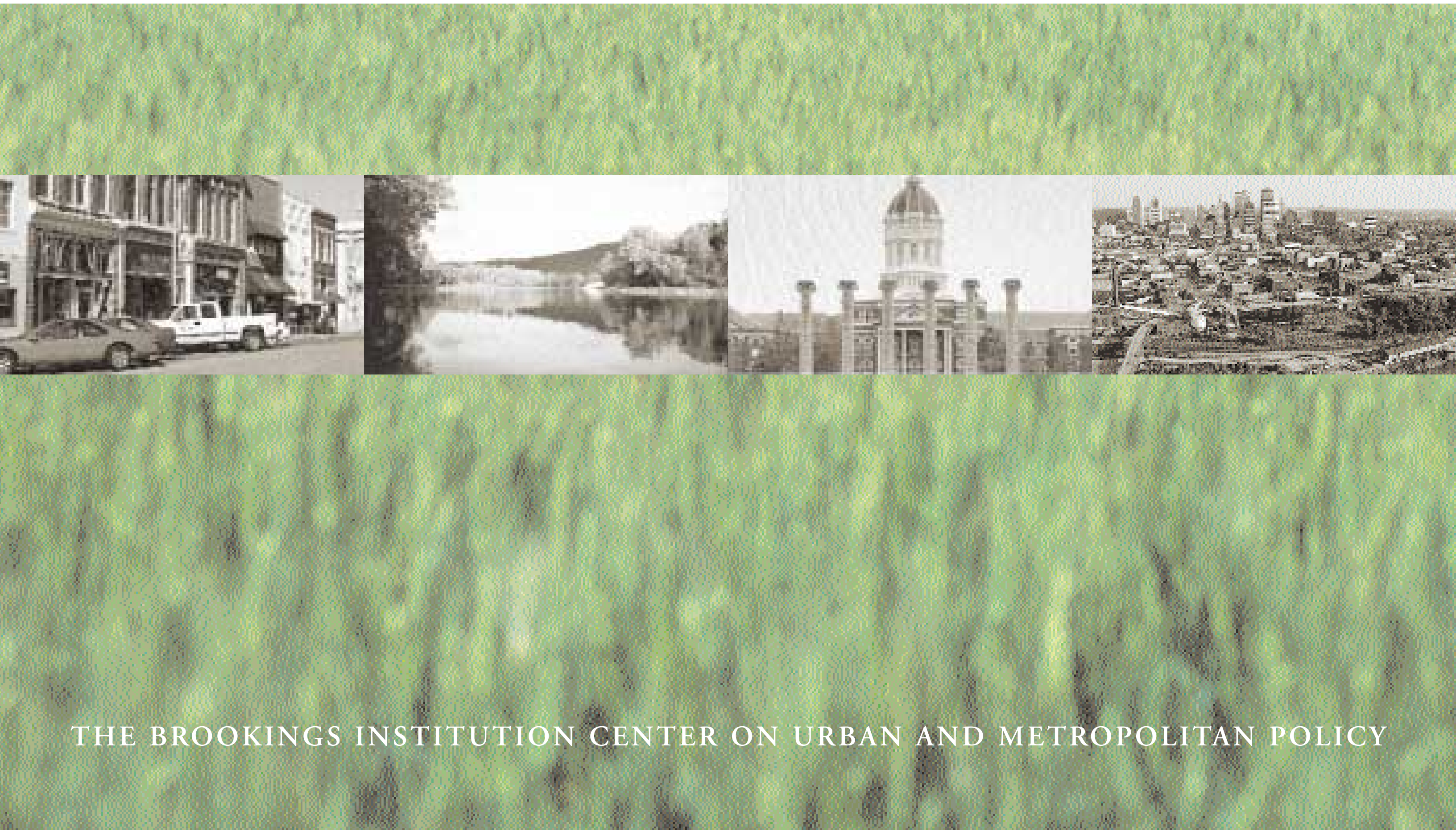
# GROWTH *in the* HEARTLAND

## Challenges and Opportunities for Missouri



THE BROOKINGS INSTITUTION CENTER ON URBAN AND METROPOLITAN POLICY

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In the end, though, final responsibility for the contents of this report rest with the Brookings research team, which consisted of Bruce Katz, Amy Liu, Mark Muro, and Kurt Sommer, who were supported tirelessly by Steven Bowers, Caroline Davis, Patrice Frey, and Saundra Honeysett. All errors are ours.

*NOTE: The views expressed do not necessarily reflect those of either the trustees, officers and staff members of the Brookings Institution or the board or staff of the Ewing Marion Kauffman Foundation.*

# Contents

# Preface

Citizens want many things from their communities. They want pleasant neighborhoods, nearby jobs, and good schools. They want abundant greenspace and recreational areas for their families. And they want a responsive local government that provides quality services at low cost.

Unfortunately those goals are not always realized.

This report seeks to help Missourians achieve more of what they desire.

Sponsored by the Ewing Marion Kauffman Foundation, ***Growth in the Heartland: Challenges and Opportunities for Missouri*** represents the first comprehensive effort to analyze the direction, scope, and implications of development in the state—as well as to assess the potential role of state and local policy in shaping those trends.

Prepared by the Brookings Institution Center on Urban and Metropolitan Policy, ***Growth in the Heartland*** undertakes to provide a diverse state with a reliable single view of itself at a critical moment. This wide-angle view assesses key population, economic, social, and land-development trends as they affect the state's six largest metropolitan areas. It also examines the tenor of Missouri's growth as it affects the state's many rural and once-rural districts. Capping the report are recommendations on how state and local policies can better promote prosperity and protect what is uniquely Missourian.

In assembling the current document, the Brookings team has drawn heavily on a useful base of local knowledge. Discussions with civic, business, and political leaders across the state yielded invaluable guidance. Meetings with local non-profit, environmental, and faith-based groups provided additional insight. Equally important has been the body of empirical data about the state that has been amassed by academics, governments, and metropolitan planning organizations (MPOs). State clearinghouses, like the Missouri Census Data Center and strong university programs like University of Missouri's Office of Social and Economic Data Analysis (OSEDA), and the two largest MPOs—the Mid-America Regional Council in Kansas City and the East-West Gateway Coordinating Council in St. Louis—have been invaluable resources.

Taken together, these resources have begun to provide policymakers a comprehensive and up-to-date body of research and statistics. By synthesizing this work and adding fresh data to reveal new trends, these pages seek to make some of the state's best scholarly research even more meaningful. They also strive to challenge policymakers to think anew about the solutions necessary to facilitate sensible community growth, promote fiscal efficiency, and protect a great state's urban and rural heritage.

One final note: ***Growth in the Heartland*** has all along had special significance for the Center on Urban and Metropolitan Policy. That is because the Brookings Institution has strong ties to Missouri, through its namesake and founder, Robert S. Brookings. Brookings amassed a fortune working for and becoming a partner from 1867 to 1896 at Cupples & Marston, a woodenware company located in St. Louis. Eventually, Brookings helped develop Cupples Station, a giant freight depot encompassing 23 seven-story buildings on 30 acres in downtown St. Louis. That early Brookings initiative left a lasting imprint on the state's map to the point that even just recently several of the original warehouses in Cupples Station have been incorporated into the new mixed-use Westin Hotel complex downtown in a fortuitous nod to the reinvestment endorsed by this report.

Robert Brookings' ties to Missouri are now reflected once more in the collaborative effort of this report. Those ties will continue to inform the Brookings Institution's efforts in the future.

# Executive Summary

Situated in the heartland, Missouri reflects the full range of American reality.

The state is highly urban yet deeply rural. It contains two bustling metropolises, numerous fast-growing suburbs, and dozens of typically American small towns. Elsewhere lie tranquil swaths of open country where farmers still rise before dawn and the view consists mainly of rich cropland, trees, and sky.

Missouri sums up the best of the nation, in short.

And yet, Missouri also mirrors the country's experience in more problematic ways.

The spread of the national economic downturn to Missouri, most immediately, has depressed tax collections and increased the demand for social services, resulting in a troublesome state and local fiscal moment. This has highlighted pocketbook concerns and underscored that the state must make the most of limited resources.

At the same time, Missourians, like many Americans, have many opinions about how their local communities are changing. They are divided—and sometimes ambivalent—in their views of whether their towns and neighborhoods are developing in ways that maintain the quality of life and character they cherish.

All of which explains the double focus of the following report by the Brookings Institution Center on Urban and Metropolitan Policy. Intended to speak to the simultaneous concern of Missourians for fiscal efficiency and communities of quality, ***Growth in the Heartland: Challenges and Opportunities for Missouri*** brings together for the first time a large body of new information about both the nature and costs of development patterns in the Show-Me State.

In assessing these patterns, the Brookings study concludes that:

1. **Missouri grew in the 1990s, but growth has slowed in the last year.** In this, Missouri's experience has followed that of the nation. Significant growth in the last decade—as reflected in population increases, job creation, and income gains—lagged in the last year:

   - Between 1990 and 2000, Missouri added 478,138 new residents, as its population grew 9.3 percent to 5,595,211 people. This modest pace of growth doubled rates posted in the 1970s and 1980s and placed Missouri's growth in the middle rank of states. Employment also grew in the 1990s—by 521,637 new jobs, or 17.4 percent. As the nation's economy faltered, however, Missouri shed 55,000 jobs between July 2001 and July 2002, losing about 10 percent of the positions it had gained in the previous decade.

   - Growth has been well distributed around the state. In particular, many (though not all) Missouri rural areas gained ground during the 1990s, as rural growth outpaced that of the state as a whole. These areas grew by 10.7 percent in the decade, gaining 174,208 additional people—about four times their anemic 41,000-person growth of the 1980s. In that decade, 51 of Missouri's 93 rural counties lost population; in the 1990s only 17 did. The pace of rural job growth also exceeded statewide growth. Exceptions to the trend were the northern agricultural counties and the Bootheel, which continued to struggle.

- Missouri's four smaller metropolitan areas emerged as some of the fastest-growing regions in the state. As a group, the St. Joseph, Joplin, Columbia, and Springfield metropolitan areas grew at twice the state's overall population growth rate by growing 18.3 percent during the 1990s, and adding a total of 111,637 new residents. During the decade the four smaller metros also added 107,000 jobs as they expanded their combined job base by 28.8 percent—significantly faster than the combined Missouri-side growth of the Kansas City and St. Louis metro areas.

2. **The state is decentralizing, however.** As it grew in the 1990s, the state's population moved ever outward across the state's landscape:

- Growth, meaning population and job gains, dispersed far beyond the major metropolitan areas in the decade. Fully 60 percent of the state's population growth in the 1990s took place outside the Kansas City and St. Louis regions, often in the smaller cities.

- Population and job growth also moved beyond the smaller metro areas and towns into the unincorporated areas of the state. In fact, residency in unincorporated, or "open-country," areas grew faster in Missouri on balance than residence within cities and towns. Overall, the population living in unincorporated areas grew by 12.3 percent in the 1990s—a rate 50 percent faster than the 8.1 percent growth of towns and cities.

- Rural Missouri epitomized residents' move out of town, as open-country living increased in all but 17 of the state's 93 rural counties. In these counties, fully 71 percent of all growth in the 1990s took place in areas outside towns' borders.

- As Missourians have spread out, so has residential, commercial, and other development—even though population has been growing only modestly. All told, the dispersal of population and jobs in Missouri required the conversion of 435,400 acres—680 square miles—of fields, farmland, forests, or otherwise green space to "urban" use between 1982 and 1997. This development represented a 35-percent increase in the expanse of the state's urbanized area, even though the state's population grew just 9.7 percent during the period.

- The pace of the state's land consumption has been increasing. Specifically, more land was developed in the five years between 1992 and 1997 (219,600 acres) than over the preceding 10 years, when 215,800 acres of Missouri countryside was converted to more urban uses.

3. **Many Missourians have benefited from the state's economic growth, but the low-density, decentralizing form development is taking undercuts some of those gains—and affects all types of communities.** Several negative impacts of spread-out growth appear especially costly at a moment of fiscal distress and faltering economic performance:

- Missouri's current pattern of growth imposes significant costs on communities and taxpayers. Specifically, highly dispersed, low-density development patterns increase the capital and operation costs governments incur when they provide roads, sewer and water infrastructure, schools, and police or fire services. Sometimes these added costs even turn growth into a net money-loser for taxpayers.

- Missouri's current pattern of growth is eroding the state's rural heritage. The state's widespread scatter of residential developments, retail centers, and fast-food outlets is gradually effacing the farm traditions, rural scenery, and small-town atmosphere that connects the state to its roots.

- Missouri's current pattern of growth is threatening the environment and natural areas. For example, low-density development has increased the amount of land consumed by urbanization and tainted the Ozark lakes, where septic seepage has created a serious water-quality problem.

- Missouri's current pattern of growth is hurting Missouri's competitiveness by eroding its quality of life. In particular, the state's weak downtown cores, spread-out metro areas, and environmental challenges deprive the state of the urban vitality, convenience, and ecological strengths increasingly valued by leading companies and workers. Damage to Ozark lakes and landscapes also threatens a $1.6 billion tourist industry there.

- Missouri's current pattern of growth is straining the state's transportation system and burdening Missourians with increasing travel costs. Most notably, the widening area that needs to be served by high-capacity roads has increased the costs of building and maintaining an adequate highway network. Rectifying the state's current maintenance backlog will require up to $645 million a year over the next 10 years—some $242 million more than current funding provides.

- Missouri's current pattern of growth is isolating low-income and minority Missourians from opportunity. More and more, as middle-class residents and employment move outward, a wide physical distance separates the state's neediest families and workers from the state's best schools, job paths, and social networks. This further impedes these families' ability to move up the ladder of opportunity.

In addition to drawing those conclusions about how the state is now growing, ***Growth in the Heartland*** observes, finally, that:

4. **With a softening economy, Missouri needs to make wise decisions to make the most of limited resources as it grows.** Sound policy choices can maximize the benefits of economic growth while minimizing its fiscal, environmental, and neighborhood downsides. ***Growth in the Heartland*** therefore recommends that Missouri:

   - **Know the context.** Missouri should establish the information and analytic base to identify unfolding growth trends and support better policy responses.

   - **Rethink transportation and infrastructure policy.** Missouri should align its transportation and infrastructure-investment policies with the principles of sound land-use and sensible planning.

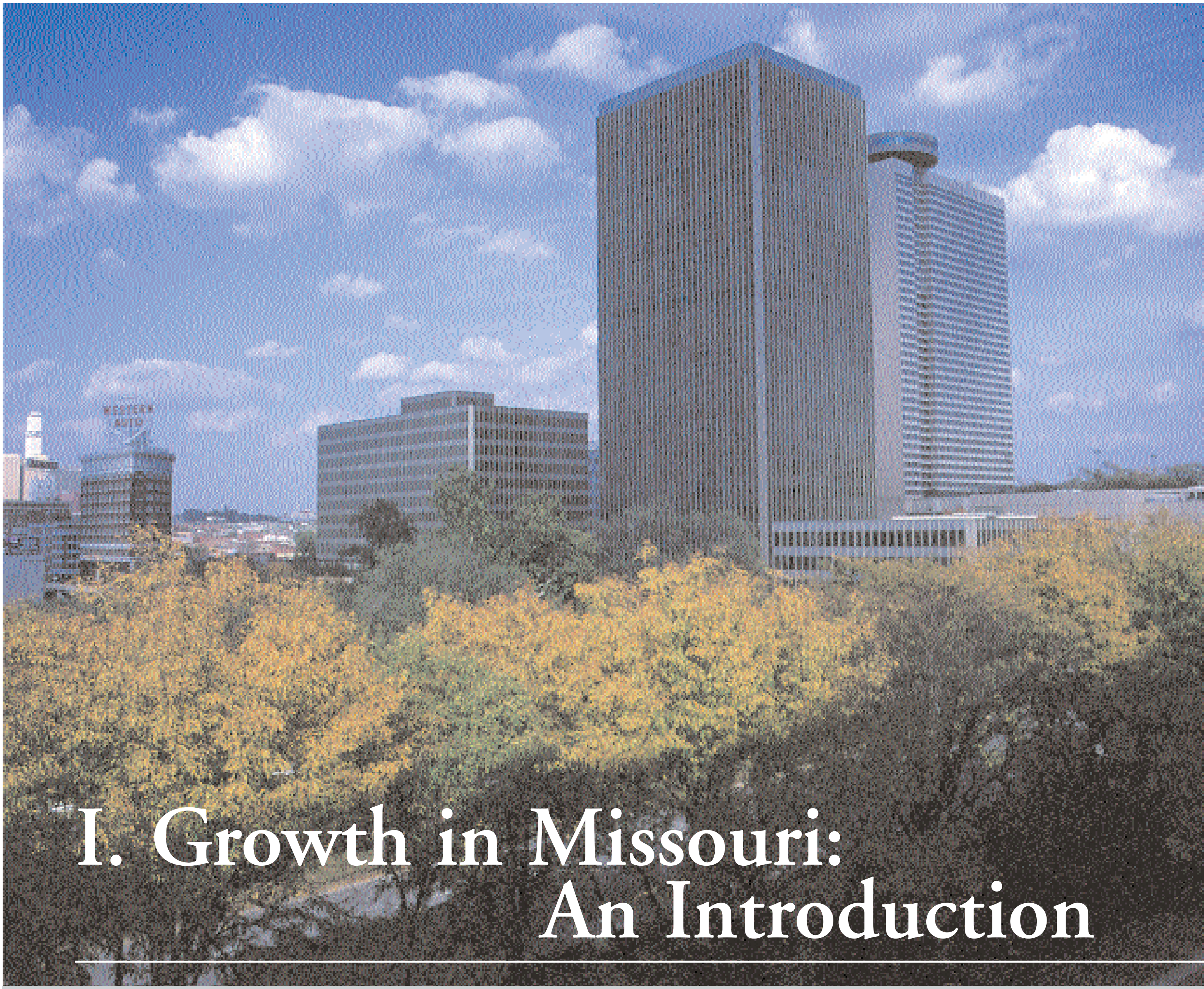
   - **Review the state-local tax system.** The state should ensure its tax and fiscal structures encourage—rather than discourage—sound land-use outcomes.

   - **Protect rural Missouri and craft livable regions.** Missouri should work to protect the integrity of its signature rural spaces by shaping well-planned regions.

   - **Encourage local collaboration.** Missouri should seek regional solutions by promoting cooperation among its many localities.

Of course, these policy suggestions for enhancing the state's growth and development dynamics sketch only a partial agenda for creating truly vital communities in Missouri. Strategies to bolster communities by reinvesting in established neighborhoods, fostering schools, and boosting the assets of working families are also critical. However, none of those strategies will succeed unless Missourians tend to the broad land-use trends addressed here and which determine the overall environment in which neighborhoods and communities grow. This is the urgency of Missouri's challenge.

**In the end:** Citizens and localities have choices about how their communities grow, and can meaningfully shape their communities' futures for the better. Hopefully ***Growth in the Heartland*** will help Missourians make the best possible choices to ensure their state grows in a fiscally responsible and high-quality manner for generations to come.



# I. Growth in Missouri: An Introduction

Situated at the heart of America, Missouri contains all the country's aspects.

The demographic center of the nation now lies in the south-central Ozarks, for one thing. Yet, the state in no way composes a homogeneous, single heartland. Rather, it assembles several heartlands, and several Americas.

The state is highly urban yet deeply rural. It contains two bustling metropolises, numerous fast-growing suburbs, and dozens of typically American small towns. And lying in between are tranquil spots of country where farmers still rise at dawn and the view consists mainly of rich cropland, trees, and sky.

Moreover, the state incorporates pieces of many regions that often have more in common with areas in other states than they do with each other.[1] Northern Missouri reaches into the "corn belt." The rugged hills of the Ozarks resemble southern Appalachia while southwest Missouri looks out to the Great Plains. And the "Boot Heel" connects to the delta south. Even the great cities of St. Louis and Kansas City contrast each other: While the former resembles the traditional industrial cities of the East and Midwest, the latter looks west.

Missouri, in short, is a microcosm of the nation. With its diversity, the Show-Me State contains the full range of American reality and opinion at the start of the new century—which may be one reason that since 1932 the presidential vote in Missouri has tracked the national ballot more closely than all states' but one.

Unfortunately, Missouri also mirrors the nation in some more problematic ways.

Most immediately, of course, citizens are worried about the spread of the national economic downturn to Missouri—and what it will mean for their pocketbooks. These concerns have

*"Growth in the Heartland concludes that people, jobs, and housing are spreading out across the state, which clearly brings benefits to communities even as it brings a price."*

been sharpened in the last year by plunging tax revenues and the state's resulting fiscal crisis. Such realities underscore that for the foreseeable future the state must make the most of limited resources—whether to stabilize local governments' budgets, provide services, or maintain a strong transportation system and sound schools.

At the same time, Missourians, like many Americans, have many opinions about how their local communities are changing. They are divided—and sometimes ambivalent—in their views of whether their towns and neighborhoods are developing in ways that maintain the quality of life and character they cherish:

- Rural people are pleased when new development increases land-prices, but they may regret the incursion of new construction into formerly pristine stretches of countryside, most notably in the Ozarks.

- Families who move to booming suburbs appreciate the presence of good schools and attractive new homes, but they grow frustrated sometimes at the upward creep of their tax bills and the loss of nearby open space.

- And people who live in some of the state's older suburbs may applaud the economic development epitomized by big new developments farther out, even as they see their towns and neighborhoods decline around them.

In short, fiscal distress and community quality have each emerged in Missouri as pressing—albeit separate—challenges in the new decade. Each issue poses critical questions to the state; rarely are they addressed in connection with each other.

The pages that follow connect the two issues. Intended to speak to the simultaneous concern of Missourians for fiscal efficiency and quality places, ***Growth in the Heartland: Challenges and Opportunities for Missouri*** brings together for the first time a large body of new information about both the nature and costs of the current development path of the Show-Me State.

In its first half, the report endeavors to put in one place a large amount of data that may prove useful to Missourians as they educate themselves about the enormous changes occurring in their communities. The report, in this respect, paints a detailed picture of how and where Missouri is growing. And it documents a number of the consequences of those trends, beginning with the high costs the state's decentralized development patterns place on taxpayers as towns and cities strain to provide the schools, roads, and services to new residents.

But ***Growth in the Heartland*** offers more than just a reference guide. In addition, the report suggests some concrete ways Missourians can maximize the benefits of new growth while minimizing its fiscal, environmental, and neighborhood downsides. Citizens and localities have choices about how their communities grow, after all, and they can meaningfully shape their communities' future for the better.

As for the main idea here, ***Growth in the Heartland*** concludes that people, jobs, and housing are spreading out across the state, which clearly brings benefits to communities even as it brings a price. What is more, the report finds that this pattern holds in many places, at many scales.

To be sure, distinct local realities exist vividly in Missouri. Nevertheless, even though there are many heartlands in this state, it turns out that the multiple local variations on the state's growth patterns really do reflect some very broad, very deep-seated statewide trends. Thus, it is hoped that readers in particular places around the state—the major metropolitan areas, the smaller towns, the rural areas—will read about more than just what they know in their own backyards as they consider the full sweep of the state's decentralizing growth.

Truly, decentralization is happening almost everywhere. And to that extent, the trends described here pose a common set of challenges to many places across the state. Hopefully the challenge of common problems will help forge a new consensus around crafting mutually beneficial solutions.

# Terms and Definitions

This report seeks to trace how development trends in Missouri are moving across the landscape, and probe the implications of that progression. Along the way a number of approaches and terms are employed that may require explanation.

Readers will notice right away that the discussion draws heavily on population data from the 1990 and 2000 censuses. To some, this may suggest that the report assumes that "***growth***" in Missouri entails only population growth, without regard to such alternative indices as income growth, employment, job creation, or economic development.

The focus on population data should not be misconstrued, though. Population trends play a central role in this presentation not because they are the only or best indicators of "growth," but because such data provide by far the finest-grained indices of community change, and so of changes in the need for such public goods as roads, schools, and services. In short, population data are highlighted because they say the most about the location and tenor of community change, not because they say everything.

Another term that merits comment is the word "***urbanizing***." This word may connote for many a "downtown"-like density of settlement as within an incorporated large city. In this report, though, we use the word somewhat more loosely to refer to the general process by which even unincorporated rural areas add substantial new residential population or economic activity. This parallels the rather general U.S. Census Bureau definition of an "urbanized area" as one that contains a central populated place and all of the surrounding, "closely settled" incorporated and unincorporated areas. For the purposes of this report the "central populated place" can be located a long way away from the area that is "urbanizing."

A few additional words are necessary about some of the geographical terms these pages employ, since an array of terms describing locations is applied that may sometimes be unfamiliar. Here are a few explanations:

**Central city**—Refers to the major incorporated city anchoring a metropolitan area

**Downtown**—Refers to the central business districts (CBDs) of the state's major cities.

**Metropolitan area**—Refers to the major countywide or multi-county urban areas defined for 2000 by the U.S. Office of Management and Budget as key economic and commuting units. In Missouri there are six "metro" areas encompassing anywhere from one to eleven counties, with St. Louis and Kansas City including counties on the Illinois and Missouri sides of the state border, respectively. The six metro areas include: Kansas City, St. Louis, Springfield, Columbia, Joplin, and St. Joseph.

**Open country**—Refers to all unincorporated areas of the state, especially rural ones. This follows the practice of the University of Missouri's Office of Social and Economic Data Analysis, which provides "open country" population data for all rural and urban counties in the state except St. Louis City, which is entirely incorporated.

