.

Clustered housing is cheaper for a community to service than houses on larger lots, largely because it consumes less land and requires shorter roads, shorter utility lines and less infrastructure of other types.

But do people really want to live in clustered housing?

A 1990 study attempted to answer this question for two communities in New England, where sprawl is rapidly overwhelming the original clustered development pattern of houses gathered around a village green and surrounded by farms, forests, and other open space.

Researchers used the rate of real estate appreciation as a measure of consumer demand for homes in two clustered developments in Concord and Amherst, Massachusetts. In both communities the average clustered home appreciated faster than comparable homes on conventional lots.

Clustered housing can allow a community to meet its land protection goals without endangering property values or the tax base while allowing construction of the same number of units, the report suggests.

“The home-buyer, speaking . . . through the marketplace, appears to have demonstrated a greater desire for a home with access . . . to permanently protected land, than for one located on a bigger lot, but without the open-space amenity.”<sup>9</sup>

## Ask Luther Propst and Chris Monson



DOMINIC OLDERSHAW

Luther Propst.

In eastern Pima County, Arizona, on the outskirts of rapidly growing Tucson, developers once wanted to build a 21,000-unit resort and residential community on the 6,000-acre Rocking K Ranch adjacent to Saguaro National Park.

But the project was scaled back to 6,500 clustered units after opposition from the National Park Service and local environmentalists threatened to derail the development. As part of the agreement that allowed the development to proceed, the most biologically important land was set aside as open space. Two thousand acres has been sold to the National Park Service.

The rest of the property will be managed with input from Rincon Institute, a community stewardship organization supported by homeowners and businesses in the new development and visitors to the resort. The Institute conducts long-term environmental research, helps protect neighboring natural areas and conducts environmental education programs.

“Initially the developers were skeptical, but they now see that a legitimate commitment to conservation is good for marketing,” says Luther Propst, director of the Sonoran Institute, which helped negotiate the arrangement.

The developer agrees. “People will pay a premium for an environmentally well-thought-out community,” says Chris Monson, president of the Rocking K Development Corporation. “Sometimes less is more, so we increased densities, clustered housing, and preserved open space. We think this makes our development look attractive. It also makes the units easier to sell.”

Loudoun County, Virginia, near Washington D.C., is under intense development pressure.



JEANNIE COUCH

### ► The Benefits of Land Conservation

Instead of costing money, conserving open space as a smart growth strategy can save communities money:

- Bowdoinham, Maine, chose to purchase development rights on a 307-acre dairy farm when research indicated that the costs of supporting the development would not be met by anticipated property revenues. “Undeveloped land is the best tax break a town has,” concluded selectman George Christopher.<sup>10</sup>
- A study in Woodbridge, Connecticut, revealed that taxpayers would be better off buying a 292-acre tract than permitting it to be developed. “This town cannot afford *not* to buy land,” wrote Robert Gregg, president of the Woodbridge Land Trust.<sup>11</sup>

“Land conservation is often less expensive for local governments than suburban style development,” writes planner Holly L. Thomas. “The old adage that cows do not send their children to school expresses a documented fact—that farms and other types of open land, far from being a drain on local taxes, actually subsidize local government by generating far more in property taxes than they demand in services.”<sup>12</sup>

For this reason, even groups that usually oppose taxation have come to recognize that new taxes to acquire open space may save taxpayers money in the long run. “People are . . . beginning to realize that development is a tax liability for towns, not an asset, because you have to build schools and hire more police officers. And that makes property taxes go up,” Sam Perilli, state chairman of United Taxpayers of New Jersey, an antitax group, told the *New York Times*.<sup>13</sup> ►

## Keep on ranchin'

Along the Front Range of the Colorado Rockies, communities from Fort Collins in the north to Pueblo in the south are racing to preserve the wide open spaces and quality of life that have attracted millions of new residents.

"A lot of employers move here for the climate, access to the mountains, the open space, and other quality of life issues," says Will Shafroth of Great Outdoors Colorado (GOCO), which funds open space projects using state lottery revenues. "But if we continue to develop and become a solid city between Fort Collins and Pueblo, we lose the very reason businesses come here to begin with. They're going to move off and find the next place, as they have in California and Florida and Texas and other places that have grown rapidly."

Larimer County, at the northern end of the Front Range, is typical. The county, which has been growing at 3.5 percent per year for the past 25 years, lost nearly 35,000 acres of farm and ranch land to development between 1987 and 1992.

"There is strong concern that we not

allow our communities to grow together into one indistinguishable urban mass," says Tom Keith, chair of Larimer County's Open Lands Advisory Board, which was appointed by county commissioners to guide a new Open Lands Program.

Larimer County has taken several approaches to preserving its quality of life. In the early 1990s a committee appointed by the county recommended clustered rather than dispersed development on rural lands, and while the approach was not mandatory, 20 clustered projects were under way by 1997.

In 1995 Larimer County voters passed an eight-year, ¼ cent "Help Preserve Open Spaces" sales tax, which has brought in nearly \$18 million to date. The money will be used for the purchase of land or development rights to keep open lands open and to keep farms and ranches in agricultural use. Other support for the program has come from GOCO.

As of 1998, Larimer County had protected 7,000 acres of the open space on which its quality of life and prosperity depend.<sup>14</sup>



BILL GRAY

In Steamboat Springs, Colorado, TPL helped create an open space plan and supported a successful tax measure to protect working ranches.



AP/WORLD WIDE PHOTOS

Sprawl development has led to traffic problems in Atlanta, Georgia.

*There is no greater risk to land values than unrestrained development.*

– REAL ESTATE RESEARCH CORPORATION

## New Jersey shows the way

- Number of open space bond acts approved by New Jersey voters, 1961-1995: **9**
- Funds for New Jersey's Green Acres land acquisition program generated by these bond acts: **\$1.4 billion**
- Expected additional amount of state open space funding approved by New Jersey voters, November 1998: **\$1 billion**
- Amount of open space these latest funds will help protect: **1 million acres**
- Approximate proportion of New Jersey's remaining developable open space this acreage represents: **50 percent**
- Number of New Jersey counties that passed open space funding measures in November 1998: **6**
- Of 21 New Jersey counties, the number that now have a dedicated source of open space funding: **16**
- Rank of New Jersey among states in population density: **1** <sup>17</sup>

### ▶ **Livable Communities: A Long-term Investment**

In the long term, economic advantage will go to communities that are able to guide growth through land conservation and other smart growth measures. In some instances a community's bond rating may actually rise after it has shown it can control growth by purchasing open space.<sup>15</sup>

One 1998 real estate industry analysis predicts that over the next 25 years, real estate values will rise fastest in the smart communities that incorporate the traditional characteristics of successful cities: a concentration of amenities, an integration of residential and commercial districts, and a "pedestrian-friendly configuration."

But many low-density suburban communities will suffer lower land values because of poor planning, increasing traffic, deteriorating housing stock, and loss of exclusivity, the report predicts, concluding that "there is no greater risk to land values than unrestrained development."<sup>16</sup> ■