**Rural**—Refers to all areas of the state outside the six metropolitan areas.

***One other note:*** As a study of Missouri, this report often ignores the Kansas and Illinois portions of the Kansas City and St. Louis regions, most notably when comparing those regions' trends to those of the rest of the state. However, at many junctures where the analysis addresses the broader performance of the metros as self-contained regions (as when it comes to job creation or the geography of growth patterns) the report presents "bi-state" data treating the complete metropolitan area, including their Kansas or Illinois counties.

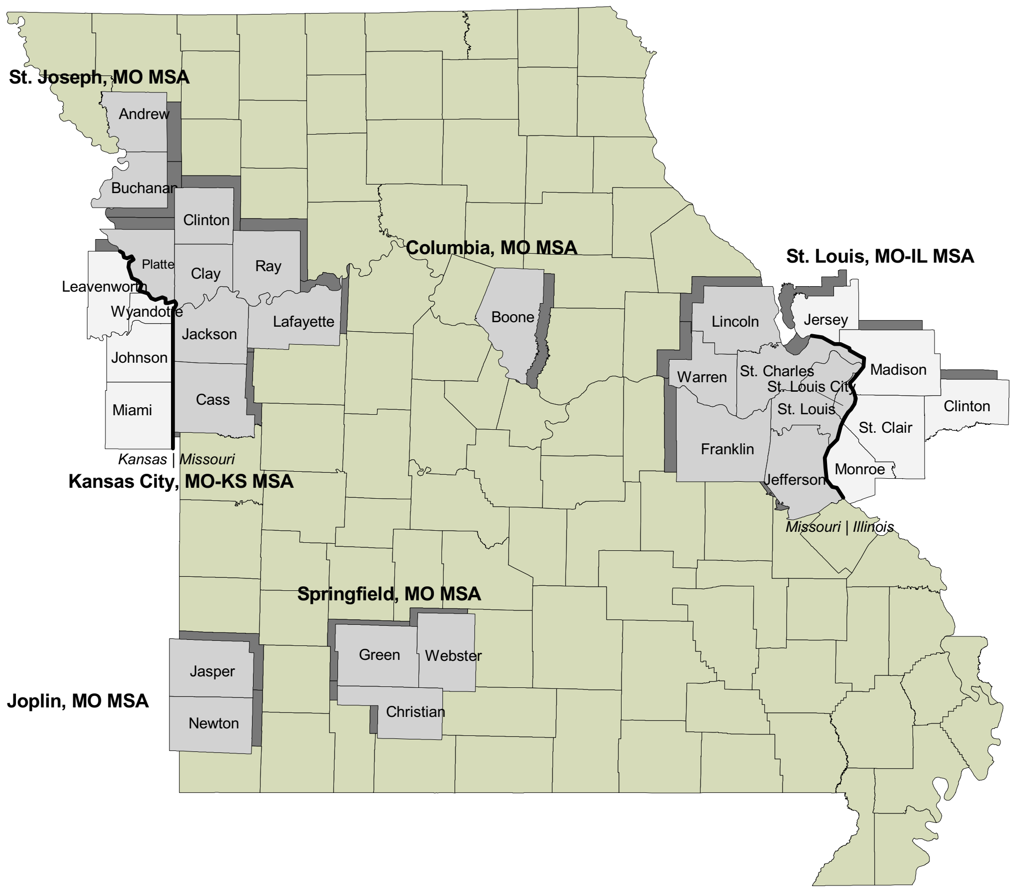
# II. Growth Trends in Missouri: The State of the Show-Me State

Like many states, Missouri grew in the 1990s. It will likely continue to add jobs and people (though more slowly), in this new decade. This growth, moreover, has transformed the Show-Me State, producing substantial change. Across wide swaths of its metropolitan areas, in and around its smaller cities, and in many rural areas, the shape and feel of Missouri communities has been altered forever. Much of that change has been welcome.

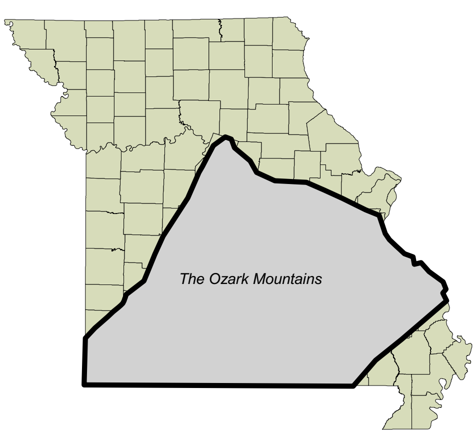
This section of ***Growth in the Heartland*** probes how some of these changes—in population, economy, and land development—have played out across the state, and what these changes might mean as citizens and local leaders think about how to shape the future of their communities. Using the latest data from Census 2000 and other sources, this trends section first confirms that the 1990s brought positive growth across the state. After that, the section describes the extensive reach of that growth, noting that growth dispersed far and wide across the Missouri landscape and frequently encroached upon farmland and green space. In fact, the spreading out of residential and commercial life in the state held true for all types of communities and most regions—and will likely continue despite the recent economic downturn.

On balance, these data, charts, maps, and analyses depict a state that enjoyed enviable growth in the last decade, with the sprouting up of many new residential communities. But, as the economy slows, new questions arise as to how best to support the needs of increasingly dispersed communities while also preserving the rolling landscapes and farmlands of the state.

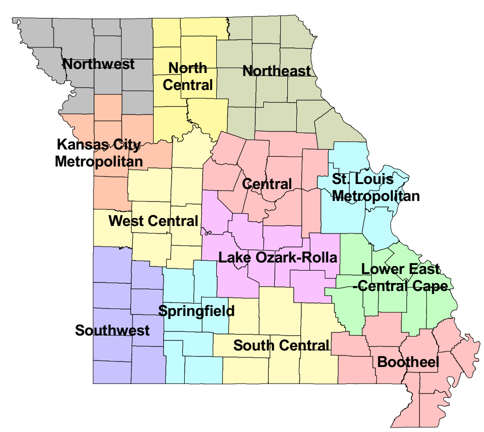
## Missouri's Metropolitan Areas




## The Ozark Mountains




## Missouri Department of Economic Development Regions



# The State of Missouri Generally Grew in the 1990s

## THE TREND: MOST OF MISSOURI BENEFITED FROM THE STRONG ECONOMY OF THE 1990S

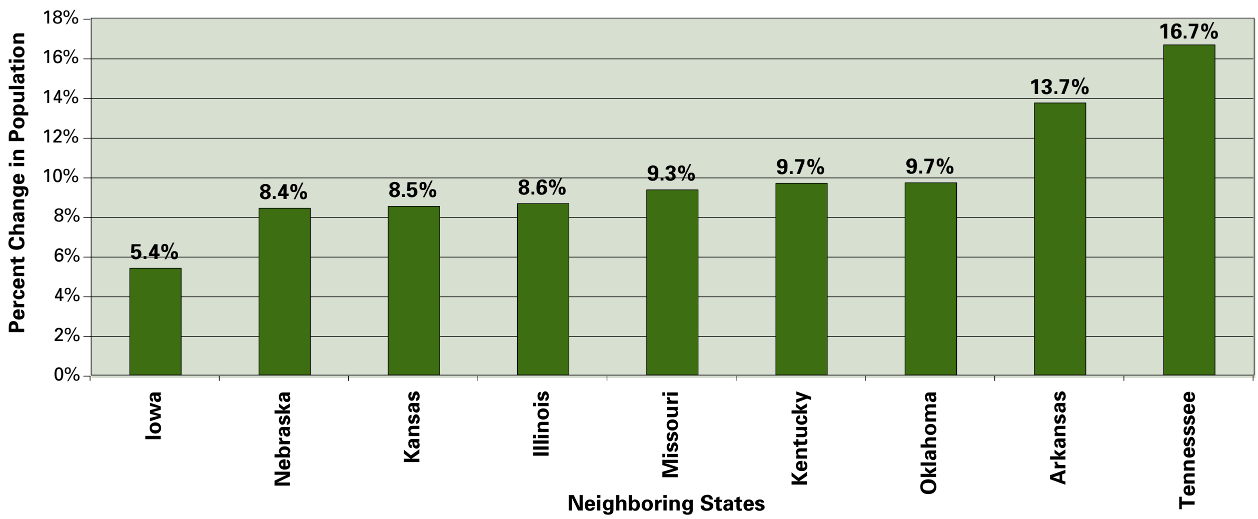
### Overall, the state added people and jobs.

**Missouri gained population in the 1990s.** Between 1990 and 2000, the state added 478,138 new residents, as its population grew 9.3 percent to 5,595,211 people. This modest pace of growth doubled rates posted in the 1970s and 1980s and placed Missouri's growth in the middle rank of states. Half the state's population growth came from other states, reversing a seven-decade trend of stagnation or out-migration.[2]

**Missouri enjoyed strong job growth during the 1990s, although by 2002 the trend had dipped as the national economic slowdown hit home.** Between 1990 and 2000, Missouri's job base grew by 521,637 new jobs, or 17.4 percent. The service sector led this growth, expanding by 30.2 percent in employment during the decade, as the manufacturing, farming, mining, military, and federal sectors all shed jobs. By decade's end the service industries' share of the state's total employment base had grown significantly—from 26.6 percent of all jobs in 1990 to 29.5 percent in 2000.[3] As the nation's economy slowed by 2002, however, Missouri shed 55,000 jobs, losing about 10 percent of the jobs it added in the previous decade.[4]

**Incomes have been rising, too.** In fact, during the 1990s, median household income adjusted for inflation in Missouri grew 10.3 percent from $34,393 to $37,934 in 2000. That growth outpaced the national growth rate of 7.1 percent, but still left the state's median household income below the national average of $41,994.

Missouri ranked 27th out of the 50 states on population growth in the 1990s. It is the 17th most populous state




*Source: U.S. Census Bureau*

## Population and job growth was well distributed around the state; in particular, many rural areas bounced back in the 1990s.

**Missouri rural areas gained population during the 1990s; their absolute population gain quadrupled the rural growth of the 1980s.** Overall, the state's vast rural areas garnered strong new growth in the 1990s. These areas grew by 10.7 percent in the decade, gaining 174,208 additional people—about four times their anemic 41,000-person growth of the 1980s. In that decade, 51 of Missouri's 93 rural counties lost population, compared to only 17 in the 1990s. In addition, more than half of the state's harder-hit northern counties either stabilized or rebounded from the population losses of the 1980s. This was led by Sullivan and Ralls counties, which grew by 14.1 and 13.6 percent, respectively.

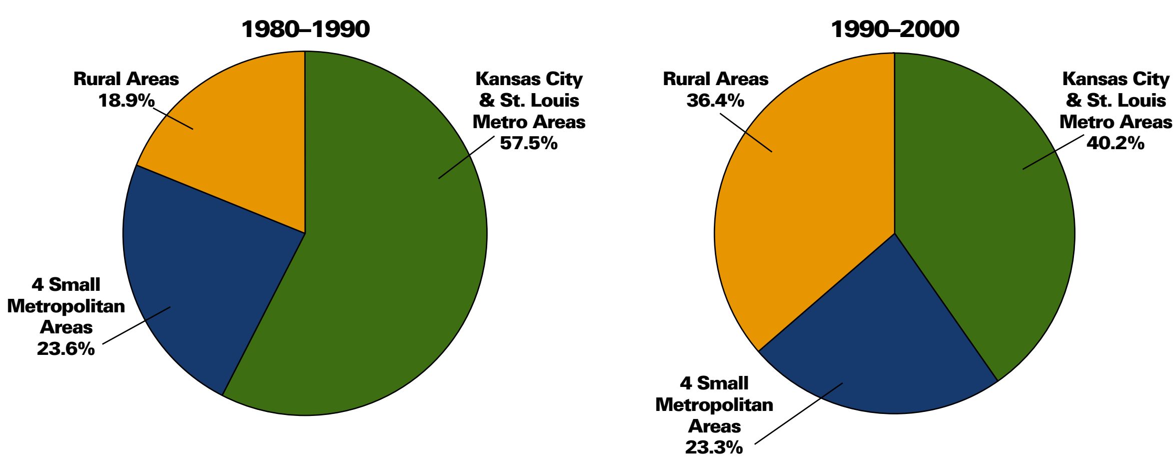
**By 2000, rural Missouri doubled its 1990 share of the state's population growth.** Rural areas were responsible for 36 percent of the state's new growth in 2000, nearly twice the share they logged the previous decade. Rural areas now make up nearly one-third of Missouri's population as well as a third of its growth.

**Rural job growth increased in the 1990s.** Some 177,003 jobs were created around the state, as Missouri's rural job base expanded by 21.8 percent—slower than the combined job-base growth of the four smaller metros but much faster than the 12-percent combined metro growth of St. Louis and Kansas City. All but five rural counties added jobs—a welcome improvement over the depressed 1980s when only about half as many rural jobs were created.

**Rural incomes also grew solidly, though they remained low.** Overall, per capita income levels adjusted for inflation increased 16 percent from their 1990 average of $17,663 to reach $20,500.[5] Several counties posted particularly strong income growth, among them Sullivan (which saw a 38 percent jump in pay), Butler (which went up 31 percent), Pulaski (which saw incomes increase 29 percent) and Douglas and Osage (which improved by 21 and 22 percent). Rural per capita income in 2000 remained roughly 50 percent less than the metropolitan per capita income of $30,507. But income growth slightly outpaced the 15 percent growth of the big metros as well as the growth of the four small metros.

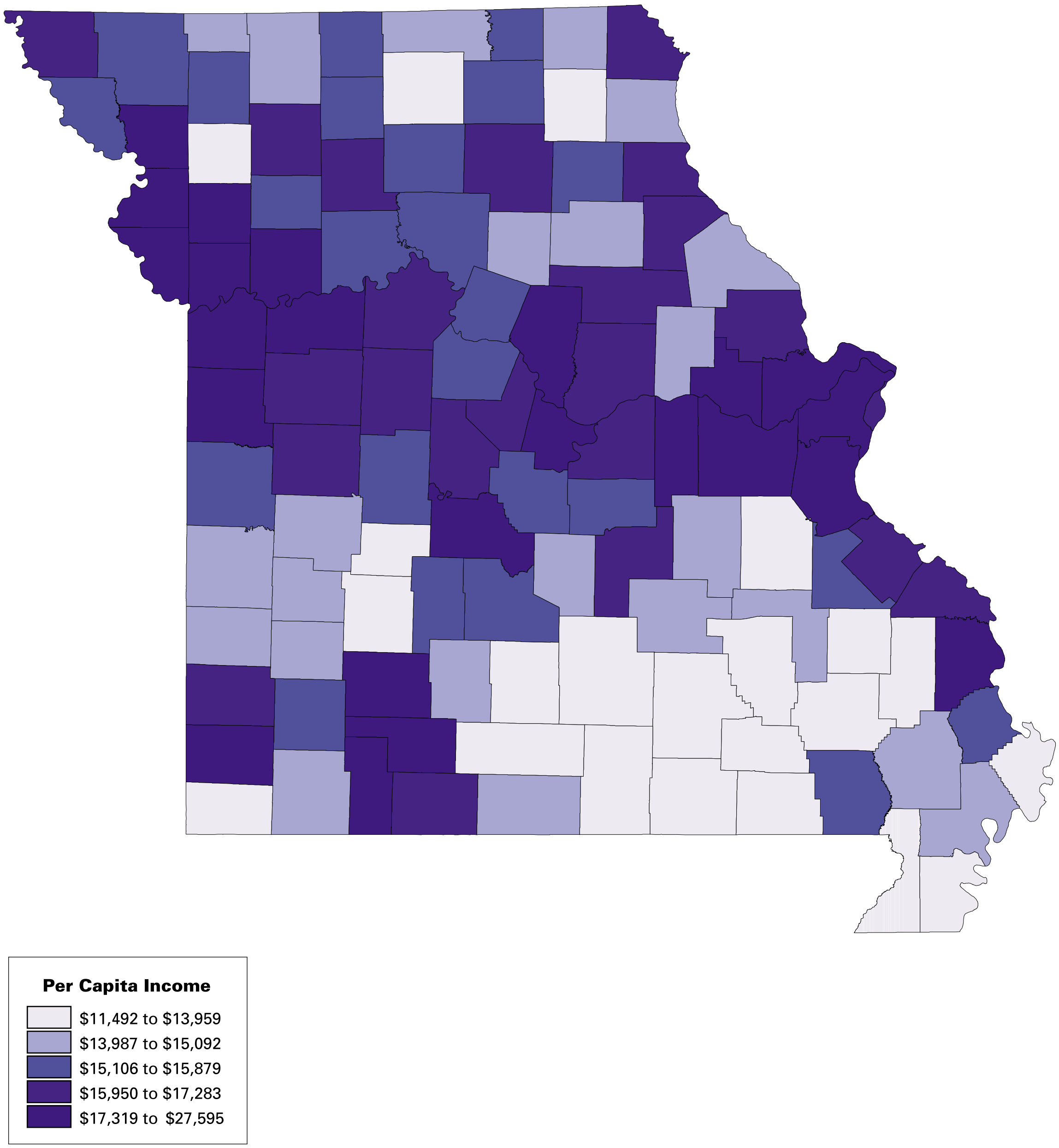
**But not all rural Missouri counties gained strength in the 1990s; residents living in the north and the Bootheel area in particular continued to have low, stagnant incomes.** In 1999, per capita income levels in many counties in the northern and southeastern portions of the state substantially lagged the state average of $19,936. For instance, northern counties such as Knox and Sullivan had per capita incomes of $13,075 and $13,392 respectively, levels that were about 33 percent below the state average. Lower still were per capita incomes in Pemiscot County in the Bootheel and nearby Shannon County. There, per capita incomes languished at $12,968 and $11,492, respectively. The strong economy of the 1990s failed to bring economic security to all rural regions.

### The rural areas' share of the state's population growth doubled between the 1980s and 1990s while the two major metro areas' share dropped dramatically




*Source: U.S. Census Bureau*

## Most Missouri counties improved their relatively healthy per capita income levels in the 1990s, but rural counties in the north and to the southeast lagged



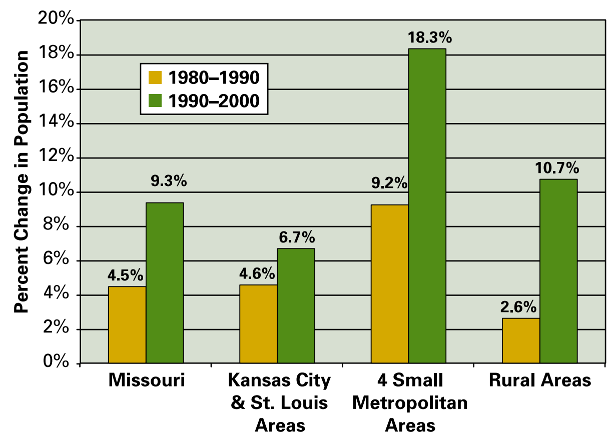

*Source: U.S. Census Bureau, 1999 income levels reported on 2000 census*

## Missouri's four smaller metropolitan areas emerged as some of the fastest-growing regions in the state.

**The four smaller metro areas registered by far the fastest population growth in the state.** Altogether, the St. Joseph, Joplin, Columbia, and Springfield metropolitan areas grew by 18.3 percent during the 1990s, adding a total of 111,637 new residents and grabbing a quarter of all the state's growth. This strong growth far exceeded that of most other Missouri locales. Rural areas grew 10.7 percent during the decade. Kansas City and St. Louis grew 6.7 percent.

**The rate of employment growth in the four smaller metropolitan areas more than doubled that of the Kansas City and St. Louis regions in the 1990s.** Major job gains accompanied strong population growth. During the decade, the Joplin, Springfield, Columbia, and St. Joseph metro areas added 107,000 jobs as they expanded their combined job base by 28.8 percent—almost twice as fast as the two larger metro areas and significantly faster than rural Missouri's 22-percent gain.

### Missouri's small metro areas and rural areas outpaced the rest of the state in population growth during the 1990s



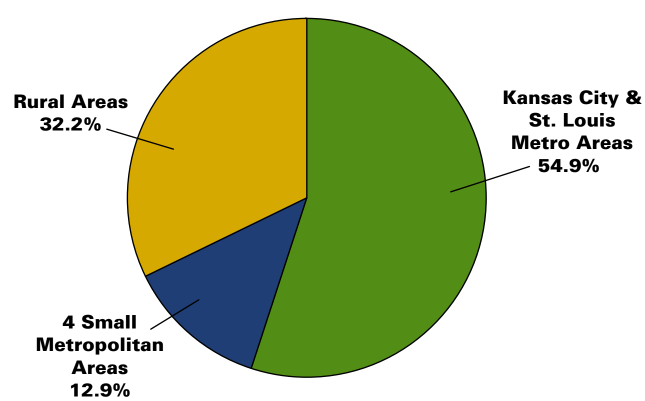

*Source: U.S. Census Bureau*

## The Kansas City and St. Louis metro areas remain the state's population and employment hubs.

**Despite gains elsewhere, the two major metropolitan regions retain the largest share of the state's population growth.** Together, the Missouri counties of the Kansas City and St. Louis metropolitan areas grew 6.6 percent and captured 40 percent of the state's population growth during the 1990s. In 2000, the metropolises contained 55 percent of the state's population, or 3,073,814 people, which represented a notable—but slight—decline from their 56.3 percent share in 1990.

**The Kansas City and St. Louis metropolitan hubs similarly remain the state's chief economic engines.** Between 1990 and 2000, the two metropolises generated 237,108 new jobs, or 45.5 percent of the state's total, as their combined job base grew almost 13 percent. At decade's end, the big metro areas retained nearly six out of ten state jobs and business establishments. They also generated over two-thirds of the state's total annual payroll. However, since 2000 the national economic slowdown has taken a local toll as well, with the Kansas City region losing 20,000 jobs between July 2001 and July 2002 and unemployment increasing in both the major economies.[6]

### A majority of the state's population lived in Missouri's two largest metropolitan areas in 2000




*Source: U.S. Census Bureau*

**Incomes in both regions increased during the 1990s.** In the Kansas City bi-state region, median household income grew from $41,244 in 1990 to $46,193 in 2000. Adjusted for inflation, that represented a solid 11.9 percent growth in income for workers. Median household income for the St. Louis metro area also rose, albeit at a slower pace. Income in the two-state St. Louis area increased by a more modest 7.1 percent during the 1990s—from $41,454 to $44,437.[7]

**At the same time, a stark exception to the strength of the metropolitan regions was the City of St. Louis, which continued its decline.** During the 1990s, the city lost 48,496 residents—down only slightly from the 56,400 it lost during the 1980s. In terms of percentages, the 12.2 percent decline in the 1990's barely improved on the 12.4 slippage in the 1980s and gave the city the second highest decline among the nation's 100 largest center cities. The city was also the only central city among the state's six largest to lose population in the last decade. Even worse, the city lost 21,179 full and part-time jobs, a 6.6 percent decline between 1990 and 2000.[8]

## Missouri grew more diverse during the 1990s.

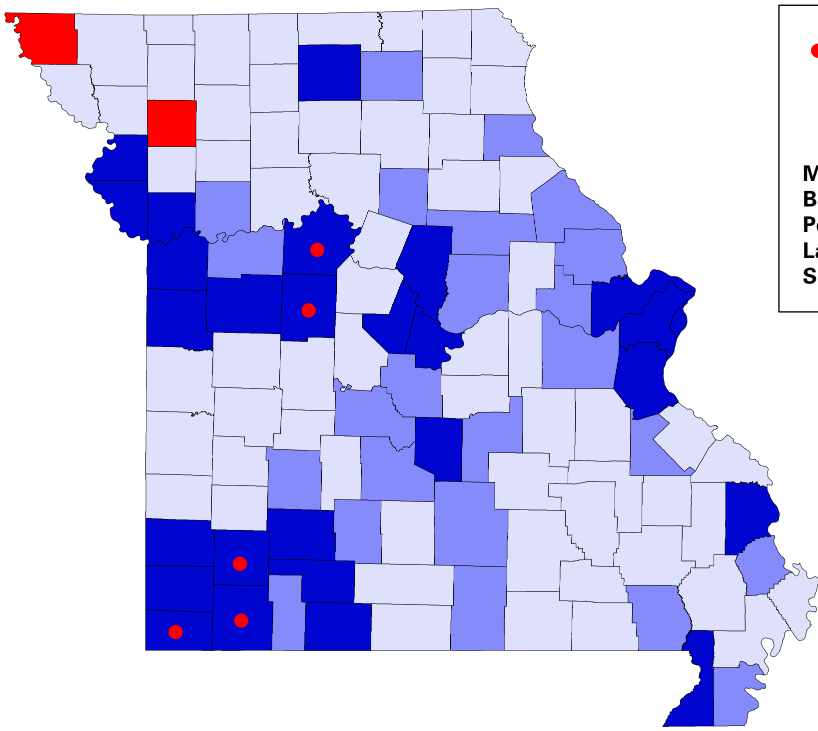
**Minority residents, finally, drove much of the state's population growth in the 1990s.** Between 1990 and 2000, the proportion of Hispanics and other persons of color in the state grew from 13.1 percent to 16.2 percent to reach a total of 908,737 Missourians. All told, minority residents accounted for fully half of Missouri's population growth during the decade.

**The state's Hispanic, Asian, and African American populations all grew substantially, although from very different base populations.** Most dramatically, the Hispanic population nearly doubled during the decade, as it grew from 61,702 residents in 1990 to 118,592 in 2000. In the Joplin metro area, a region known for its sizeable Native American population, the Hispanic population tripled its presence in the 1990s, from 1,150 to 4,762 people, making Hispanics suddenly the largest non-white population there. Of course, Hispanics only represent about 2 percent of Missouri's total population even now. At the same time, the small Asian population in Missouri grew nearly 60 percent, to reach 63,980 residents in 2000, while the state's large black population grew 14.7 percent, to reach a total of 625,667 citizens. Both growth rates significantly outpaced the state's overall 9.3 percent growth rate.

**While minority populations generally live in urban areas, Missouri's growing Hispanic population dispersed quite widely during the 1990s.** All but two counties in the state saw their Hispanic population increase during the decade; by 2000 at least 50 Hispanics resided in all but 12 Missouri counties, and 79 counties contained at least 100 Hispanics. By contrast, there were 40 and 64 counties that contained fewer than 50 African Americans and Asians, respectively.[9] In short: Missouri's Hispanics have begun to disperse across the state far more rapidly than other minorities.

**The growth of the meat- and poultry-processing industry in rural areas helped widen the Hispanics' settlement.** Daryl Hobbs of the Missouri Office of Social and Economic Data Analysis (OSEDA) has detailed one reason for the state's large-scale attraction of Hispanic residents to remote parts of the states: jobs. He notes that quadruplings of the local Hispanic population in 10 rural counties correlated with strong local increases in the demand for workers.[10] In Taney County, the Branson phenomena saw a doubling of employment and shortages of low-skills service workers; in nine other counties—in the southwest corner, in central Missouri, and in the Bootheel—large-scale poultry- or swine-processing facilities recruited Hispanic workers both within and outside the U.S.—and they came. In Missouri, as elsewhere, Hispanics followed job opportunities.

## All but two counties in the state gained Hispanic residents in the 1990s




| | 1990–2000 Change | 1990–2000 Percent Change |
|---|---|---|
| McDonald | 1,909 | 1,578% |
| Barry | 1,561 | 1,027% |
| Pettis | 1,259 | 470% |
| Lawrence | 984 | 466% |
| Saline | 842 | 405% |

*Source: U.S. Census Bureau; OSEDA, adapted from Daryl Hobbs, "Missouri 2000 Hispanic Population and Change 1990–2000."*

## WHAT THIS MEANS:

**Missouri grew during the prosperous 1990s, and much of the state shared in that growth.** Statewide aggregate numbers confirm the state's increased pace of growth in the 1990s. Population grew solidly in the 1990s, after decades of only anemic increase. What is more, the population and job growth extended to most of the major geographical areas in the state, from the major metropolises to the smaller urban centers to the rural landscape. In all, the 1990s were good years for almost all parts of the state. This enabled the state and its localities to enter the new decade from a position of relative strength.

**The strong growth that swept across much of Missouri in the 1990s implies significant social, economic, and quality-of-life changes, many for the good.** New people and new types of growth are transforming forever all districts of Missouri: its rural countryside, the four small metro areas, the great cities. The arrival in rural Missouri of thousands of retirees, urban emigres, Hispanic workers, and others guarantees, for example, that the "good old days" when "rural" meant "agricultural" and "pastoral" are "gone forever, never to return," as writes Rex Campbell of the University of Missouri-Columbia (MU).[11] Yet the change also brings fresh avenues, more jobs, and improved opportunities. Significant transformations are also altering the small and large urban areas. Once modest-sized regional centers like Columbia and Joplin have grown increasingly vital; for its part, the Springfield area has boomed. Filling with new people, new affluence, and new diversity, these smaller cities relish the benefits of growth and increasingly provide better services and a richer, more "urban" quality of life. As for the major metropolitan regions, they gained too. Growth there—especially in Kansas City—could be judged a sign of well-being that reflected solid demand to live in an attractive state.

# Missouri Is Decentralizing, However

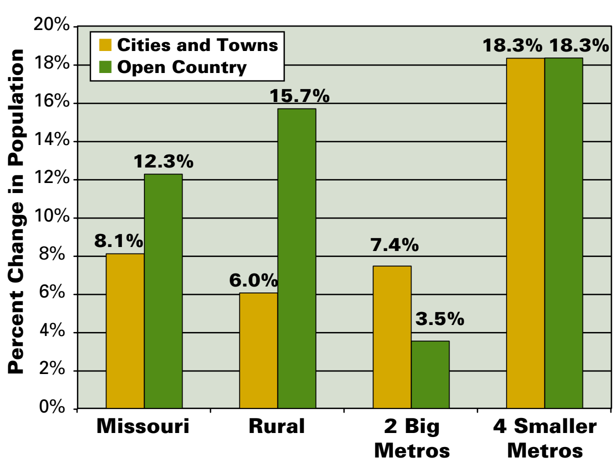
## THE TREND: MISSOURI'S RESIDENTIAL AND ECONOMIC LIFE IS DISPERSING ACROSS VIRTUALLY ALL PARTS OF THE STATE

### Missouri's rural areas are urbanizing.

**Growth, to begin with, is dispersing beyond the major metropolitan areas.** Fully 60 percent of the state's growth in the 1990s took place *outside* the St. Louis and Kansas City metro areas. The result: Forty-five percent of Missouri's population now lives outside the major metropolises compared with 41 percent in 1970. Population is moving beyond the big cities.[12]

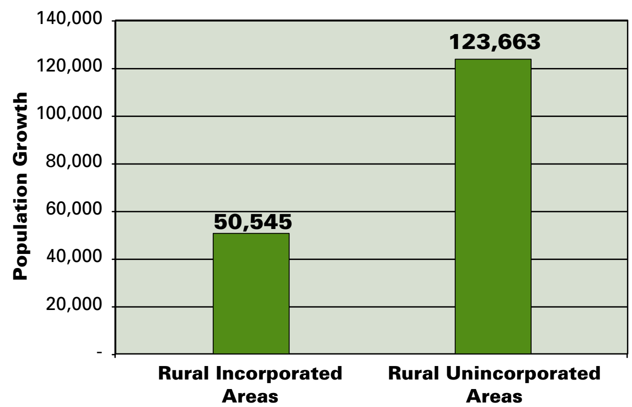
**Population is also moving beyond the smaller metro areas and towns into unincorporated areas of the state, also known as "open country."** To be sure, the smaller centers—St. Joseph, Joplin, Columbia, and Springfield—grew fast and increased their collective share of the state's population in the 1990s. But even so, population growth has been moving beyond those centers and smaller towns to the countryside. In fact, "open-country" living in unincorporated areas grew faster in Missouri on balance than residence within cities and towns. Overall, the population living in unincorporated areas grew by 12.3 percent in the 1990s reaching 1,733,652 people—a rate 50 percent faster than the 8.1 percent population growth of towns and cities.

#### Overall, population grew faster in Missouri's open country in the 1990s than in cities and towns




*Source: U.S. Census Bureau; OSEDA*

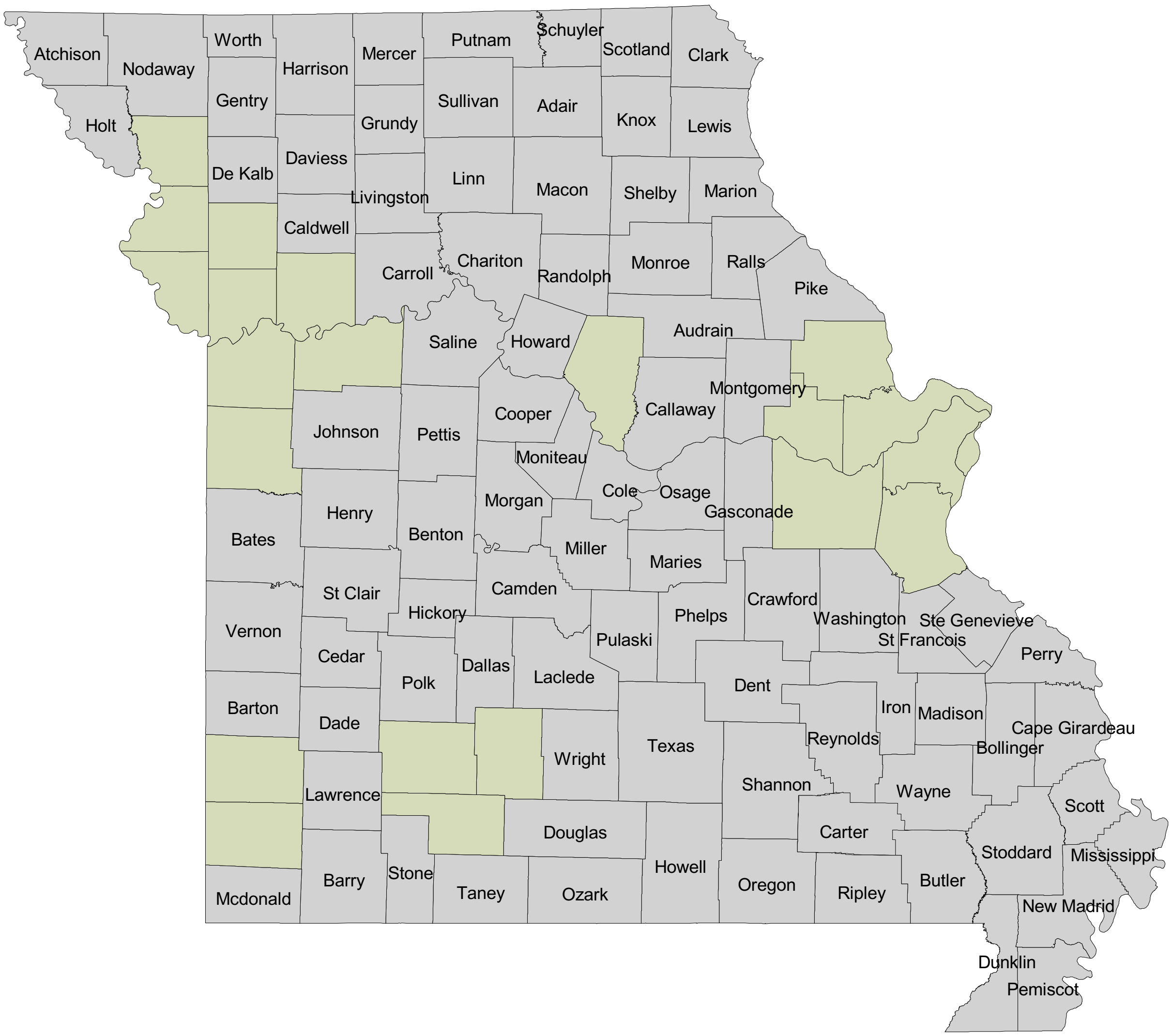
#### Unincorporated rural Missouri added almost three time as many new residents as did rural towns




*Source: U.S. Census Bureau; OSEDA*

**Almost every section of the state shared in this move to the unincorporated areas, but rural counties epitomized the transformation.** Open-country living increased in all but 17 of the state's 93 rural counties and in all metropolitan counties except St. Louis County. In the rural areas, fully 71 percent of all growth in the 1990s took place in areas located outside rural cities and towns. This ensured that by decade's end more rural Missourians (912,634 of them) lived outside of towns than in them (887,776). That in turn reversed the rural population balance. In 1990, 48.5 percent of Missourians lived outside town and 51.5 percent lived inside; by 2000, 50.7 percent lived in open country and 49.3 percent within towns.

## Missouri's Rural (Non-Metropolitan) Areas




**Another indicator: Nearly half of rural counties' population centers lost residents in the decade even though most counties added people.**

Altogether, some 261 rural cities, towns, and places lost population during the decade even though 76 of the 93 rural counties gained population overall. This underscores the extent to which rural growth is transpiring mostly out of town in Missouri. Two regions epitomize the trend. In the Missouri Department of Economic Development's Lake Ozark-Rolla district, the unincorporated countryside gained 22,775 people to grow by 18.7 percent population, nearly double the region's 8,953-person, 10.4-percent in-town expansion. Even more tilted toward exurban development was the adjacent West Central Region, where 16,409 people settled in the country and 3,236 in towns. There the growth of open-country living outpaced town growth by a factor of seven: 23.5 percent versus 3.4 percent. Differentials like this ensured rural open-country regions garnered a total of 123,663 new residents in the 1990s compared to rural towns' addition of just 50,545 residents.[13]

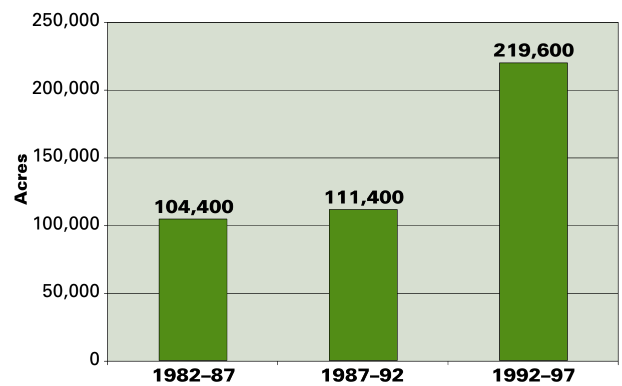
**The "urbanization" of rural areas was especially massive in the Lake of the Ozarks region, the Branson area, and in the southeast Ozarks.** These regions emerged as "hot spots" of open-country living as population dispersed across the hilly, wooded, and scenic areas near recreational attractions of the state's southern tier.[14] In one cluster of nine counties sweeping from the Lake of the Ozarks and Truman Reservoir in the west through Camden County toward Jefferson City, open-country shares of the population ran between 65 and 78 percent.[15] In the Springfield-Branson region, the open-country population jumped by 49,026 people, or 34 percent. Nearly 200,000 people now live outside of any town in this region, with nearly 50,000 of them residing in Taney and Stone counties alone. And then there is the densely wooded swath of 15 adjoining counties encompassing the south-central mountains and the Mark Twain National Forest. Here more than 60 percent of the population lives outside of town. In contrast to the Branson area, open-country living in this district represents a longstanding Ozark tradition as well as a by-product of recent migration.

**Employment also began to decentralize beyond the major metropolitan areas in the 1990s and into the smaller metro and rural areas.** Most notably, the strong job-creation of the four smaller metros and rural counties in the last decade helped ensure that more than half of the state's new jobs were created outside of the Kansas City and St. Louis regions. The 28.8 percent job growth in the four smaller metropolitan areas, for example, more than doubled the big-metro gain of 13.1 percent. Rural areas also added jobs faster than the two metropolises. In the 1990s, rural counties added 177,003 jobs—as they grew 21.8 percent—adding to the overall dispersal of jobs and economic activity in the state. Thanks to this dispersal the major metropolitan areas' share of the state's jobs and businesses slipped by two percentage points.[16]

**To facilitate this decentralization, the state is developing land far and wide.** This has been true even though the state has been growing only modestly overall in raw numbers. The numbers are striking. Between 1982 and 1997, the dispersion of population and jobs in Missouri resulted in the conversion of 435,400 acres—680 square miles—of fields, farmland, forests, or otherwise green space to "urban" use.[17] This development represented a 35.4-percent increase in the state's urbanized area, even though the state's population grew just 9.7 percent during the period. Of this newly altered land, rural (non-metropolitan) tracts accounted for 42.8 percent—or 186,700 acres—of it. That amounted to some 291 square miles of lost farm, forest, or prairie in rural Missouri.

**The pace of the state's land consumption has been increasing, moreover.** Specifically, Missourians developed more land in the five years between 1992 and 1997 (219,600 acres) than over the 10 years between 1982 to 1992, when they converted 215,800 acres of Missouri countryside to subdivisions, mobile home sites, or strip malls.

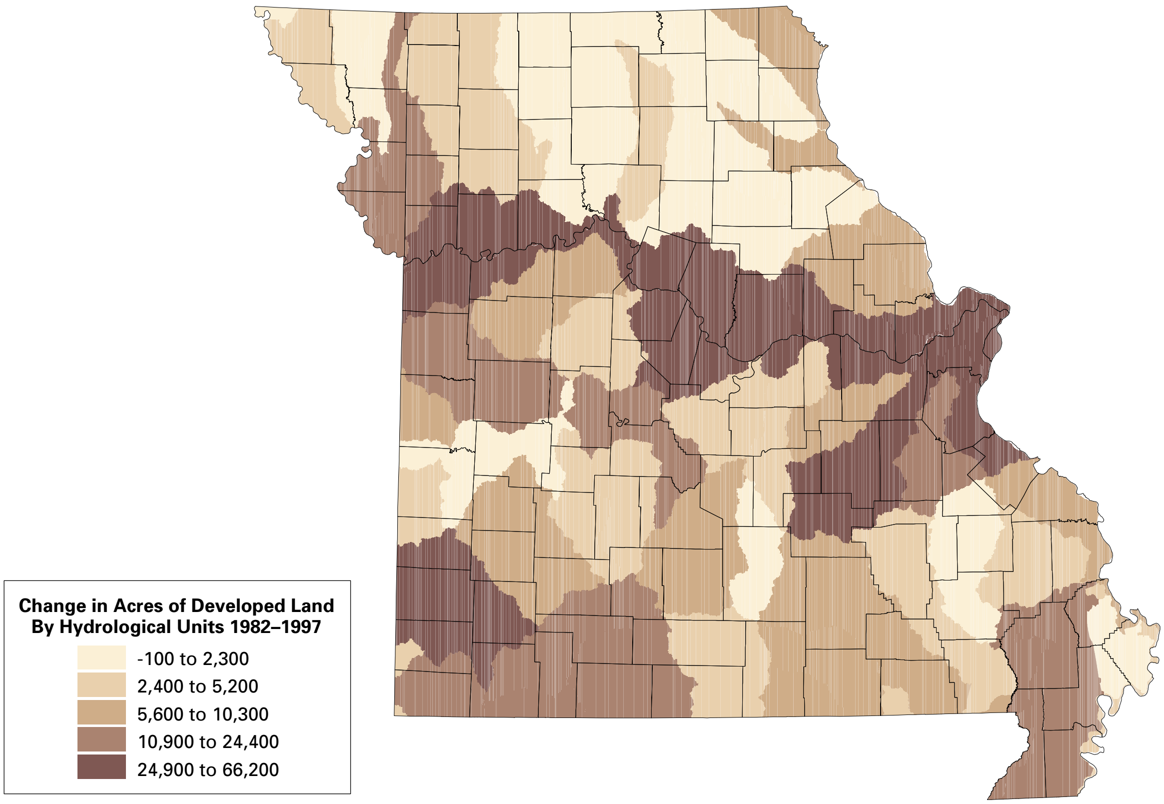
## Missouri developed more land in the five years 1992–1997 than in the ten years prior




*Source: U.S. Department of Agriculture, Natural Resources Inventory*

**But not all rural counties enjoyed employment and population growth in the 1990s.** Rural stagnation was especially entrenched in the northern agricultural communities, the southeastern Ozarks, and the Bootheel. Fourteen northern rural counties saw more business establishments close than open as hard times continued in farm country in the 1990s. There, unemployment levels in 2001 for 12 counties persisted above the 4.7 percent state average. Counties in the southeastern Ozarks and the Bootheel also registered high unemployment numbers. Wayne County posted an 11.6 percent unemployment rate in 2001, the highest average anywhere in the state. Other Ozark counties with high unemployment rates include Reynolds (9.2 percent), Iron (8 percent), Dent (8.8 percent), Washington (8.7 percent), and Texas (6.4 percent). In the Bootheel, unemployment hovered at 9.1 percent in Mississippi County and 9.4 percent in Pemiscot. Not surprisingly, rural areas of the southeast Ozarks and the Bootheel generally lead the state in poverty, with roughly one in four residents living in poverty in 2000. In several Bootheel counties such as Pemiscot, Ripley, and Wayne, the percentage of population living in poverty ranged from 29 to 35.8 percent.

## Missouri developed significant amounts of land between 1982 and 1997, particularly across the middle of the state between Kansas City and St. Louis through Columbia, and across the southwest and Ozark regions of the state




*Source: United States Department of Agriculture, Natural Resources Inventory*

**These same northern and southeastern rural counties barely grew or lost population in the last decade.** While Missouri's rural counties in general grew by 10.7 percent, 19 out of 31 counties across the top of the state stabilized from historic population losses while 12 lost population as the region grew by barely more than 3 percent. Five northern rural counties—Atchison, Holt, Carroll, Chariton and Clark—experienced no net new births or net new immigrants during the decade.[18] Several counties in the Bootheel also stabilized in the 1990s after large losses in the 1980s to grow modestly, but three counties—Mississippi, New Madrid, and Pemiscot—continued to decline. These counties lost, respectively, 7, 5.6, and 8.5 percent of their populations as relatively strong net new births failed to offset continuing out-migration.[19]

## WHAT THIS MEANS:

**Missouri's population and development is spreading out almost everywhere, most notably in the rural countryside and unincorporated areas.** A broader pattern of growth is emerging. No longer is new growth flowing predominantly to the Kansas City and St. Louis metropolitan areas. Instead, the locus of growth has shifted outward at every scale across the state. Faster-growing new centers are emerging—in the four smaller metro areas and across the Ozarks—while at the same time, the growing interest in open-country living is demanding the proliferation of new homes and mobile homes on the outskirts of small towns and beyond. In fact, the largest share of the state's quickening rural growth is now taking place outside of established places—in the unincorporated lands that surround them. Thanks to this trend, the spatial organization of Missouri's rural landscape is changing. Established centers are losing population share as families and newcomers move beyond city and town limits into more distant settings. Once-rural and agricultural communities are suddenly contending with rapid—and often unanticipated—influxes of population, jobs, and development.

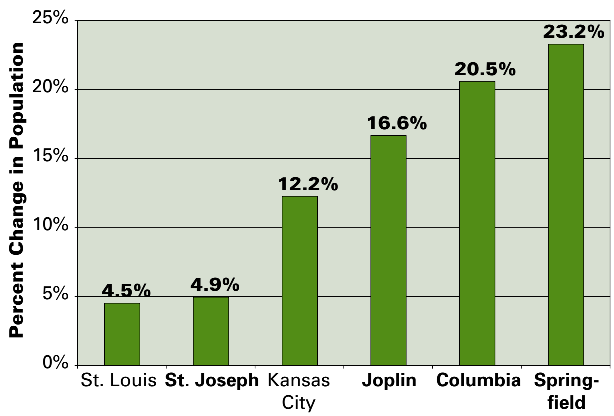
**The shift toward open-country living, especially, may be compromising the state's natural assets, fiscal stability, and quality of life.** Missouri's current pattern of widely scattered population growth on large lots in remote areas threatens to fragment native ecosystems, encroach on established farm zones, and taint the state's clear streams and lakes with sewage and surface water runoff. Fiscally-stretched county and small-town governments—as well as the cash-strapped state—strain to keep up with a growing demand for services in places that have never had adequate sewers, water connections, fire and police protection, schools, trash collection, or roads. And most disturbingly of all, today's scattered low-density residential development threatens the precious rural character that made the state's Ozark and other countrysides desirable in the first place. Unplanned residential development increasingly interrupts timeless Ozark landscapes. Rural traffic distress is building in Taney and Stone counties as workers undertake longer and longer commutes on winding two-lane byways. And elsewhere, unsightly "strip"-type commercial development saps the economic vitality from historic centers. Ultimately, the consequences of dispersed growth threaten to turn "country" places that attract vacationers and newcomers into victims of their own success.

**At the same time, growth in rural Missouri remains uneven: While some rural areas struggle to accommodate excessive growth, other agricultural communities struggle with too little growth.** Most notably, the largest population and economic gains in rural Missouri are being concentrated in a scenic band of southwestern Ozark counties that combine rolling hills, attractive water features, and other attractions desirable to numerous retirees, urban emigres, and vacationers. By contrast, the northern farm counties, the southeastern Ozark district, and the Bootheel are growing only slowly, and contend with lower income levels, higher levels of poverty, and very little development to speak of. New efforts can be made to bring better balance between the parts of the state that experienced too much growth on the one hand and those on the other that garnered too little growth.

## Missouri's four smaller metro areas grew fastest around their fringes.

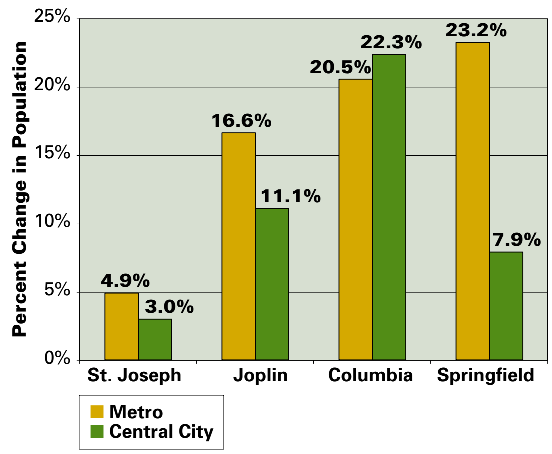
**Missouri's four smaller metropolitan areas—Columbia, Springfield, Joplin, and St. Joseph—grew faster in population as a group than the big cities, but also fared well individually. Springfield**, the state's third largest metropolitan area, remained its fastest growing one—and picked up the pace in the last decade. After growing 15.8 percent in the 1980s, the three-county region grew another 23.2 percent during the 1990s. This growth rate nearly quadrupled that of the two major metros, and marked Springfield—along with the adjacent Branson area—as the state's leading growth hotspot. The Springfield area was also the state leader in job growth, adding over 54,000 jobs to the state total. Metropolitan **Columbia** continued its solid growth in the 1980s by growing another 20.5 percent in people in the 1990s, a pace which more than doubled the statewide average and tripled the combined growth of the Kansas City and St. Louis metro areas. Job growth even outpaced population growth, at 29.8 percent. **Joplin**, the state's fourth-largest metropolitan area added 16.6 percent more residents in the last decade—faster than either the state as a whole or the major metro areas but slower than hot-spots like the Springfield region. The Joplin area also added jobs almost as rapidly as Columbia, with 29.7 percent new jobs in the decade. Unlike the other smaller metro areas, finally, the two-county **St. Joseph** area grew only modestly in the 1990s. During the decade, the area's population reversed its small decline in the 1980s to increase by 4.9 percent or 4,775 people. However, this growth tally reflected the inclusion in 2000 (but not 1990) of a prison population of 1,400 inmates.[20] Setting that adjustment aside, the region's "real" growth ran at a mere 3.5 percent—slower even than that of the St. Louis region. This regional economy did, however, manage to add over 7,000 new jobs despite this slow population growth.

## Overall, Missouri's smaller metro areas led the state in population growth in the 1990s




*Source: U.S. Census Bureau*

## With the exception of the Columbia area, the smaller metro areas grew faster than their central cities in the 1990s




*Source: U.S. Census Bureau*

**Except for Columbia, the central cities of these four metro areas grew more slowly than their metro areas during the 1990s. Columbia** added 15,430 residents to its central city to grow 22 percent in the last decade—by far the fastest rate of growth among the state's six major core cities. By 2000, 62.4 percent of the region's population resided in Columbia. The City of **Springfield** grew 7.9 percent, to reach a population of 151,580 in 2000 that represented about 46 percent of the region's population. The **City of Joplin** grew a sound 11 percent, or by 4,543 people, during the 1990s to achieve 45,504 residents in 2000. The **City of St. Joseph** itself grew by a slight 3 percent (or 1 percent discounting the prison) as it added 2,138 residents to achieve a population of 73,990. At the same time, though, the growth in each of these cities lagged the growth that occurred outside their borders. For instance, while the City of Springfield grew by 8 percent, its larger metro area grew 23 percent—neatly three times faster. That means Springfield captured only 18 percent of the region's new population growth in the 1990s. And it explains why the City of Springfield's share of the three-county metro area's population sagged from 53 percent to 47 percent during the decade, in a pattern that was repeated in Joplin and St. Joseph. The exception to this pattern was the city of Columbia, which grew slightly faster than its metro area.

**Even within these smaller cities, growth took place mostly near the edge.** For example, by far the fastest growing areas of Columbia were newer residential areas along the northern and western edges of the city proper. These areas logged population growth rates far in excess of 20 percent, with subdivisions like The Hamlet and Stone Ridge in the west and Vanderveen and Timber Ridge to the north growing rapidly. Growth was similarly dispersed in the City of Joplin. Few central neighborhoods of the City of Joplin scored significant population gains in the 1990s. By contrast, virtually all of the growth areas within the city limits were located along the urban edge in subdivisions like Royal Heights to the north, or in suburbs to the southeast and southwest, such as the sizable Cedar Ridge development west of the country club. In this respect, Missouri's smaller cities are decentralizing even within their own central-city borders.

**At the same time, the main locus of growth in the smaller metropolitan areas has shifted beyond cities' boundaries to nearby incorporated suburbs.** Thousands of people flocked to smaller towns surrounding Springfield in Greene, Webster, and Christian counties. The first circle of nearby towns like Willard, Strafford, Republic, and Battlefield grew 30 to 50 percent, at rates that far eclipsed Springfield's pace of growth. Farther-out places like Clever, Nixa, and Ozark to the south in Christian County hit "hypergrowth," growing by 74, 131, and 88 percent respectively, to add a total of 11,581 people—more than Springfield gained in absolute terms. The towns surrounding Joplin are also beginning to catch up to their central city. Overall the City of Joplin contributed just 4,500 new residents to the region's growth. By contrast, close-by bedroom towns such as Webb City, Oronogo City, and Carl Junction to the north; Duquesne Village to the east; and Leawood to the south in Newton County together grew by almost the same (over 4,100). In general, population increases in more distant towns are pulling the growth focus away from these regions' core.

**Population growth in the counties surrounding Springfield and Joplin also outpaced that of their core cities.** Greene County—home to Springfield—grew by 15.6 percent in the 1990s by adding 32,442 people, a numerical increase second only to St. Charles County's in the St. Louis area. But Christian and Webster counties adjacent to Springfield grew more rapidly. Christian grew at an extraordinary 66.3 percent clip, far faster than any other county in the state. Webster grew by 30.7 percent and ranked in the state's top 10 counties for growth. The explosive residential growth in these outer counties reduced central Greene County's dominance of its regional population from 79 percent in 1990 to 74 percent in 2000. The City of Joplin was also situated between rapidly growing counties. For instance, Jasper County, excluding the City of Joplin, added 10,820 new residents during the 1990s, while Newton County added 7,049 people in areas outside of Joplin proper. Those increases represented 20.2- and 17.4-percent growth rates over the decade, and far outpaced Joplin's 11-percent growth.

**Furthermore, substantial numbers of people have moved out of suburbs and small towns into the "open country," making unincorporated areas some of the fastest growing.** In **Springfield**, areas just south of the city limits doubled and tripled in population during the 1990s, helping to drive Greene County's exurban population up by 30 percent. Similar growth transpired rapidly across eastern Christian County and in much of Webster County. Together, some 45 percent of all new residents in the Springfield region—27,566 people—settled in unincorporated areas. This growth was a big reason the City of Springfield's share of the three-county metro area's population slumped. **Joplin's** open-country settlement also significantly outpaced that in town. While the City of Joplin grew by 11 percent, the exurban countryside gained 9,300 new residents to grow 21 percent. More than 40 percent of all new growth in the metropolitan area took place outside town borders. Large numbers of people have also begun to settle in **Columbia's** unincorporated environs, particularly along the northern and southern swaths of Boone County. All told, the population increased by some 6,500 people in unincorporated areas, or by 18 percent. But thanks to Columbia's rapid growth, its region was one of the few in which city living grew faster than open-country living and gained share. Between 1990 and 2000, the portion of the county living in incorporated towns or places rose from 67.7 percent to 68.4 percent. Finally, modest-growing St. Joseph also saw increases in its open-country living. Unincorporated areas saw 12.6 percent more residents move in. In Andrew County, in particular, three-quarters of all new residents settled in unincorporated rural areas.[21]

*"Altogether some 45 percent of all new residents in the Springfield region—27,566 people—settled in unincorporated areas."*

**Meanwhile, as population shifted outward, downtown populations dwindled, particularly in Springfield and Columbia.**[22] The City of **Springfield** lost 16.4 percent of its downtown population base in the last decade, slipping from 1,901 total residents in 1990 to 1,589 in 2000. **Columbia's** downtown shrunk by 20.3 percent, a loss of 273 residents. Joplin also saw its downtown residential population dwindle in the 1990s, as it lost 33 persons, or 9.9 percent, of its downtown residents. Only in **St. Joseph** did population grow slightly. There, the city added 32 people to its lightly populated downtown, to reach a population of 606 people.

## Downtown and central-city population growth lagged metro area growth in the 1990s. Columbia and St. Joseph were the exceptions

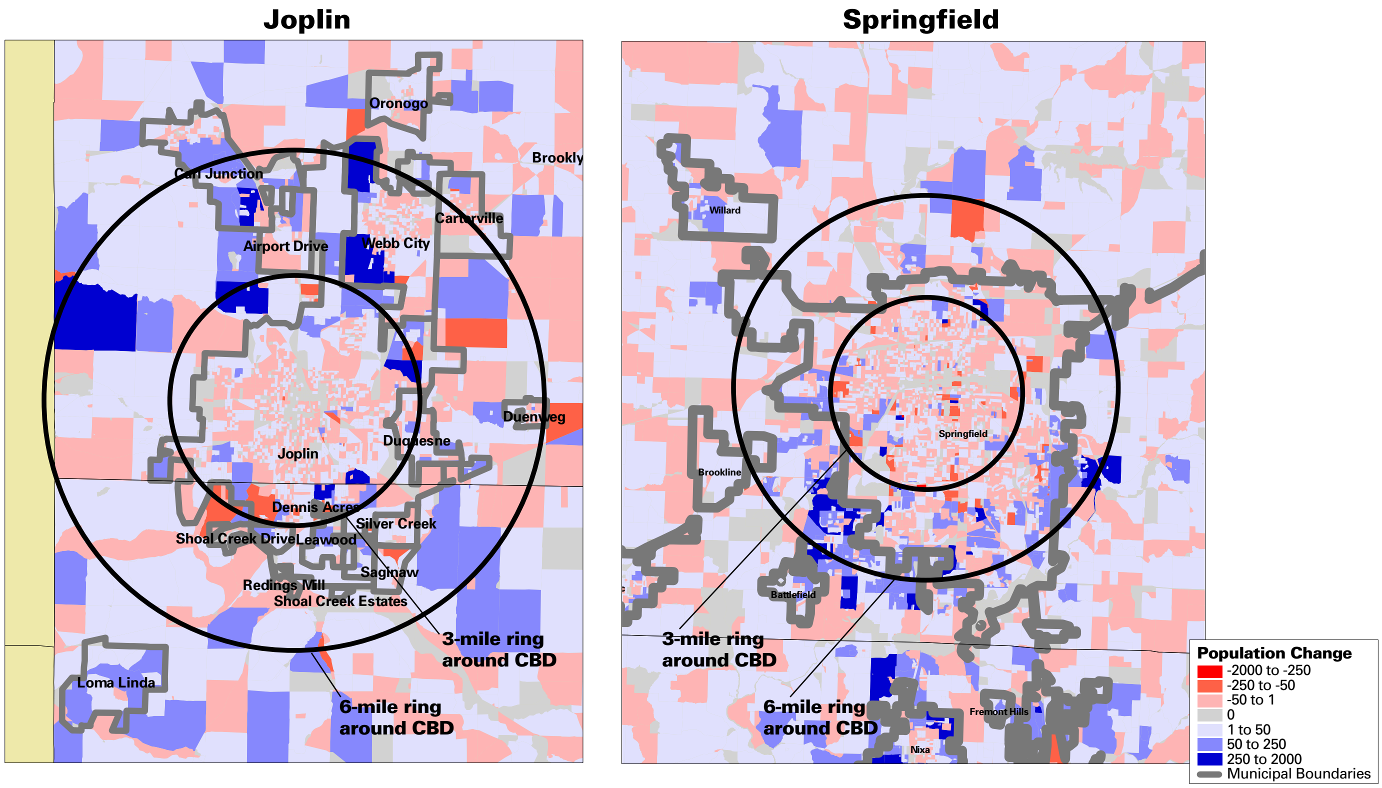
| | St. Joseph | Columbia | Joplin | Springfield | Kansas City | St. Louis |
|---|---|---|---|---|---|---|
| **Central Business District** | | | | | | |
| 1990 | 574 | 1,343 | 335 | 1,901 | 673 | 3,250 |
| 2000 | 606 | 1,070 | 302 | 1,589 | 585 | 3,385 |
| Change | 32 | 273 | -33 | -312 | -88 | 135 |
| Percent Change | 5.6% | -20.3% | -9.9% | -16.4% | -13.1% | 4.2% |
| **Central City** | | | | | | |
| 1990 | 71,852 | 69,101 | 40,961 | 140,494 | 435,146 | 396,685 |
| 2000 | 73,9990 | 84,531 | 45,504 | 151,580 | 441,545 | 348,189 |
| Change | 2,138 | 15,430 | 4,543 | 11,086 | 6,399 | -48,496 |
| Percent Change | 3.0% | 22.3% | 11.1% | 7.9% | 1.5% | -12.2% |
| **Metro Area** | | | | | | |
| 1990 | 97,715 | 112,379 | 134,910 | 264,346 | 1,582,875 | 2,492,525 |
| 2000 | 102,490 | 135,454 | 157,322 | 325,721 | 1,776,062 | 2,603,607 |
| Change | 4,775 | 23,075 | 22,412 | 61,375 | 193,187 | 111,082 |
| Percent Change | 4.9% | 20.5% | 16.6% | 23.2% | 12.2% | 4.5% |
| **Central-City Share of Metropolitan Area's Population** | | | | | | |
| 1990 | 73.5% | 61.5% | 30.4% | 53.1% | 27.5% | 15.9% |
| 2000 | 72.2% | 62.4% | 28.9% | 46.5% | 24.9% | 13.4% |
| **Central-City Share of Metropolitan Area's Growth** | | | | | | |
| 1990–2000 | 44.8% | 66.9% | 20.3% | 18.1% | 3.3% | N.A. |

*Source: Brookings analysis of 1990–2000 Census block data provided by GeoLytics. Boundaries for the Central Business Districts were provided by local governments and the U.S. Census Bureau.*

**Measuring population change within and beyond three- and six-mile rings around the four small metropolitan regions' downtown centers confirms the outward movement of people even more dramatically.** For all four small metros, the bulk of population growth occurred more than three miles away from the downtown center. In each place, growth remained tepid or nonexistent in neighborhoods within three miles of downtown, as it ranged from essentially flat in Springfield and St. Joseph to a 4.8 growth in Columbia and 9.1 percent growth in Joplin. In contrast, growth was significantly faster in all regions around a ring of subdivisions three- to six-miles away from downtown, where all places but larger-scale Springfield surged in population at or just outside the center-city borders. Columbia grew 51 percent within this arc of communities; Joplin 24.4 percent, and Springfield 26.6 percent. Springfield, finally, saw supercharged growth all across the metropolitan region beyond a six-mile radius from the downtown center even as its inner ring sagged. In Springfield, the population within three miles of the city center slumped by 562 people, while that beyond six miles increased by 43,483 people, or 41 percent. In sum, population growth has shifted away from city centers in all four of the state's smaller metropolitan areas and moved outwards.

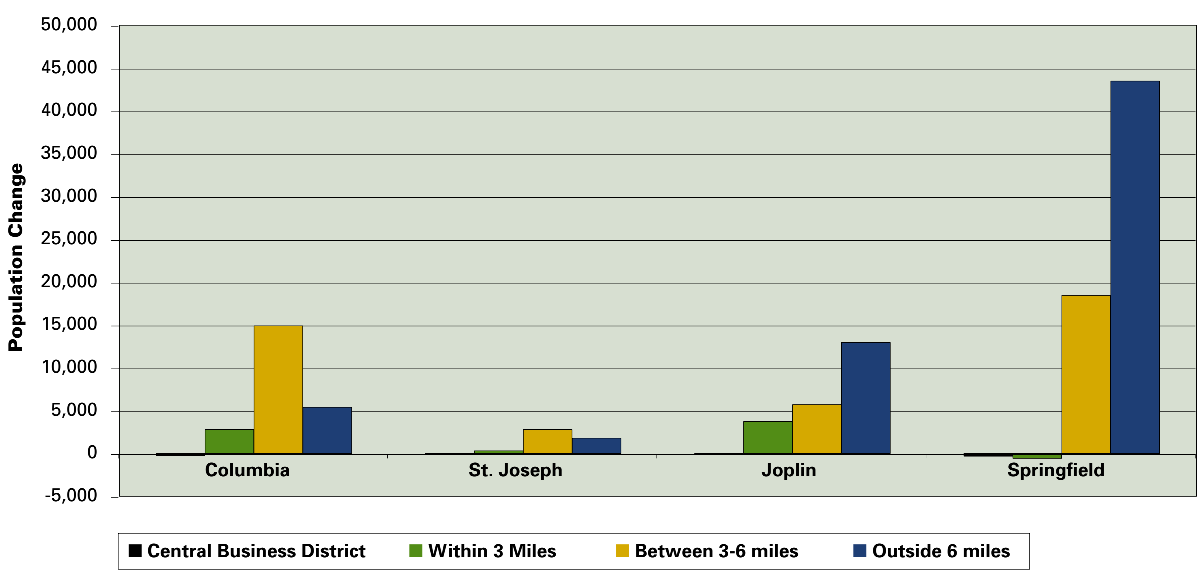
**The widening dispersal of new housing also reflects decentralization.** New housing is being built farther and farther from the core and out into the unincorporated areas. Maps displaying dwelling units erected before 1939, and through 2000, show that new homes have popped up around the four metro areas in a widening orbit. Similarly, while **Columbia** maintains a relatively compact urban form, a full third of new-housing units permits issued over the past decade were for construction in unincorporated Boone County. Some 4,736 single- and multi-family dwellings received go-aheads in the 1990s.[23] More dramatically, the City of **Springfield** issued only one-third—or 8,749—of the 26,288 total housing permits in the three-county metro area.[24] More permits—nearly 10,000 or 38 percent of the regional total—were issued for single- and multi-family units in unincorporated Greene County alone. **Joplin** was unique, meanwhile, in that most of the decade's new housing permits for the area were approved for construction in open country or outlying towns. There were 9,500 new units provided in the two-counties during the decade. Of those, less than 3,000 (2,979) units were permitted within the city, while another 3,079 units were permitted in 16 farther-out towns.[26] About 3,500 housing units were approved for Joplin's unincorporated areas. **St. Joseph** also has begun to disperse, though the city remains the main source of new housing. Of the 3,100-plus permits issued for new housing units in the St. Joseph region, two-thirds—2,164—were issued by the center city.[27] But Buchanan County alone approved some 640 housing units—or more than 20 percent of the region's total—for its unincorporated areas.[28]

## Population grew slowly within a three-mile ring around Joplin's and Springfield's central business districts. Faster growth in the 1990s took place farther out




*Source: Brookings analysis of 1990–2000 Census block data provided by GeoLytics.*

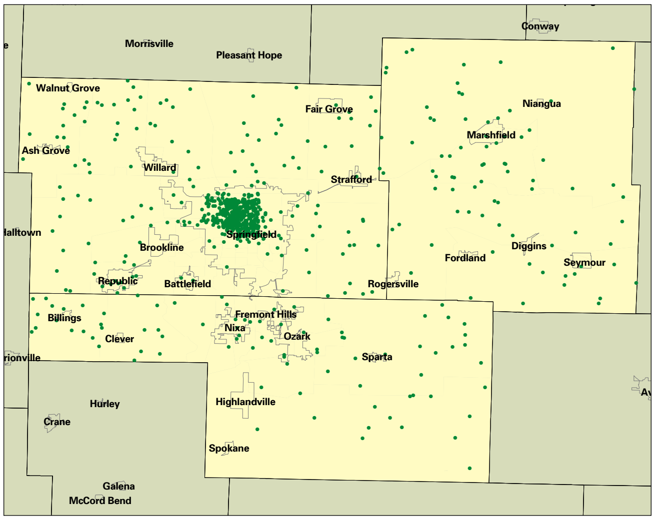
## Most population growth in the four smaller metro areas took place more than 3 miles away from the city center



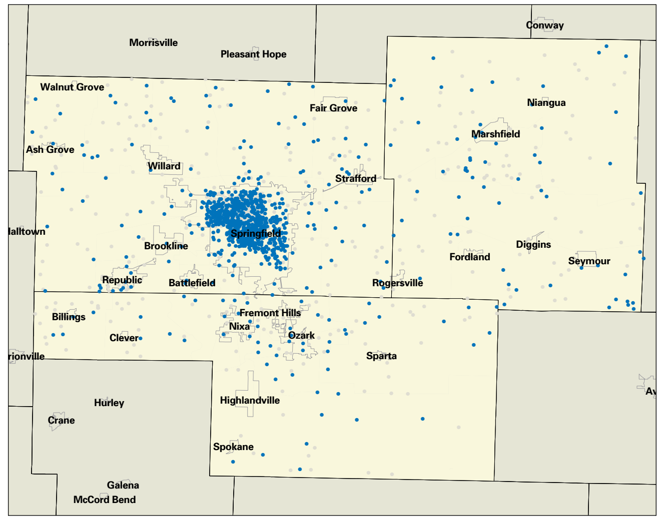

*Source: Brookings analysis of 1990–2000 Census block data provided by GeoLytics.*

## Housing in the Springfield area has dispersed far beyond the city limits over the years

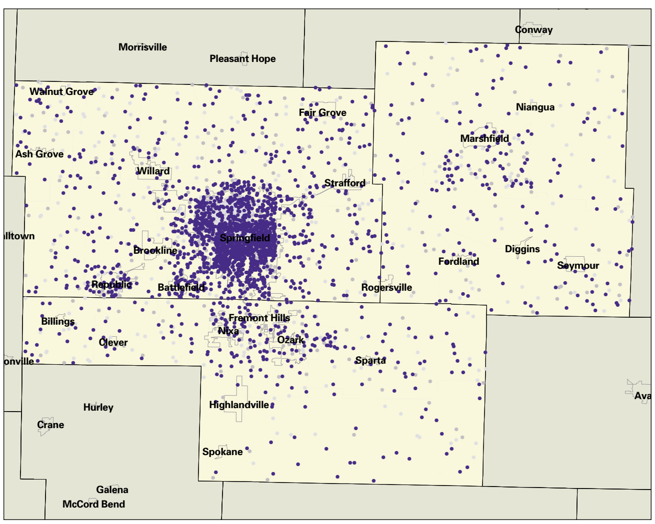
### Housing Units Built Before 1939



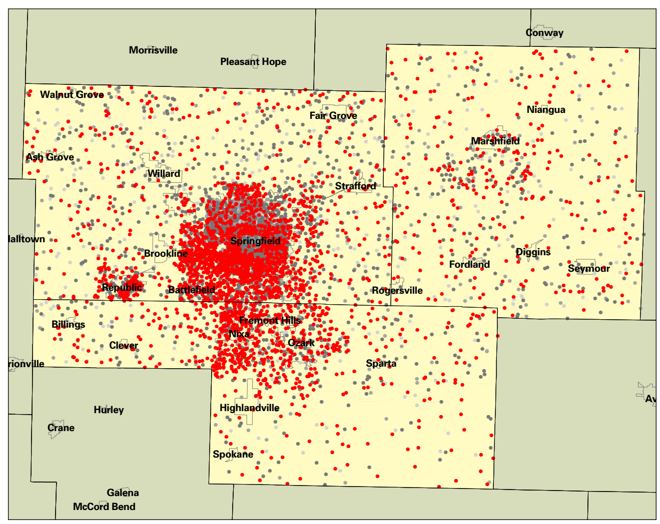

### Housing Units Built Between 1940–1959




### Housing Units Built Between 1960–1979




### Housing Units Built Between 1980–2000

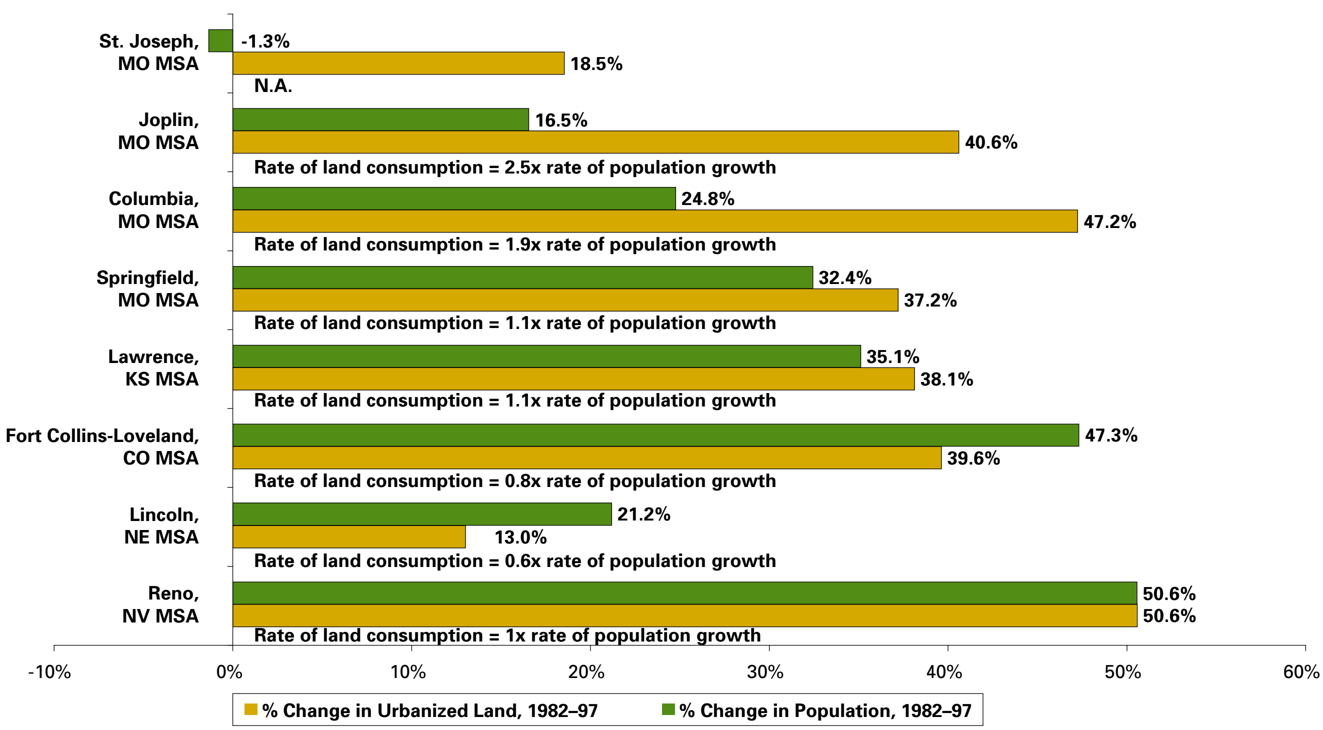



● = 20 Housing Units

*Source: U.S. Census Bureau*

**Not surprisingly, significant land development has accompanied the growth and spread of population in the four smaller regions; in two metro areas, land was consumed at twice the rate of population growth.** The Natural Resources Inventory (NRI) provides estimates of urbanized and developed land in the country. While this data has a higher statistical error when used to estimate land consumption in small areas like a single county, NRI figures offer a general indication of the land consumption associated with development. For instance, according to NRI, the **Columbia** region's growth converted an estimated 14,600 acres, or 23 square miles, of land to urban use between 1982 and 1997.[29] This 47-percent growth in the region's developed land accompanied a far-more-modest 25-percent growth in the region's population. **Joplin**, for its part, developed land at more than twice the rate of its population growth. Altogether, an estimated 14,900 acres, or 23 square miles, of field, forest, and plain moved to urban uses between 1982 and 1997. During that period, the urbanized area grew by 40 percent but the regional population increased by just 16.5 percent. In raw acreage terms, meanwhile, growth in the **Springfield** area consumed the most open space, with the region's population surge driving an estimated 25,900 acres—40 square miles—of previously undisturbed land into urban uses between 1982 and 1997. This urbanization amounts to a 37-percent expansion of the region's footprint, while the area added 32.4 percent more people. The **St. Joseph** area, finally, demonstrates that regions can urbanize significant amounts of land even if they do not grow much. The total urban "footprint" of the St. Joseph region widened by an estimated 4,800 acres, or more than 7.5 square miles, between 1982 and 1997. That implies an 18.5 percent expansion of developed land over that period even though the region's population stayed essentially flat. Interestingly, much of the region's land conversion[30] occurred in the 1980s, when population was shrinking. Land consumption proceeded even though population growth had ceased.

## Missouri's smaller metropolitan areas urbanized land much faster than they added population over the last two decades, consuming land less efficiently than other medium-sized metros




*Source: Fulton et al., "Who Sprawls Most?"*

**With land being developed faster than population growth, densities in most of these metros were declining, signaling a declining efficiency of land use.** By the 1990s, it was requiring some 0.82 acres of land in the **Columbia** region to accommodate each new resident—about double the amount it took between 1982 and 1992. Those numbers imply the lessening efficiency of local land use and explain why the county's density declined 15.3 percent between 1982 and 1997 to reach a low 2.82 persons per urbanized acre in 1997.[31] Population density also dropped 17 percent in **Joplin** during the last two decades. **St. Joseph's** slow population growth, combined with an expanded urban area, ensured that densities declined in that area in similar fashion. There, the overall density of the region's urbanized area slipped 16.8 percent over the 15 years to an average of 2.77 persons per acre. The exception to these trends, meanwhile, is the **Springfield** area where densities in the region did not drop as precipitously as elsewhere around the state. In the greater Springfield region, densities sagged just 3.5 percent to 2.92 persons per acre between 1982 to 1997 period.[32]

**Density, or the number of persons per urbanized acre, declined in Missouri's smaller metropolitan areas during the 1980s and 1990s**

| | Density 1982 | Density 1997 | % Change in Density | % Change in Population 1982–1997 | % Change in Urbanized Land Area, 1982–1997 |
|---|---|---|---|---|---|
| **Springfield, MO** | 3.02 | 2.92 | -3.5% | 32.4% | 37.2% |
| **Joplin, MO** | 3.52 | 2.92 | -17.1% | 16.5% | 40.6% |
| **Columbia, MO** | 3.33 | 2.82 | -15.3% | 24.8% | 47.2% |
| **St. Joseph, MO** | 3.33 | 2.77 | -16.8% | -1.3% | 18.5% |

*Fulton et al., "Who Sprawls Most?" and U.S. Department of Agriculture, Natural Resources Inventory*

*The data above and in the urbanized land chart on page 27 were generated from the Natural Resources Inventory conducted in 1982, 1987, 1992, and 1997. The NRI is a statistically based sample of land use and natural resource conditions and trends on U.S. nonfederal lands. The data has high sampling errors when it is used to estimate the characteristics of land in small areas such as a single county or small metropolitan area. The inclusion of the data in this report is to serve as guide or reference but it is not meant to imply a precise or an exact count of urbanized acres. For further information about urbanized land and the Natural Resources Inventory, please see William Fulton, et al., "Who Sprawls Most?" Brookings Institution, 2001 or visit www.nrcs.usda.gov/technical/NRI/.*

## WHAT THIS MEANS:

**Decentralization swept across Missouri's four medium-sized metropolitan areas (and extended into open country) in the 1990s, driving the bulk of their rapid growth toward and beyond the cities' boundaries and into the regions' outskirts.** Springfield, Joplin, and St. Joseph all saw their share of the region's population shrink in the 1990s as a result of the faster population growth in the surrounding counties. **Springfield** proper, in particular, saw its center city slip from a 53.1-percent share of the regional population in 1990 to a 46.5 percent share by 2000. **Columbia's** strong growth, driven in part by the increasing size of MU, made that city an exception to the trend to center-city slippage. Columbia actually strengthened its position as the region's center, notching up its share of the regional population by one percentage point in the 1990s to 62.4 percent in 2000. But decentralization of residential life did not escape Columbia or the relatively compact St. Joseph. Columbia captured the largest share of new population growth in its metro area over the past decade, but unincorporated Boone County snagged the majority of the region's new housing permits. As new homes went up in the countryside, the amount of land lost to development increased at twice the rate of population growth. And the pattern repeated in slow-to-grow **St. Joseph,** albeit within its city limits. There, too, population shifted outward as land consumption increased over the last two decades, proving that in Missouri as elsewhere, decentralization can occur without major growth.

**These regions' decentralized pattern of growth has begun to strain their environmental, quality-of-life, and fiscal wellbeing.** Population and job growth certainly brought much-needed benefits to the four metro areas in the 1990s. But the decentralized nature of that growth also introduced a set of challenges. In Columbia, for example, the rapid growth was beginning to encroach upon the tranquil environs of Philips Farm at the southernmost boundary of the city and approach the region's signature natural attraction, Rock Bridge Memorial State Park. But beyond the loss of traditional natural areas, growth in the countryside can lead to other negative effects. Dispersed open-country homes situated beyond the reach of municipal sewers may taint a region's lakes and streams when septic tanks leak. Outside of Springfield, far-flung urbanization in once-bucolic country places represents a genuine threat to the very Ozark scenery that attracted growth in the first place. Growing populations spread out in low-density fashion also increase the demand in the smaller metropolitan areas for expensive infrastructure and government services, such as schools, parks, and police. For small cities like Joplin and St. Joseph as well as the state, this radical dispersal of population taxes local budgets and erodes the tranquil, traditional character of once-compact Missouri towns.

## The Kansas City region grew solidly in the 1990s, but most of that growth flowed toward the metropolitan edge.

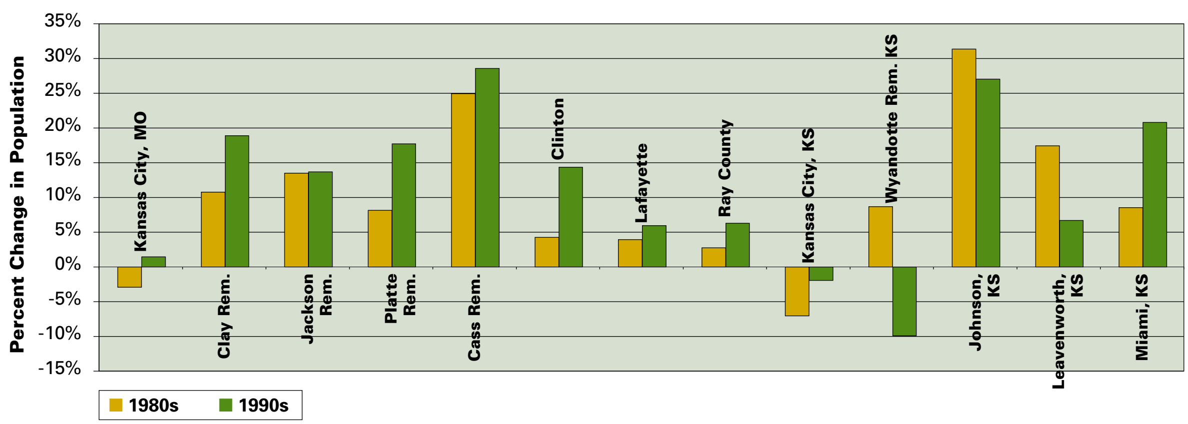
**The population of the Kansas City metropolitan area grew solidly in the 1990s.** During the decade, the two-state region added 193,187 new residents to grow 12.2 percent. That growth brought its total population to 1,776,062 in 2000, making the region the 28th largest metro area in the country. All of the region's Missouri counties and all but one of the entire metro's counties grew in the 1990s. The rates of growth ranged from 3.4 percent in Jackson County, MO to 27 percent in suburban Johnson County, KS to 28.6 percent in Cass County, MO. Only Wyandotte County, KS, slumped in the decade as it lost 4,111 people, or 2.5 percent of its population.

**The region's economy also surged in the last decade.** The region generated 222,223 new jobs in the 1990s to reach a total employment of 1.2 million. This 23-percent growth in the region's job base more than doubled the region's population growth over the decade. However, since 2000 the economy has faltered as the national economic slowdown hit home. Unemployment jumped from 2.9 percent to 5.3 percent between January 2000 and July 2002, as the regional economy shed some 20,000 jobs between July 2001 and July 2002.[33]

**Fortunes improved somewhat for the region's core cities.** The City of Kansas City, MO, the 36th largest city in the nation with a 2000 population of 441,545, rebounded from substantial population losses during the 1980s and grew slightly during the 1990s. The city lost 13,013 residents during the 1980s but gained 6,399 during the 1990s, to grow 1.47 percent. Across the state line, Kansas City, KS, at least slowed its precipitous earlier decline. In the 1980s the city lost 11,320 residents, roughly 7 percent of its population, but in the 1990s the loss narrowed to 2,901 people, or just 2 percent. Together, the central cities were also able to add 12 percent more jobs to its base in the 1990s.[34] Employment growth, however, has slowed this decade.

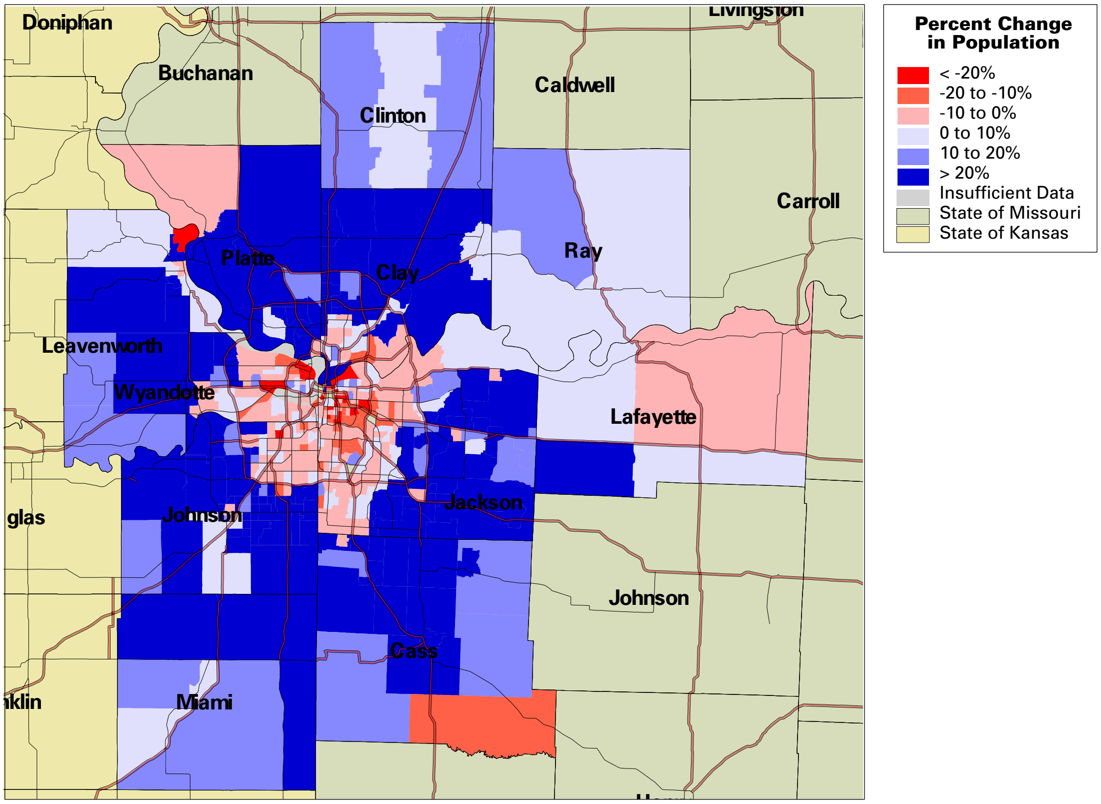
**However, suburban population growth continues to dominate the drift outwards.** On the whole, 98 percent of the region's new population growth occurred outside of the center cities. Most of the region's new residents either settled in, moved to, or were born in the rapidly growing outer counties. While the two urban counties, Jackson and Wyandotte, barely grew or shrunk, the suburban counties of Clay, Platte, and Cass grew by 20, 27.5, and 29 percent respectively. Meanwhile, half of the entire region's growth in the 1990s took place in big and fast-growing Johnson County, KS, which added 96,000 new residents during the decade to grow 27 percent. Population is still moving to the suburbs in earnest.

### Kansas City's suburban counties grew strongly in the last two decades




*Source: U.S. Census Bureau Rem. = Remaining population of the county not including the population of the central city.*

## The Kansas City region's suburban periphery grew much faster in the 1990s than more central areas

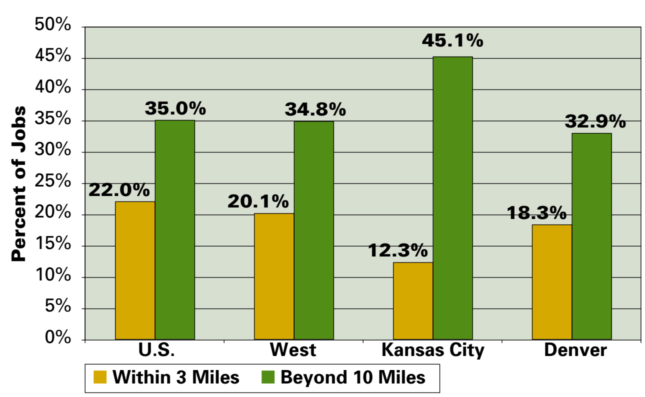



*Source: Brookings analysis of U.S. Census Bureau tract data, 1990 and 2000*

**Job growth also tilted more toward the suburbs in the 1990s.** Most notably, more than 80 percent of the region's new jobs were created outside the two central cities between 1991 and 1999. To be specific: Some 177,479 jobs were created outside the core cities, while only 31,386 were created within them.[35] This resulted in a drop of the two cities' share of the region's jobs by a full six percentage points, down from 49.7 percent in 1991 to 43.6 percent in 1999. At the county level, Johnson County, KS led the region's suburban job growth between 1990 and 2000, by generating 55 percent of all the new jobs in the region, and growing its economy by a sweltering 50 percent. Clay County, with its 31-percent job-creation during the 1990s, generated nearly as many jobs (26,407) as Jackson County (35,844), the historical center of the "downtown" economy. And Cass and Ray counties exceeded or rivaled Johnson County's hot rate of job growth. Cass' job base grew by 51 percent.[36]

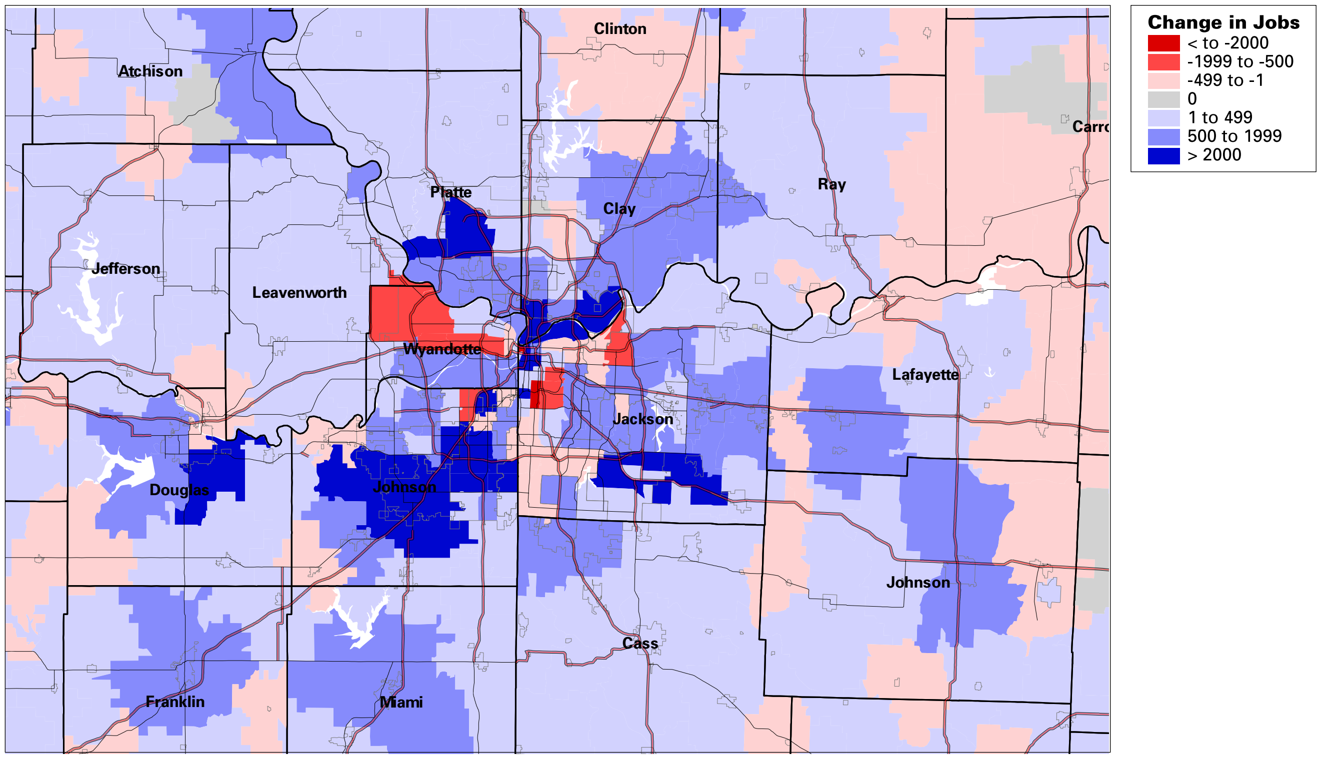
**Altogether, the Kansas City region has emerged as one of the nation's most decentralized economies.** Even by 1996, more than 45 percent of Kansas City employees worked outside a 10-mile ring around the regional center, a figure greater than the 35-percent national average for major metros.[37] Conversely, just 12.3 percent of Kansas City jobs were located within a three-mile ring in the mid-1990s. Kansas City's job market in this respect epitomizes what a recent Brookings report called "job sprawl."

## An unusually large share of the Kansas City region's 1996 job base was located more than 10 miles away from the city center




*Source: Glaeser, Kahn, and Chu, "Job Sprawl"*

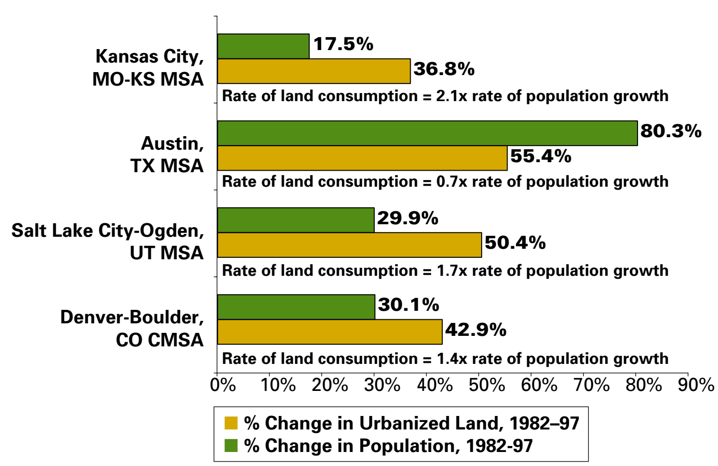
## Job growth also took place mostly in the suburbs in the 1990s




*Source: U.S. Census Bureau Zip Code Business Patterns 1994, 1999.*
**Some job changes may reflect new or changed zip code boundaries established between 1994 and 1999.*

**Not surprisingly, the Kansas City region has been consuming huge amounts of land as it spreads out.** Between 1982 and 1997 alone some 189 square miles of fields, forests, or generally open lands in the area were ploughed under to accommodate new commercial buildings, strip malls, and housing.[38] This massive 121,000-acre expansion represented a 36.8 percent increase in the region's urbanized area during an interval when population grew just 17.5 percent.[39] Thus, the metro area's land consumption more than doubled its rate of population growth.

## The Kansas City area urbanized land at twice the rate of population growth over the last two decades—significantly more inefficiently than its peers



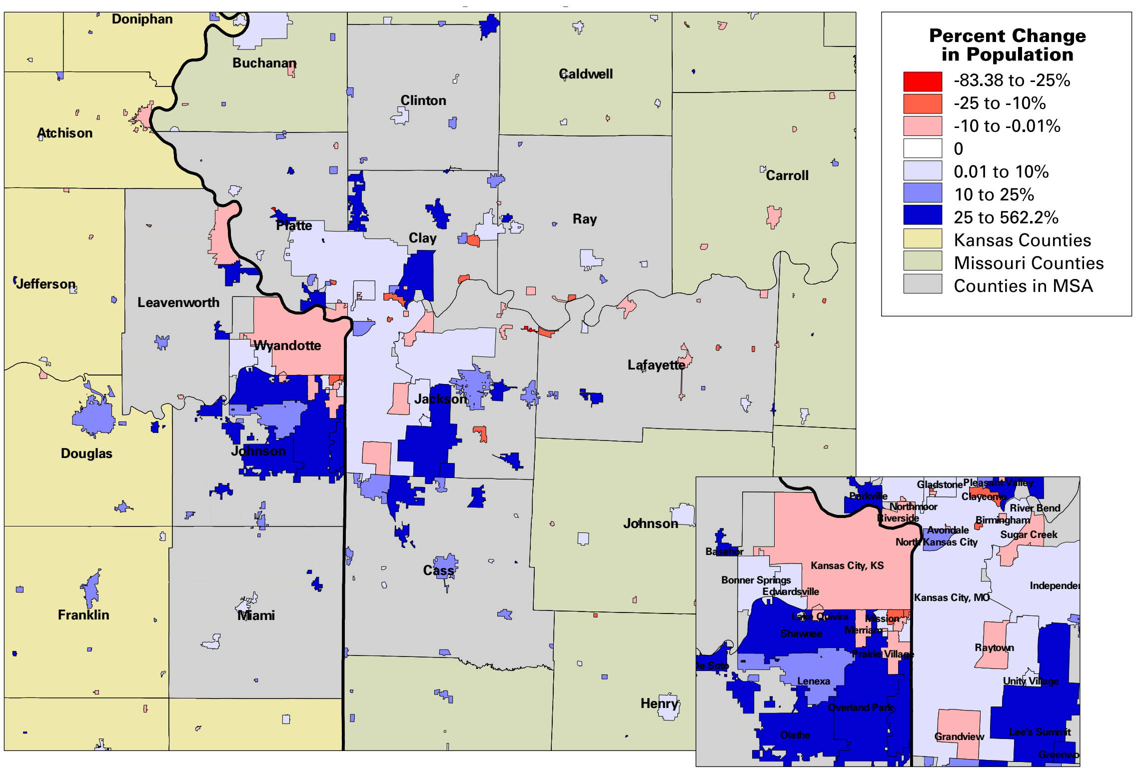

*Source: Fulton et al., "Who Sprawls Most?"*

**The region's use of land has grown increasingly inefficient in recent years.** During the five-year period of 1982 and 1987, the region consumed .32 acre for every new person it added. In the next five years, between 1987 and 1992, it needed .47 acre. And by the 1992 to 1997 period it required 0.62 acres to accommodate a new resident. The bottom line: The region required almost twice as much land to house a new resident in 1997 than in 1987 as the spaces between houses widened and widened. Because of these patterns, the Kansas City region lost density. By 1997, the density of the area's urbanized area had dwindled 14.1 percent to a low 3.78 persons per urbanized acre.

**Meanwhile, as people, jobs, and development moved ever outward, the region's pair of central cities continued to lose ground in the 1990s.** Overall, the region's population grew 12 percent during the decade but the two central cities together grew by less than 1 percent. Kansas City, MO grew by just 1.5 percent, or 6,400 people, while Kansas City, KS *lost* 2 percent of its population, or 2,900 people. The two central cities also fared poorly in job growth. Between 1991 and 1999, 3,600 jobs disappeared in Kansas City, KS, as that job base shrunk 5.7 percent. For its part, Kansas City, MO, added 35,000 jobs to grow quite strongly at a 12.5 percent clip. But still, the central cities' share of the region's jobs slumped dramatically from half to 43.1 percent by 1999.

**In fact, decentralization has not strictly been a metro-wide phenomenon; the pattern of loss in the core and growth at the fringe has also transpired *within* the large central-city borders.** A new Brookings analysis confirms this by dividing City of Kansas City, MO census tracts into "inner," "middle," and "outer" thirds.[40] Not surprisingly, the outermost neighborhoods of the city exhibit significant population growth even as core areas show stark losses or weak growth. Between 1990 and 2000, population losses ran to 13 percent in the central business district while growth in a somewhat larger "inner" and "middle" third of neighborhoods declined by 6.5 percent and 3.7 percent respectively. The "outer third" boomed, growing 14.4 percent. This dispersal of growth toward the outskirts reflects the fact that while portions of the city located in Jackson County lost 18,373 residents during the 1990s areas located in Clay and Platte County, north of the Missouri River, gained 24,710.

## A number of Kansas City's inner-ring suburbs lost population or grew only slowly in the 1990s




*Source: Brookings analysis of U.S. Census Bureau data by municipality, 1990 and 2000*

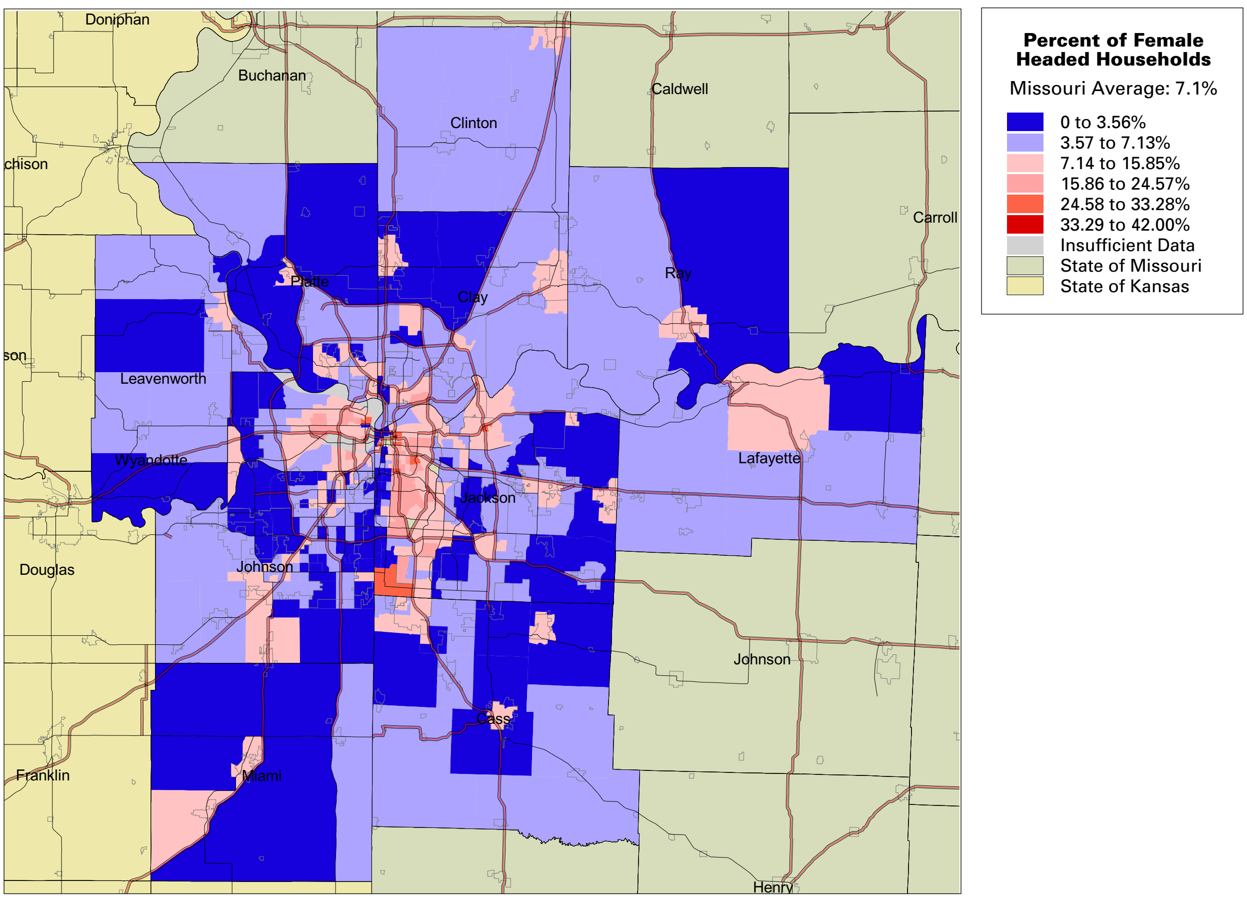
**Decline was not limited to the central cities; the region's older suburbs also struggled with population losses as growth moved to the next ring of communities.** The slow population trends on display in the city cores increasingly also extend to the next ring out. Inner-ring municipalities like Raytown and Grandview also suffered population declines as the region's sphere of growth skipped to the next ring. In fact, many older suburbs would have lost more sizable blocks of their population had it not been for the strong growth of nonwhite residents—particularly Hispanics and blacks—in their communities. Independence, MO, for example, lost 4,693 white residents but gained 1,962 Hispanic residents, 1,275 blacks, and 783 Asian/Pacific Islanders. Along a near-ring of 15 selected inner suburbs, for that matter, the white population in places like Gladstone and North Kansas City, MO as well as Merriam and Fairway, KS, declined by 20,000. However, the loss was nearly offset by the arrival of 8,400 blacks, 4,200 Hispanics, and nearly 1,000 Asians.

*"Inner-ring municipalities like Raytown and Grandview also suffered population declines as the region's sphere of growth skipped to the next ring."*

**In general, as the Kansas City region decentralized, most of the area's nonwhite residents became even more concentrated in the core as whites moved out.** Overall, 87 percent of the region's African Americans lived in the two "urban" counties: Jackson and Wyandotte. Both Jackson and Wyandotte counties also saw more whites leave in the 1990s than in the 1980s.[41] Overall, Jackson lost 9,600 whites in the 1980s and 27,000 whites in the 1990s as its 2000 nonwhite percentage edged up from 25.8 to 32.2 percent. Wyandotte, meanwhile, lost 16,613 whites in the 1980s and 22,000 in the 1990s as its percent nonwhite population increased from 35.9 to 49.3 percent. And mostly the exodus affected the central cities. In Kansas City, MO, the city south of the Missouri River and within the I-435 loop lost one-quarter of its white population as the Jackson County exodus tripled over the 1980s. By 2000, the city was 31 percent black. In Kansas City, KS, the flight occurred in all 58 census tracts between the state line and North 90th Street, except one. Half of those tracts lost more than 30 percent of their whites. The city was 29.8 percent African American in 2000.

**Not surprisingly, these changes paralleled an increasing concentration of poor people and low-income workers at the heart of the region.** By 2000, Jackson and Wyandotte, the urban counties, registered 11.9 and 16.5 percent poverty rates, respectively, as Kansas City, KS and Kansas City, MO logged rates of 17.1 and 14.3 percent. By contrast, poverty in the prospering suburbs of Johnson, Platte, and Clay counties ranged from 3.4 to 4.8 to 5.5 percent, respectively. Farther-out counties such as Miami, Leavenworth, and Lafayette also exhibited low poverty rates, ranging from 5.5 to 6.7 to 8.8 percent. Female-headed households, frequently earning low-wages, were similarly concentrated. Almost half (24,181) of the metro area's 51,000 female heads-of-household with own children lived in the two center cities in 2000. Finally, the region's working poor are similarly found in the urban core. The highest percentage of low-wage taxpayers who claimed the federal Earned Income Tax Credit (EITC) lived in eastern Wyandotte County and central Kansas City, MO, where one-third to almost half of all tax filers qualified for the tax credit in 2000.[42] By contrast, the proportion of residents receiving the credit in the outer suburban areas of Johnson and Platte counties ranged from negligible to just 8 percent. Overall, nearly 40 percent of the metropolitan area's EITC recipients were located in the Kansas City, MO where nearly 20 percent of taxpayers filed for the EITC.

## Female-headed households were strongly concentrated in the region's core in 2000




*Source: U.S. Census Bureau tract data, 2000*

## WHAT THIS MEANS:

**While the Kansas City region grew solidly in the last decade, that growth predominantly took place near the edges of the economy while older communities in the core struggled to keep up or remain stable.** Clearly, growth revitalized many districts of the region in the 1990s. Farther and farther out, an unprecedented economic boom brought wave after wave of middle-class population growth. During the decade, vast new subdivisions and job creation continued a trend of suburban expansion that has seen the region's urbanized area grew 6-fold between 1940 and 1990 to accommodate a mere doubling of population.[43] Now, growth is pushing farther out in every direction—into the northland of Clay and Platte counties, east into Blue Valley, southeast beyond Lee's Summit and Cass County, southwest into Kansas and beyond Overland Park and Olathe into Miami County, west into Leavenworth. Meanwhile, the core continues to sag. Job growth ebbed there as employment moved to the suburbs. Poor persons and communities of color remained stuck as the metropolis grew to the south, and east, and north. Schools struggled and social distress accumulated as urban neighborhoods suffered from too little growth. In short, metro Kansas City continues to grow in spatially divided ways, with wealth and opportunity accumulating in its many rings of suburbs while slow growth, minority residents, and lower-income households accumulate in the center.

**Such decentralization puts enormous pressure on the infrastructure, natural resources, and finances of the region.** In the suburban growth ring, communities that were essentially rural in 1970 now find they must make rapid investments. In the growing suburbs, governments must raise taxes to expand sewer and water lines, offset lost open space with new parks, and provide a wider range of services, even as fringe school districts rush to build new schools and individuals complain of new traffic. Communities like Lee's Summit and Blue Springs prospered in the 1990s but also struggled to build new schools, install infrastructure, and provide adequate services for growth that sometimes felt like too much growth. Closer in, the vast growth on the periphery weakens the urban core and older suburbs as middle-class families, jobs, and opportunity decamp for places farther out. Finally, across the region as a whole, the metropolis' radical degree of decentralization continues to lengthen commutes, reduce the region's focus, and spawn new local governments that add to fragmentation. Ultimately, population dispersal is scattering the region's traditional sense of community and compromising the region's natural integrity.

**Ultimately, these disparate trends—excessive decentralization far out and decline close in—do not contradict each other but rather connect to and exacerbate each other.** The Kansas City region shows, in this respect, how spatially defined social, economic, and racial disparities lie at the root of Missouri's decentralization and exacerbate it. In Kansas City, initial concentrations of poverty, minority residents, and weak schools triggered decentralization decades ago. Over time, the steady exodus of white and middle-class residents intensified the job-loss and distress of the core to the point that decentralization is actually now accelerating. In the 1990s, even more white and middle-class citizens fled the central cities as did in the 1980s, while at the same time, the increasing price of desirable close-in homes drove middle-class residents farther and farther outwards in their search for affordable housing and good schools.[44] And so metropolitan Kansas City epitomizes how the uneven growth that results from concentrated poverty and clustered minority populations can propel growth outward, creating a reinforcing cycle of growth and disinvestment that is hard to break.

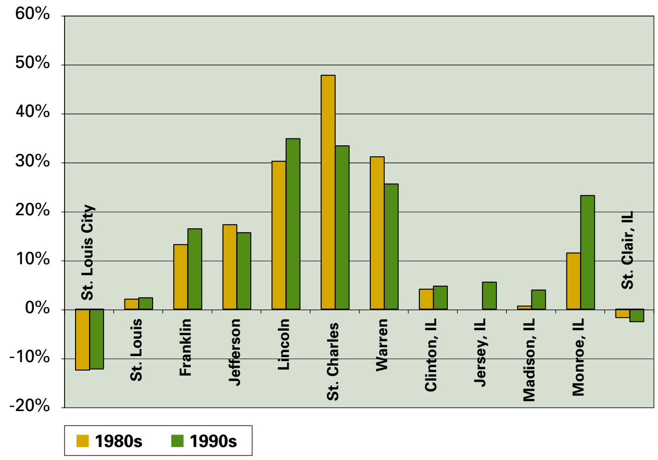
## Metropolitan St. Louis grew modestly in the 1990s, but the central city continued to lose ground as the suburbs and fringe gained.

**The very slow earlier pace of population growth in the St. Louis area picked up in the 1990s.** Overall, the two-state region added 111,000 new residents during the 1990s to grow by a modest 4.5 percent. That growth improved upon the weak 3.2 percent growth rate scored during the 1980s, and allowed the region to reach a total population of 2.6 million in 2000. The region now stands as the 18th largest metro in the U.S. Only the City of St. Louis and St. Clair County, IL, continued to lose population.

**Along with modest population growth came solid job growth in the 1990s, though that has tailed off in the last two years.** The region added 185,000 new full- and part-time jobs for a job-base expansion of 12.8 percent in the 1990s. This resurgence—which produced jobs substantially faster than the rate of population growth—was all the more impressive given that most of it occurred in the second half of the decade. Unfortunately, the region has subsequently felt the national economic slowdown hit home, as unemployment nearly doubled from 3.4 percent in January 2000 to 6.2 percent in July 2002.

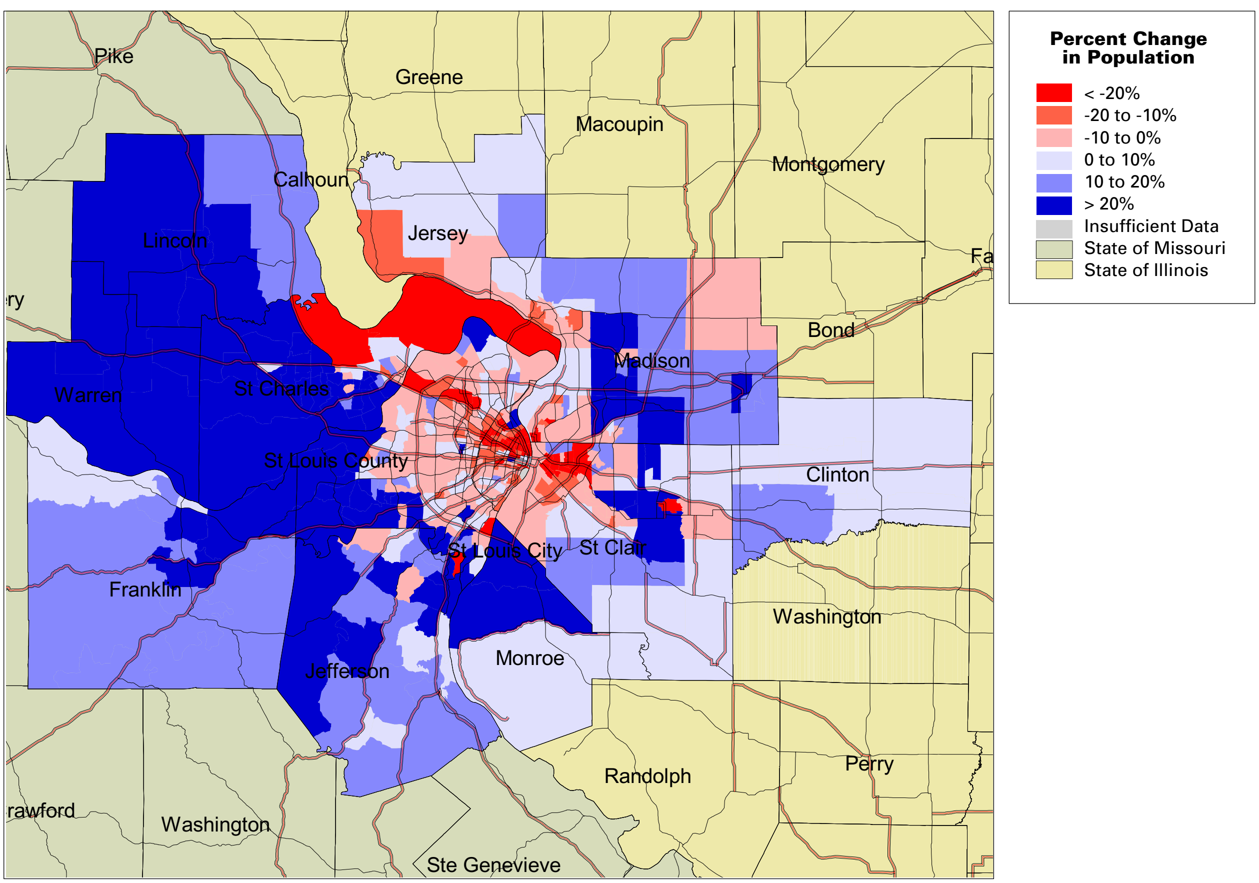
**Population has all the while been moving outwards in the St. Louis region.** St. Louis demonstrates that rapid decentralization can occur even against the background of slow regional growth. Despite its modest single-digit absolute population growth, the region saw widespread new suburban development and fast growth at its periphery. Nearly two-thirds (64 percent) of the entire region's growth took place in one fast-growing western county—St. Charles, which added 71,000 residents in the decade. Meanwhile, the growth of big St. Louis County, at an anemic 2.3 percent during the decade, has begun to be far outpaced by new, more peripheral sites. Jefferson County grew 15.6 percent as it added 26,719 people. Franklin County to the west gained 13,209 residents as it grew 16 percent. And semi-rural Lincoln County to the northwest grew by more than one-third as it added 10,052 residents. While the accompanying graphic shows that the pace of population growth for Jefferson, St. Charles, and Warren counties has slowed in the 1990s, these counties actually added more residents in the decade than in the 1980s.

## The suburban counties in the St. Louis metro area grew rapidly in the 1980s and 1990s




*Source: U.S. Census Bureau*

## Population growth in St. Louis' western suburbs far outpaced that in the rest of the region in the 1990s



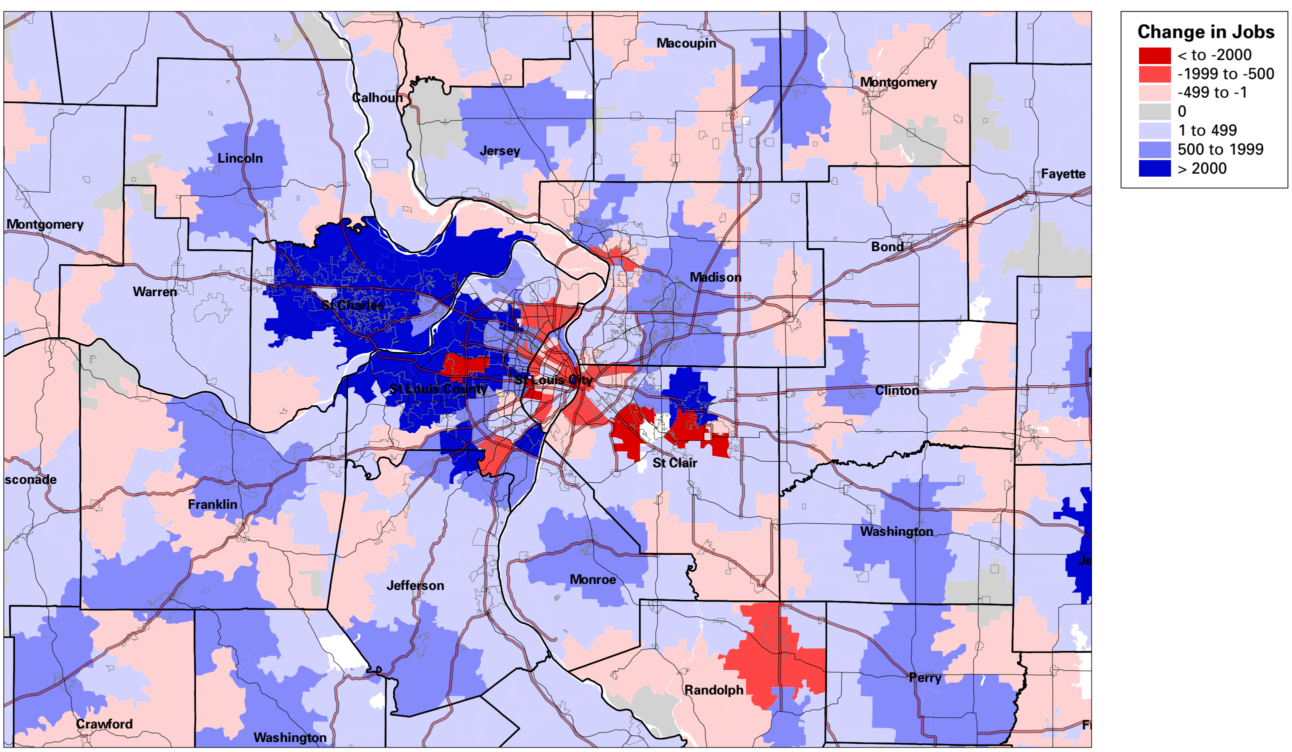

*Source: Brookings analysis of U.S. Census Bureau tract data, 1990 and 2000*

**The St. Louis area experienced substantial population growth in its unincorporated areas, far exceeding that in the Kansas City area.** Nearly a quarter (23.9 percent) of the residents in the St. Louis area live outside of incorporated towns or cities. Not surprisingly, brisk open-country population increases toward the region's edges ranged from a low of 13 percent in Franklin County to a high of 30 percent in St. Charles County. Jefferson County experienced more growth in its unincorporated areas (20,720 new residents, or a 21-percent gain) than in its towns and cities (which gained just 5,999 new residents, for an 8.3-percent growth). Lincoln County's unincorporated areas also grew faster than did incorporated areas, by a margin of 5,924 to 4,128 residents. There and in Warren County, 70 percent of the population resided in open country. By way of comparison, open-country living on the Missouri side of the Kansas City region remains far less significant. On the Missouri side of Kansas City, only 109,588 people live in unincorporated areas compared to nearly half a million (478,292 people) in St. Louis's Missouri counties—and that reflects the incorporation of some 48,000 St. Louis-area residents into new municipalities during the 1990s. In the Kansas City area the fastest-growing open-country populations were recorded in Cass, Clay, and Platte counties, none of which added as many unincorporated residents as similar counties near St. Louis.[45]

**The loss of center-city residents coupled with continued movement outward made the St. Louis region even more overwhelmingly "suburban."** Over the decade, the share of the region's population living outside of the central city increased from 84 percent in 1990 to 87 percent in 2000.

**The St. Louis job base has also "suburbanized."** In 1970, suburban areas outside the City of St. Louis accounted for 59.3 percent of the region's jobs; by 2000 that figure has jumped to 81.6 percent. Most notably, the St. Louis economic engine has come to be disproportionately located in St. Louis County. Big and established, St. Louis County now contains 39 percent of the region's population and nearly half (791,599 out of 1.6 million) of its jobs. Its job base grew 14 percent in the 1990s. At the same time, St. Charles County has become the most formidable zone of job creation. St. Charles County added 38,000 jobs in the decade to grow its economy 43 percent in the 1990s—or more than three times faster than St. Louis County did.[46]

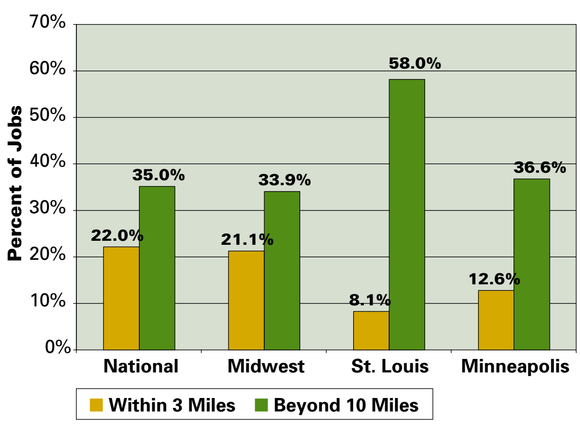
## Job creation was also concentrated in the western suburbs during the 1990s




*Source: U.S. Census Bureau Zip Code Business Patterns 1994, 1999.*
**Some job changes may reflect new or changed zip code boundaries established between 1994 and 1999.*

**"Job sprawl" has proceeded to such an extent that nearly 60 percent of the region's jobs lay more than *10* miles from the city center.**[47] This pattern is even more astonishing given the relatively small size of the economy. Produced by the 22nd-largest economy in the nation, St. Louis' 10-mile job dispersal exceeds that of mega-economies like those of New York, Boston, and Washington and rivals those of Los Angeles, Chicago, Houston, and Atlanta, all of which are more than twice as large in gross metropolitan product as St. Louis. In fact, few jobs remain in the core of the region. By 1996, 92 percent of the region's jobs were located outside the three-mile ring of the city center.[48] That made St. Louis the sixth-most decentralized metropolitan economy in the nation.

## An extraordinary portion of the St. Louis region's jobs were located more than 10 miles from the city center in 1996

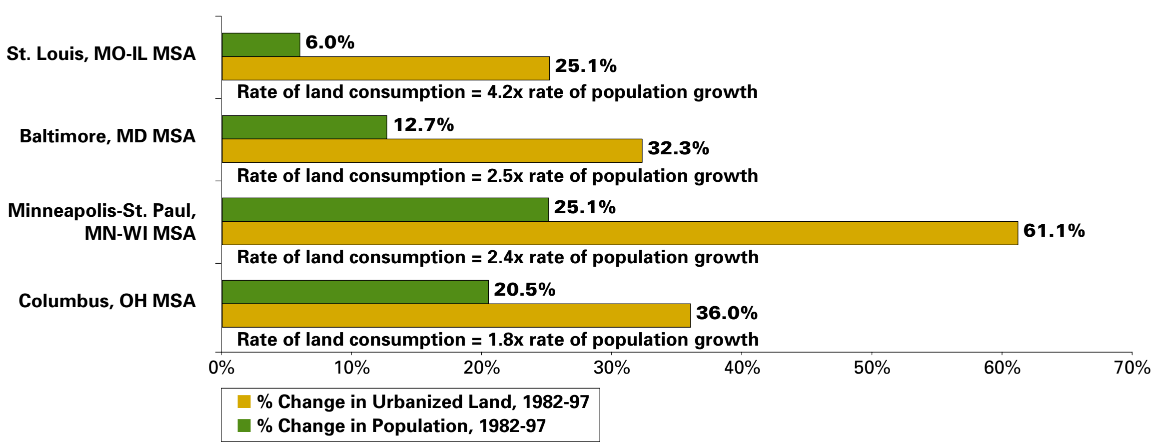



*Source: Glaeser, Kahn, and Chu, "Job Sprawl"*

**Despite its modest growth, meanwhile, the St. Louis region has been consuming massive amounts of land as it developed rather inefficiently.** Overall, the St. Louis area converted some 204 square miles of land to urban use between 1982 and 1997, even though it was growing very slowly in population.[49] Put another way: the region's urbanized area increased by 25.1 percent, or 130,900 acres, during that 15-year period even though population grew just 6 percent. The upshot: The St. Louis metropolis consumed land four times faster than it grew. The region urbanized more land than metro Kansas City though it grew barely more than one-third as fast in population.

**What is more, the region's spread-out land-use patterns have grown progressively more inefficient—making the St. Louis area the second most wasteful user of land among major metro areas in the country.** Between 1982 and 1987, the region consumed .49 acre for every new person it added; between 1987 and 1992, it needed .91 acre to accommodate a new resident; and by the 1992 to 1997 period the figure had jumped to 1.4 acres. That last figure—nearly an acre and a half per newcomer—ranked the St. Louis region as the second most profligate developer of land in the country among major metropolitan areas, and confirmed that the region's rate of land consumption had tripled over the 15-year period. Only Cleveland used land more inefficiently over those years.

## The St. Louis metropolitan area urbanized land at four times the rate of population growth over the last two decades—significantly more inefficiently than its peers



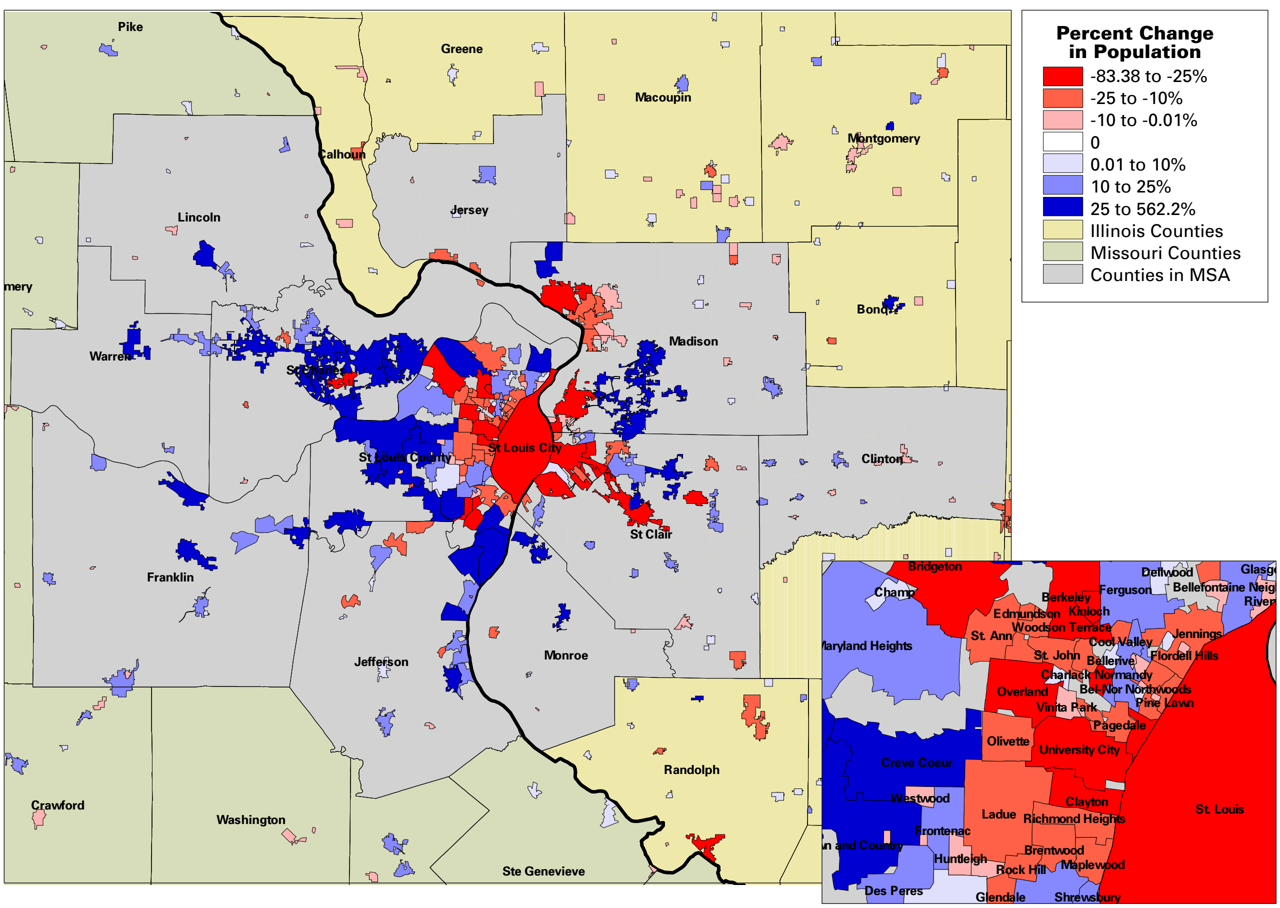

*Source: Fulton et al., "Who Sprawls Most?"*

**Implicit in these patterns has been an extraordinary "thinning out" of the region's population.** Density has evaporated in the St. Louis metropolis. In 1950, St. Louis' then-urbanized area boasted a population density of 6,141 persons per square mile. By 1990, density had dissipated by 55 percent to leave a scattering of just 2,757 people per square mile across the region's now 737 square mile expanse.[50] By 1999, St. Louis' urbanized area was the 17th least dense among the 68 largest metropolitan areas having undergone the 5th greatest density decline since 1982.[51]

**The City of St. Louis epitomized this thinning out, as the region's core continued to hemorrhage not only residential population in the 1990s, but jobs.** As the city proper lost 48,496 residents, it also lost 21,200 jobs in the last decade, or 6.6 percent of its base. That reduced its share of the region's 1.64 million total full- and part-time jobs to just 18 percent, down from 22 percent in 1990 and 41 percent in 1970.

**Meanwhile, St. Louis' inner suburbs are being further destabilized by the outward shift of residential and economic life.** Around St. Charles County, bedroom communities like O'Fallon, Lake St. Louis, and Weldon Spring grew by 146, 35, and 258 percent in the 1990s, but closer-in, older suburbs were beginning to lose residents, or lost them even more. Places like Wellston, Clayton, and University City, on the Missouri side continued to lose residents, while other suburbs like Rock Hill (which lost 8.6 percent of its population) sagged for the first time in several decades. Similarly, older places like Cahokia and Washington Park on the Illinois side continued to watch their population slump even as areas like Caseyville and Alorton joined them as population losers. Such population losses do not necessarily correlate with decline—several areas that lost population in the 1990s gained in median housing value—but the loss of residents frequently does presage distress. Either way, the region's population was simultaneously "blowing out" and "hollowing out."

## Numerous older suburbs in the region lost population in the 1990s




*Source: Brookings analysis of U.S. Census Bureau data by municipality, 1990 and 2000*

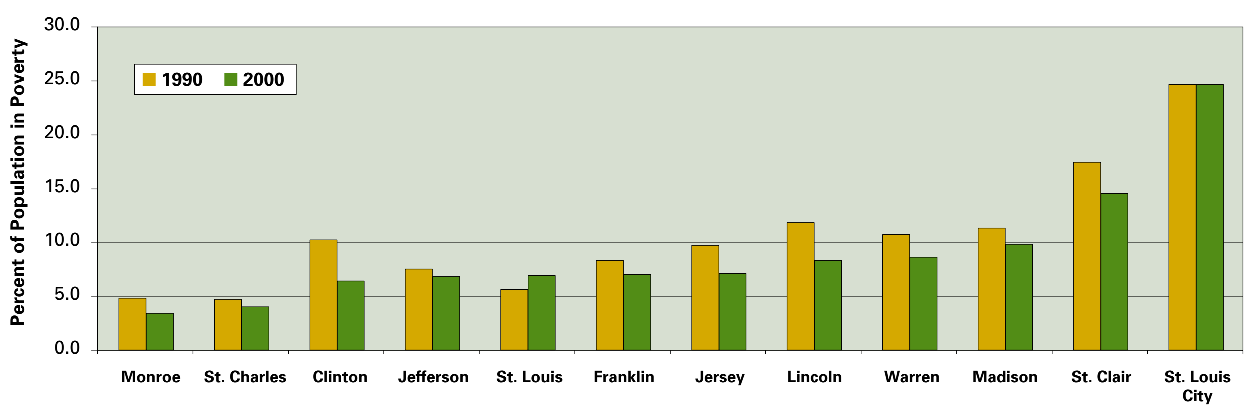
**Not surprisingly, poverty remained concentrated in the region's central city and older suburbs as jobs, people, wealth, and opportunities departed.** In 2000, a full third of the region's poor people lived in St. Louis City, with an additional huge share clustered in the innermost neighborhoods of St. Louis County. In the city, the local poverty rate remained at 24.6 percent—substantially above the regional figure of roughly 10 percent. Most noticeably, the overall poverty rate in St. Louis County rose from 5.6 to 6.9 percent during the decade as poverty continued to edge upwards in inner-county communities like Clayton and Brentwood. These locales saw their distress rates increase from 4.5 percent and 2.9 percent in 1990 to 7.7 percent and 5.5 percent in 2000. Other inner-suburban communities' already-high poverty rates climbed higher. Pagedale's poverty rate rose from 22.6 percent in 1990 to 30 percent in 2000 while Jennings rose from 11 percent to 19 percent. By contrast, the poverty rates in St. Charles and Jefferson counties remained at just 4 and 6.8 percent, respectively.

**Female-headed households also live predominantly in the central city and older suburbs.** Approximately 8 percent of all households in the St. Louis area were female-headed in 2000—roughly 81,000 of them. Some 18,300 of these households—22 percent of them—were located in the City of St. Louis where they account for 12.4 percent of all households. Furthermore, inner-suburban areas of St. Louis County, such as Pagestone and Wellston, have elevated percentages of such households ranging from 15 to 30 percent of all households. By contrast, female-headed households make up less than 10 percent—more often less than 5 percent—of all households in the outer suburbs.

**Overall, a significant new concentration of minority population arose in the 1990s as white residents left in numbers while the nonwhite population grew disproportionately there.** Nonwhite citizens encompassed 5.6 percent of the downtown population in 1990, but 19.7 percent in 2000. This new concentration resulted from the disappearance of 364 white residents and an increase in 335 persons of color. Furthermore, 70 percent of the region's black population resides in the north half of the City of St. Louis, the inner northern suburbs of St. Louis County, and inner St. Clair County. This concentration ensures that the City of St. Louis registered 51 percent black in 2000 while the City of East St. Louis hit 98 percent black. In many of these areas, even outside East St. Louis, black residents comprise 85 to 99 percent of the population. In the 1990s, a number of close-in older suburbs—Vinita Park, and Bel-Nor among others—became majority-minority for the first time. By contrast, whites predominate all around the region's outer suburban rings. In these suburban and exurban areas black residents generally make up less than 10 percent of the population. St. Charles County remains 94 percent white. Jefferson was 98 percent white in 2000.

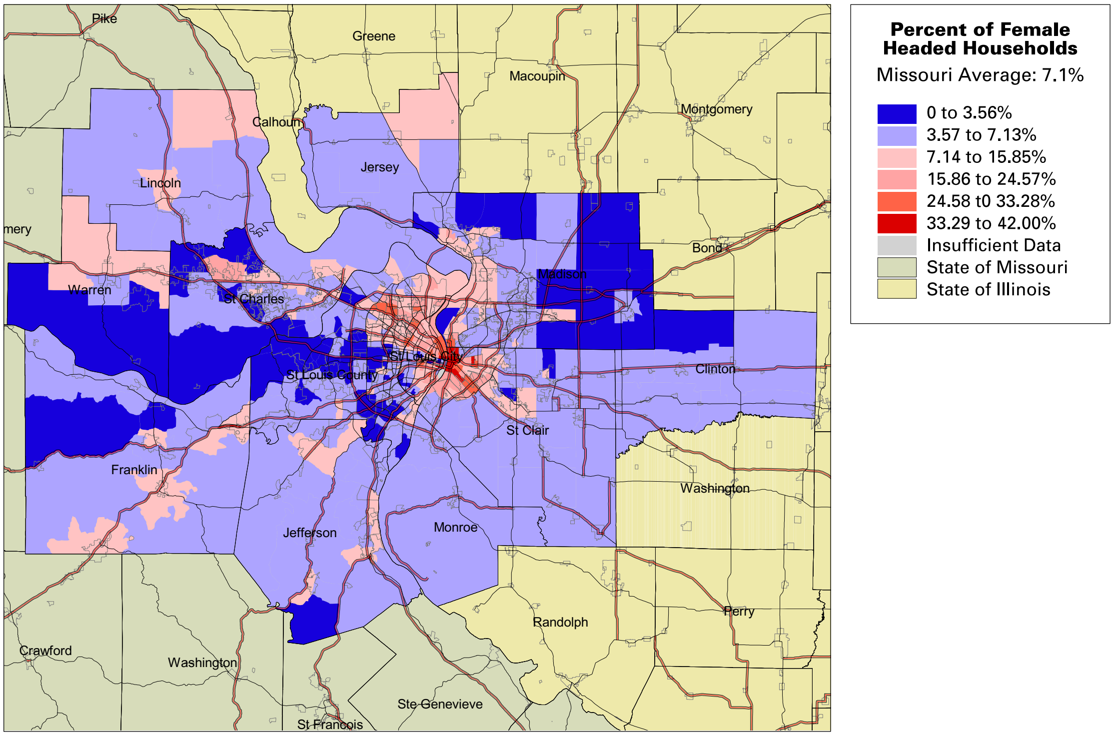
**Interestingly, the black population has begun to move out too—but slowly.** Most notably, this heavily urban community has begun to flee the City of St. Louis (which lost 10,359 black residents in the 1990s) and settle in St. Louis and St. Charles counties. St. Louis County gained 53,758 black residents during the 1990s and now contains a larger black population (192,544 compared to 177,446) than the central city. St. Charles County's African American population also grew—by 54 percent—but it still encompasses just 7,573 citizens. No other county saw significant black population change. In general, whites and blacks continue to make up 96 percent of this not-very-diverse metropolis, despite small absolute growth in Asians and Hispanics in the region.

## Poverty declined in the St. Louis region, except at the center in St. Louis City and County



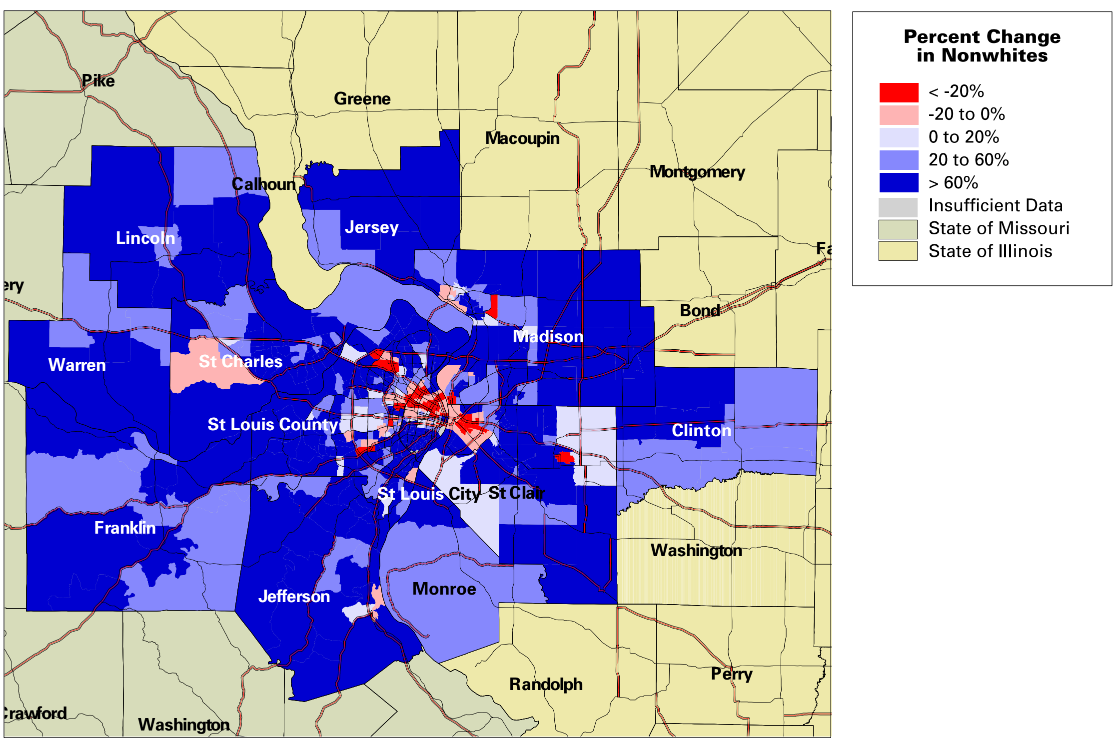

*Source: U.S. Census Bureau*

## Female-headed households remain strongly concentrated in the core of the St. Louis region




*Source: U.S. Census Bureau tract data, 2000*

## However, minority population began to grow rapidly in the suburbs as nonwhite residents moved outward from the core in the 1990s

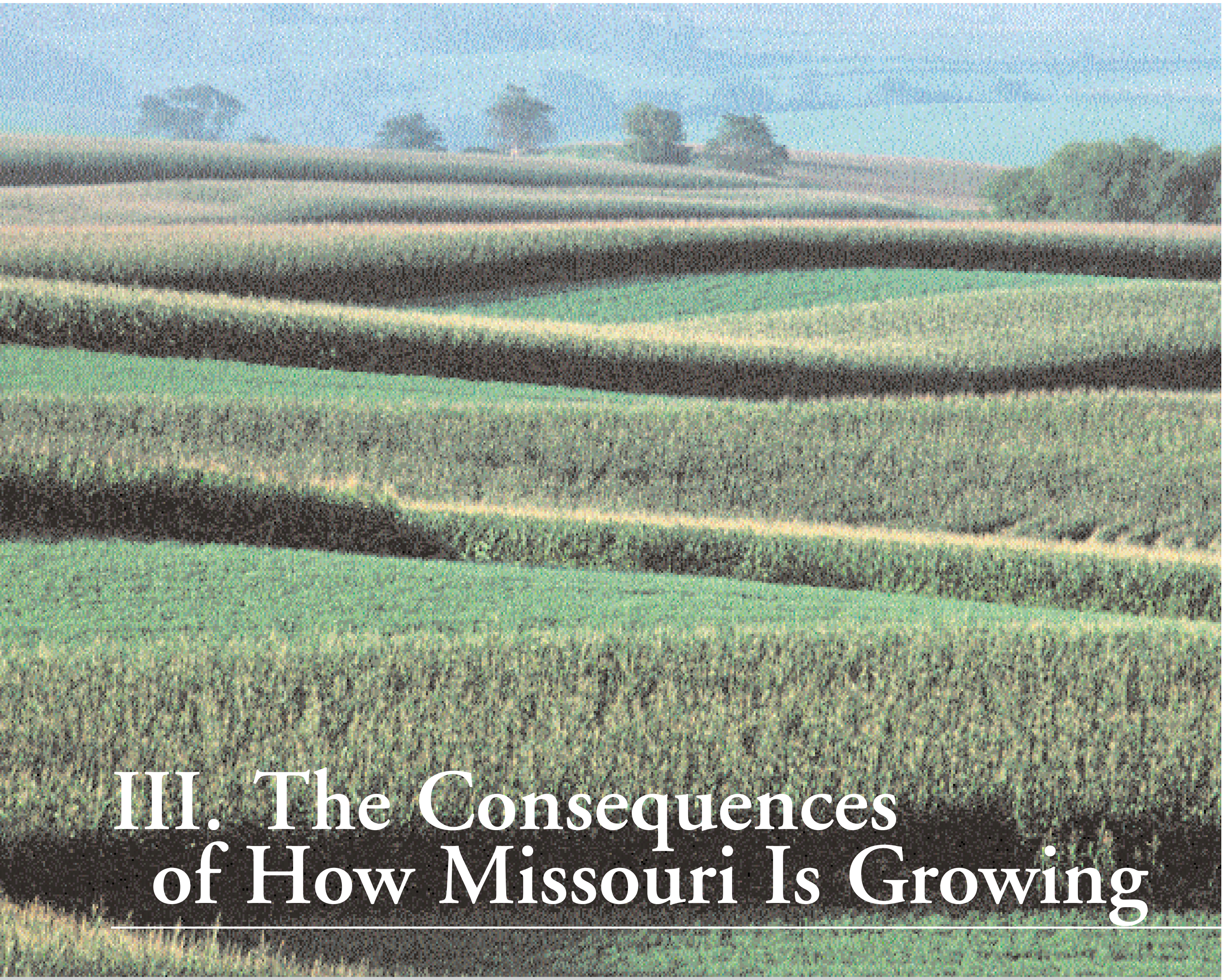



*Source: Brookings analysis of U.S. Census Bureau tract data, 1990 and 2000*

## WHAT THIS MEANS:

**Like Kansas City only more so, the St. Louis region is at once "blowing out" and "hollowing out" as it grows in a highly uneven way.** Decentralized growth, in this respect, may appear to indicate health as it spreads across the western counties. However, it in fact masks polarization—and exacerbates it. A growth divide separates the booming western suburbs from the sinking center. Social and demographic gaps set off the predominantly white bedroom communities from the minority center. And similarly widening economic chasms insulate affluent suburban towns with their appreciating home values, sound schools, and growing job base from the struggling municipalities of the center, with their widening poverty, depreciation, and educational distress. St. Louis' decentralizing growth, in short, has turned out to be unbalanced growth. Behind the rush to the suburbs lies a gaping "hole" in the core away from which people and jobs stream. And the faster goes the exodus, the deeper grows the malaise.

**These disparate trends, as in Kansas City, ultimately hurt everyone.** In addition to further weakening the core and inner-ring suburbs, the movement toward the periphery creates problems there as well as even the most attractive new suburbs soon encounter traffic congestion, expensive infrastructure needs, spiking school populations, and lost tranquility. Even more sobering are the implications of uneven growth for the region's overall economic performance. No longer are the links between central-city, suburban, and metropolitan-level economic performance anecdotal. Studies now show that in region after region metro-area growth rates correlate with central-city economic health. Region-wide growth rates, employment, incomes, and property values are all higher where central-city economic performance remains solid. Conversely, where the core lags, the overall region does too. The bottom line: The St. Louis region's unbalanced development patterns entangle both suburbs and core in a dynamic that may be undercutting the region's overall economic competitiveness as well as its social and fiscal health.



# III. The Consequences of How Missouri Is Growing

The prosperous 1990s enabled more residents and businesses to locate in all parts of the state.

But is this kind of growth all good news? What are the implications of the way Missouri is growing for its residents and communities? How is the state's style of growth affecting its overall wellbeing?

No doubt, growth brought rising incomes, and increased consumer demand. For a while at least, a perception of broad-based resurgence spread across the Show-Me State. Unfortunately, though, Missouri's particular pattern of growth may actually be undercutting the state's hard-won progress and vitality. This is even truer as Missouri's economy slows and struggles to support all the new communities that have been built.

Why are there reasons to be cautious about this pattern of growth? What are the cautions that come with the unfolding changes described in the preceding maps and statistics? One way to make an assessment is simply to look around: there are a number of fiscal, environmental, lifestyle, and community consequences that owe in large part to the decentralizing nature of Missouri's residential and development trends. From this perspective, Missouri is struggling with land-use trends that impose greater costs on communities at a moment of fiscal crisis and undercut the state's ability to make critical investments in education and amenities. It also faces serious threats to its rural heritage and natural resources. And it must grapple with massive transportation challenges as well as a widening gap between low-income people and opportunity.

Growth, in short, brings not only benefits but also costs—negative impacts that with careful thought often can be addressed by the collective efforts of its citizens, communities, and lawmakers. Here, then, are six consequences of the state's current growth patterns that Missourians should keep in mind as they weigh—and shape—the state's future:

# Missouri's current pattern of growth frequently imposes significant costs on communities and taxpayers.

The low-density spread of Missouri's residential and economic life, to begin with, imposes greater costs on governments—and taxpayers—than one that is more compact and thought-through. These costs bear special consideration as the state struggles to make the most of limited resources as it negotiates a possibly prolonged period of budgetary challenge.

Abundant national research makes the point: Growth often does not pay. In most circumstances, highly dispersed, low-density development patterns increase the capital and operations costs governments incur from new growth beyond new tax collections, and frequently turn growth into a net money-loser for taxpayers.

This research by the Real Estate Research Corporation (RERC), James E. Duncan, Robert Burchell, and others documents that scattered development can be as much as 70 percent more costly for governments than equivalent volumes of compact growth.[52] It simply costs more to provide infrastructure (such as streets, schools, flood control, or sewers) and services (like police and fire protection) to far-flung low-density communities than to denser, more contiguous households.

And the numbers are dramatic. Closest to home, a University of Kentucky analysis compared the relative costs of government in 10 Kentucky counties, and associated the large differences in costs with the counties' growth patterns.[53] This assessment reveals that the costs for police, fire, and school services were consistently lowest in counties whose growth was most concentrated in established areas, and highest in the counties with the most dispersed growth. In counties with a relatively compact center-city, the costs per household of adding 1,000 residents ranged from a savings of $1.08 in dense Fayette County (which contains Lexington) to a cost of $53.89 per household in Warren County, a smaller county focused around Bowling Green. By contrast, in counties with more scattered growth, the costs of adding 1,000 new residents ran from $36.82 per household in Jefferson County (home of Louisville) to $239.93 in Pulaski, where most growth took place in unincorporated areas. The household costs of adding 1,000 residents reached $600 and even $1,200 in 2001 dollars in some highly dispersed fringe counties.

More broadly, many states are finding that the costs of new roads, new schools, and programs to serve increasingly dispersed populations are becoming unaffordable, and preventing needed investments in critical competitive priorities such as K-12 education or university research in the life sciences. Notable among others was a study concluding that South Carolina could save $16.7 billion of its projected $56.7 billion two-year infrastructure budget by utilizing planned development as opposed to "sprawl."[54]

In view of these realities, it is clear the state's highly decentralized development trends are increasing the costs of government in Missouri.

These higher costs are becoming apparent in several areas:

**The Show-Me Model forecasts current growth trends—and predicts fiscal problems.** Developed by researchers at the Community Policy Analysis Center at MU, the "Show-Me" econometric model repeatedly projects that demand for local government expenditures will outpace revenues under the current spread-out development patterns.

While the details vary depending on local conditions, in all but one of the counties analyzed the model concludes that the local demand for expenditures to accommodate projected growth in its present decentralized form will grow faster than revenues. Pettis County, located in the center of the state along I-70 between Columbia and Kansas City, for example, appears headed for widening budget deficits, as its total revenue appears set to grow 3.6 percent as demand for expenditures rises 6 percent.[55] By 2009 the Show-Me Model predicts a deficit of $2.4 million for the county. At the St. Louis fringe, Franklin County's budget surpluses will narrow as the demand for transportation, police, fire and other services grows 5.6 percent while revenues increase just 5.2 percent.[56] Development-as-usual will be especially hard for localities to support since state law bars counties from spending more than they take in over time.

**Suburban and small town school districts struggle to keep up.** Suburban and fringe communities are especially stretched by the burden of raising millions of dollars for new school facilities to accommodate the escalation of school-age populations. All across the state, tides of middle-class families—often young families with children—are sweeping into developing new suburbs and doubling or tripling the numbers of students needing new preschool buildings, elementary schools, and classroom additions. Examples abound: Since 1990, the Francis Howell School District in growing St. Charles County near St. Louis has added 12 new buildings at a cost of $126 million. The Blue Springs district has added 10 structures at a cost of $81 million in Jackson County near Kansas City. And similar construction has been required in the Columbia, Springfield, and Branson areas. Nor is any end in sight. A 2000 survey of Missouri school districts found that new construction needs for classrooms and facilities totaled almost $2 billion. A projected total of 59,016 students in 2000 attended class in 1,472 portable classrooms.[57] No doubt, simple population growth plays a role in the facilities crunch. But so does the shift of population away from existing facilities in older areas to brand-new subdivisions along the urban fringe.

| School District | New Buildings Since 1990–91[58] | County | Cost of New/Expanded School Facilities[59] |
|---|---|---|---|
| Francis Howell R-III | 12 | St. Charles | $126,100,000 |
| Blue Springs | 10 | Jackson | $81,300,000 |
| Ft. Zumwalt R-II | 9 | St. Charles | N.A. |
| Lee's Summit R-VII | 8 | Jackson | $149,640,000 |
| Columbia 93 | 7 | Boone | $55,620,410 |
| Springfield R-XII | 7 | Greene | $24,800,000 |

**Expanding sewer and water facilities taxes localities.** Fast growth along Missouri's urban periphery also burdens localities with increased sewer- and water-infrastructure costs. Frequently, dispersed low-density development entails substantial new extensions of municipal sewer and water systems. For that reason, many local sewer and water districts—whether in fast-growing St. Charles and Jefferson counties or near Branson or Columbia—have in recent years asked voters to authorize bonds or tax increases to pay for line extensions and new treatment capacity. Meanwhile, the proliferation of open-country rural homes in recent decades has created other problems. There, the scatter of individual septic systems has required the replacement of numerous inadequate or leaking systems with up-to-standard sewer systems. The outlays being required to reduce septic seepage into Table Rock Lake and Lake Taneycomo in southwest Missouri offer a case in point. Since the mid-1990s, Branson has spent more than $17 million to build a new wastewater treatment plant and add phosphorus removal equipment to its old one. And over the same period Taney County has tapped voter-approved sales-tax revenue to build a $26-million central sewer system that has so far taken 2,700 homes and businesses off septic tanks.[61] There will likely be additional costs.

### Growing Costs: Merriam Woods' Growth Hikes Service Fees

Little Merriam Woods, MO prospered population-wise in the 1990s, nearly doubling in size to 1,142 residents in 2000. However, the good fortune of the village didn't much benefit its bottom line. Population growth brought growing pains in the form of increasing costs in serving rural newcomers who often wanted urban-type services. For that reason, the White River town was forced to ask its citizens to "open their pocketbooks" in the 1990s, as *The Springfield News Leader* reported last year. In 1992, voters passed a $500,000 revenue bond to build a water tower and distribution system. And in 1993, they approved a $3 million bond issue, which was used later to pay a portion of the $8 million cost of a new sewer system. Each bond entailed a new household cost to support "urban" type service. Yet even so, the town was last year still operating on a shoestring budget of $114,000 because it lacked significant sales tax revenue and maintains low property values. Said Village Clerk Angela Leist: "Additional people haven't really helped the budget."[62]

# Missouri's current pattern of growth is eroding the state's rural heritage.

Missouri remains in many respects a state of small towns and rural traditions. Frame farmhouses, gently rolling hills, the country virtues of directness and hard work: This heritage anchored the character of Harry Truman as he steered the nation into the atomic age and it continues to sustain the Show-Me State.

Only now that heritage is being threatened by the dispersal of 174,000 new residents across Missouri's rural countryside and maybe 100,000 more around the unincorporated fringes of the metropolitan areas. Certainly, growth is welcome in rural counties—many of which have been losing population for decades. But along with Missouri's particular brand of growth, with its haphazard decentralization, come losses:

**Farmland is being lost.** Increasing real estate prices driven by decentralization have now become a factor in the conversion of Missouri farms to subdivisions (though the decades' long depression of commodity prices has probably played a larger role). At any rate, nearly 3 million acres of pasture and cropland went out of agricultural use across the state between 1982 and 1997, in part due to the state's development patterns.[63] Farm employment also declined, as industry consolidation proceeded and farmland and open country was lost or converted to more suburban or residential uses. Altogether some 24,500 jobs disappeared from Missouri's farm country between 1980 and 2000 as farm employment fell from 5.8 percent of the state's jobs to 3.5 percent.[64] Missouri's farm culture is under attack.

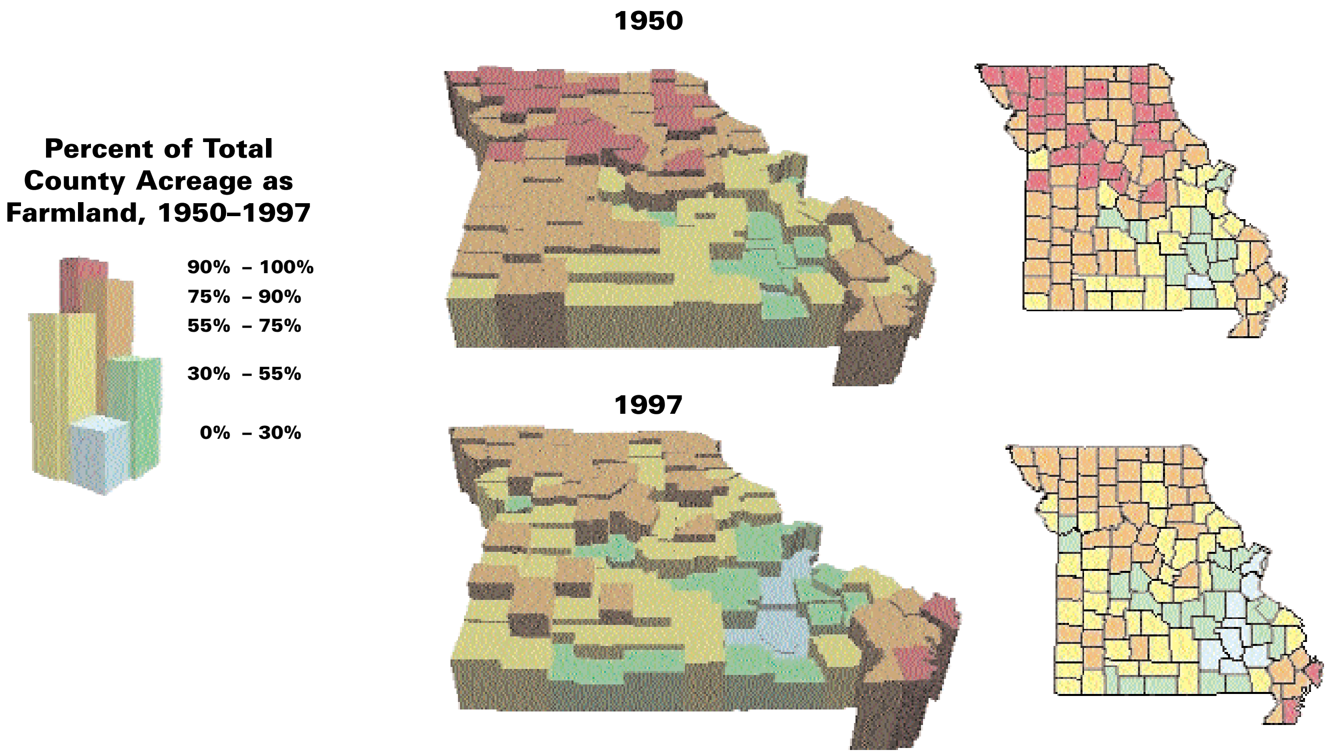
*"Certainly, growth is welcome in rural counties—many of which have been losing population for decades."*

**Hunting and fishing spots are disappearing.** The scatter of construction has likewise begun to diminish the nearby wood lots and streams where generations of Missourians have gone fishing and hunting. Fringe subdivisions and scattered large-lot homes in the country each raze the timber that supports game. Widespread construction has accelerated erosion. As a result, a serious turbidity problem clouds numerous exurban lakes and muddies popular fishing coves. Remarked *The Kansas City Star:* "Many can remember the days when there was a rich mix of urban and rural life in the greater Kansas City area; when you didn't have to go far out of the city to find a place to hunt or fish. But as the city's boundaries continue to expand, the country continues to shrink. And hunting land and fishing water are being developed at an alarming rate."[65]

**The ambiance of old battlefields is waning.** Few know that Missouri ranks third after Virginia and Tennessee for the number of Civil War battles fought within its borders.[66] Unfortunately, though, spreading low-density development is encroaching on that legacy of the state's unique past. Recently a group formed to try to stave off development that has eaten away at all but 30 acres of the Lone Jack Battlefield in Jackson County. And not long ago the Washington, D.C.-based Civil War Preservation Trust cited local growth patterns as the factor in naming the important Newtonia site in Newton County one of the Civil War's 25 most endangered battlefields. Overall, the Trust deems 12 of Missouri's 29 battlefields threatened or highly threatened.[67]

**Country roads are getting crowded.** The outward scatter of residential building across much of the state's open country also means that long commutes and traffic woes increasingly disturb the country's tranquility. Rural life in contemporary Missouri rarely means living just a short walk to a job in the town square. Instead, rural commute times jumped in the 1990s, as ever-more-scattered Missourians drove farther from exurban residences to jobs in larger cities. Consequently, rural-county commute times frequently now exceed the state average of 23.8 minutes. In places like Texas, Wright, Hickory, and Cedar counties, commutes surged 30 percent or more over the 1990s.[68] One result: Narrow, twisting county byways are growing busier and noisier as Missourians live farther out. Another result: Actual congestion is developing on once-rural routes as thoroughfares like Highway 65 coming

### Missouri's total acreage in farmland declined dramatically between 1950 and 1997




*Source: Missouri Center for Agricultural Resource and Environmental Systems*

into Springfield or Missouri 14 near Ozark funnel the widening commuter traffic into and out of the cities.

**Scenery and rural character keep being eroded.** Finally, and most broadly, widespread land conversion means that the construction of subdivisions, retail centers, and fast food strips is effacing the rural scenery and small-town atmosphere that connects the state to its roots. Missourians in numerous counties live amid countless examples of the disorienting pace by which corn fields are turning into retail centers, and suburban rooftops are clashing with cornfields. In Christian County, the modest hamlet of Nixa grew from a population of 2,662 to 12,000 in 20 years. Elsewhere, "big box" strip developments are diverting business from "main street" commercial blocks and diminishing the distinctiveness and vitality of traditional smaller towns. Nor does the struggle to maintain traditional identity appear likely to ease by itself, as *The Springfield News-Leader* observed recently. With more development coming in the next 20 years, remarked the paper, the Ozark region especially will see continued dispersed development that could "cost [the region] its reputation as the heartland of rural America, quaint, unspoiled, and friendly."[69]

### Farms on the Edge: A Disappearing Way of Life in the St. Louis Region

Farmland is disappearing fast in the St. Louis area, as *The St. Louis Post-Dispatch* observed not long ago. Thanks to the region's highly dispersed development patterns, the west-moving demand for buildable parcels is steadily enveloping the region's remaining agricultural property. Relatively close-in farm parcels like those along Wild Horse Creek Road in Chesterfield now fetch more than $75,000 an acre—a price few landowners can resist. As tracts sell off, developers seek land farther and farther afield in St. Charles, Jefferson, and Franklin counties, which only inflates acreage prices in new places. As a result, more and more landowners farther and farther out are choosing to sell their land to developers instead of cultivating it or renting it to farmers. Over time, an important cultural tradition is disappearing along with the cornfields.[70]

# Missouri's current pattern of growth is threatening the environment and natural areas.

A third consequence of the state's far-reaching decentralization is environmental damage. Missouri is struggling with serious problems that affect three of its most fundamental attributes—its land, its water, and its air.

These problems are in no way unique among the states; they are expected. Nevertheless, they indicate the fundamental deterioration of Missouri's wellbeing when residential and economic development spread into the countryside. Substantial damage has already been done in the following ways:

**Vast tracts of forest, stream, and grassland have been developed.** Nearly two centuries ago, Josiah Gregg, the guidebook author, surveyed the unbroken prairie upland around Independence, with its clear springs and "considerable" rivers, and declared it the "rich and beautiful…`garden spot' of the Far West."[71] Today, though, less and less of Missouri's irreplaceable natural legacy survives as decentralized development takes its toll on the state's natural areas. The loss, most starkly, of some 680 square miles of undeveloped land statewide between 1982 and 1997 cannot but have harmed the natural systems that provide critical habitat for wildlife and perform critical "ecosystem services" such as the reduction and slowing of stormwater runoff. Exacerbating this impact is the decentralization of growth into the open country. This dispersal widens the area of intrusion and increases habitat fragmentation, as a wider scattering of new homes and mowed yards divides remaining wood plots or grasslands into smaller, more disconnected pieces.[72]

**The state is fouling its waters.** A second environmental consequence of Missouri's growth patterns involves the state's natural waterways—both its smaller streams and its major lakes. Streams and smaller ponds in the suburbs have been harmed by construction practices, increased use of septic tanks and lawn fertilizer, and the installation of impervious surfaces such as roads, sidewalks, and roofs.[73] Construction practices frequently increase soil erosion that can choke small creeks and streams. Septic fields fail. And the spread of hard surfaces increases the volume of runoff and loads it with pollutants such as oil, detergent, herbicides, or lawn fertilizer. Suburban development may also impact streams more directly: through "the loss of stream channels by shortening, culverting, [and] removal of riparian areas."[74] Even more troubling, however, has been the impact of low-density exurban development on Missouri's 292,204 acres of larger lakes, including such signature attractions as the Lake of the Ozarks, Lake Taneycomo, and Table Rock Lake. Around these reservoirs, a proliferation of septic systems, fertilizer runoff, and releases from overloaded sewer systems have contributed to large-scale eutrophication in the lakes, in which excessive nutrient loads lead to unsightly algae blooms that stress the biological communities and even cause massive fish kills.[75] Eutrophication has visibly decreased the quality of Table Rock Lake water in the last decade. And at Lake Taneycomo, effluent leaks and septic system ruptures have released odorous seepage that has supported algae plumes that have literally dirtied the once-pristine water.[76]

**Air pollution—particularly in St. Louis—continues to place many Missourians at risk.** Finally, decentralized growth has contributed to serious ground-level ozone problems in the state's two major metropolitan areas, Kansas City and St. Louis. Ozone, a pulmonary irritant that exacerbates respiratory problems, forms when sunlight and heat speed the reaction of volatile organic compounds and nitrogen oxide, which is a constituent of auto and truck tailpipe emissions. In this fashion, auto dependence in two spread-out regions clearly contributes to ozone levels that have become a serious threat to public health in Kansas City and especially St. Louis. Currently, eight counties in greater St. Louis have been designated a moderate-level non-attainment area for ozone by the U.S. Environmental Protection Agency. Within this zone, the region exceeded the federal "one-hour" standard 71 times between 1994 and 1998, at one point jeopardizing some $400 million in federal highway (although the region has since moved into compliance, protecting the money).[77] Kansas City, meanwhile, registered 18 exceedences during the same period, hitting two in 2000. Nor were actual exceedences the only bad grade. In addition, the American Lung Association's recent "State of the Air 2002" report provided a reality check on apparent progress on pollution by giving seven metropolitan counties in Missouri "F" grades on air quality.[78] In general, the fact is unavoidable: Missouri's decentralized development patterns have worsened the state's air problems by distributing jobs and houses across vast areas that necessitate a heavy reliance on cars to get to work and run errands.

### A Landscape at Risk: Boone County's Unique "Karst" Country

The threat unfettered development poses to the state's natural resources becomes tangible in the unique "karst" country just south of Columbia along the Highway 63 corridor. There, the Columbia area's dispersing development increasingly threatens the integrity of a unique swath of beautiful and ecologically sensitive topography poised along the highway at the juncture of two distinctive Missouri geological regions: the prairies and the Ozark hills. This region, known as the Little Bonne Femme Creek watershed, contains the two most valuable pieces of publicly owned property in the area: Rock Bridge Memorial State Park and Three Creeks State Conservation Area. Likewise, the district's hills and hollows harbor a delicate network of superb natural attractions, including some of the highest quality streams in Missouri; scenic bluffs, limestone caves, and forests; and a wealth of biodiversity that includes several endangered species. Unfortunately, though, the southward movement of growth from Columbia puts these irreplaceable natural features in harm's way. This summer, development was considered for one special tract known as the Philips Farm south of Columbia. And prior to that plans had been floated for a high-tech research park and a highway interchange at the Highway 63-Gans Road intersection. Moreover, no comprehensive city-county land-use plan exists for the ecologically sensitive area to guide future decision-making. In short, the dispersal of development into southern Boone County could soon intrude on the watershed. The uncertainty that surrounds these threats highlights the confusion and possible damage that too often results in Missouri when under-managed growth spreads into the countryside.[79]

### Water Worries: Tainted Lakes in the Branson Region

Chuck Walters, owner of the Rockaway Beach Marina on Lake Taneycomo, recently told *The Springfield News-Leader* that tourists who stroll onto his dock intending to rent boats sometimes walk away when they see the tangled mess of algae that grows in the lake. Mounted by a tourist-dependent businessman, Walters' complaint dramatizes one of the most substantial negative consequences that has resulted from the unplanned decentralization of development in Missouri. In the Branson area, decentralization has spawned an expensive water-quality mess centered around the nutrient-loading that causes the excessive algae blooms of eutrophication. All around the region's streams and lakes, residential settlement—often utilizing septic systems rather than dedicated sewer lines—has compromised a delicately interconnected hydrological regime with a vast dispersal of water-quality threats. Septic tanks (of which there are maybe 10,000 near Table Rock Lake alone) and their lateral lines rupture, allowing raw sewage to seep into the Ozarks' porous limestone and on into the lakes. Fertilizer washes off into storm sewers and creeks, adding more nutrients to the mix. And silt runoff from construction sites further reduces local streams' and lakes' capacity to carry oxygen. The result: Elevated nutrient loads in the big lakes lead to unsightly algae blooms and decreased water clarity that have begun to compromise the vitality of a $1.5 billion-a-year regional tourist industry in the Branson area, a third of which revolves around water activities such as boating. Happily, a number of aggressive local efforts have coalesced to try to reverse the problem. But as they proceed, sizable new costs of the region's unplanned development will likely materialize.[80]

# Missouri's current pattern of growth is hurting Missouri's competitiveness by eroding its quality of life.

More generally, low-density decentralization is degrading key aspects of the state's quality-of-place, which are critical to economic competitiveness. This troubling consequence of the state's growth bears special note given the growing importance of highly skilled, highly educated workers and entrepreneurs in the so-called "knowledge economy."

According to recent literature, economic growth increasingly comes to those places that attract and retain the largest stores of talented workers, or "human capital."[81] At the same time, surveys, regression models, and other studies of workers' (and hence businesses') location choices confirm that regional development patterns, downtown vitality, the proximity of housing to work, natural amenities, and close-by outdoor recreation all rank among the most important of location factors.[82]

Against this backdrop, Missouri's decentralizing growth trends pose several serious problems for the state's ability to attract and retain skilled workers and be competitive:

**Decentralization is weakening the downtown cores that attract young workers and foster collaboration.** A growing body of research stresses that economies gain when workers and companies cluster in tight geographical proximity, thereby gaining quicker access to new ideas and technologies.[83] Additionally, work by the economic-development expert Richard Florida emphasizes the special importance young "knowledge workers" place on vibrant downtowns.[84] Unfortunately, Missouri's urban cores are hardly dense hives of meeting and living. In Missouri, the wide suburbanization of both jobs and middle-class housing has accelerated the decline of core areas around the state. Kansas City, Columbia, Springfield, and Joplin all saw their downtown populations dwindle in the 1990s. The consequence: Missouri lacks the bustling, "24-hour" downtowns that draw smart young workers.

**Decentralization is eroding convenience, undercutting the quality-of-life competitiveness of metro areas, and even reducing resident choice for distinct places.** Much evidence affirms that companies and workers seek quality-of-life factors in metropolitan areas like housing near work, transportation options, and environmental quality.[85] New research furthermore reveals a growing demand nationally (especially among the vast Baby-Boom generation) for higher-density, closer-in residential alternatives with greater proximity to shopping and public transportation.[86] But here again Missouri's growth patterns conform poorly to emerging preferences. Neither St. Louis nor Kansas City ranks high among cities for compactness. Neither city enlivens its vast tracts of suburban subdivisions with diverse housing, vibrant activity centers, or transportation alternatives. And each major metropolitan areas (as well as the Springfield area) struggles with environmental degradation, including the loss of close-by greenspace, clean air, and clean water. Nor are the high-end suburbs of Kansas City and St. Louis remaining the quality attractions that once drew middle- and upper-income families. Myron Orfield has well described how waves of instability erode the competitive edge of even these pleasant communities: "As business and housing developers compete for locations in these [desirable] communities…open space evaporates and people who sought an insulated life closer to natural amenities find themselves in the midst of edge-city urban life with as much or more congestion, development, and stress as the places they left behind."[87] In short, the varied reasons that families move to cities, to suburbs, to small towns, or to rural oases are all being threatened as random growth blurs the line between communities and fundamentally erases what makes each type of these communities distinct.

**Decentralization threatens the state's best natural amenities, which drive the Ozarks tourism industry and much of the state's growth.** Missouri's unique natural assets, centered on the beautiful Ozark counties around Mark Twain National Forest and in the lake regions, play a huge role in the state's economy by keeping Missouri on the nation's tourism and retirement map. A recent Missouri Department of Economic Development assessment, for example, demonstrated that the 16 counties ranked in the top quarter of all counties in the U.S. for their natural amenities added population and jobs at substantially faster rates than the rest of the state.[88] These counties added 64,377 people in the 1990s to grow at a fast 23.8 percent rate. Meanwhile, tourist visits to the scenic Branson-Springfield "lake country" alone generated close to $1.5 billion in fiscal 1999—some 22 percent of the state's total tourist economy. That these communities are the same ones struggling to keep up with some of the state's fastest and least-thought-out exurban and rural growth, however, underscores a final negative consequence of the state's growth patterns on its competitiveness. The scatter of population into Missouri's most scenic rural locales puts at risk the very resources that drove growth in the first place.

### Missing in Action: Downtown Kansas City's Weakness Weakens Entire Economy

A multi-part newspaper inquiry by the nationally known reporting duo Jeffrey Spivak and Kevin Collison of *The Kansas City Star* this fall underscored the probable cost to competitiveness of Missouri's moribund downtowns. Along with documenting the economic drift of Kansas City's downtown, Spivak and Collison analyzed a series of indicators from the downtowns and suburbs of 16 peer cities to suggest that downtown Kansas City's weakness probably is holding the whole metropolitan economy back. Along those lines, *The Star* noted that wherever downtown employment surged, metropolitan employment and population typically surged too, and with them the overall metropolitan economy. Observed *The Star:* "From 1994 to 1999, metropolitan areas with the best job growth downtown also added jobs overall at a better rate [than regions with weak downtowns]—51 percent better. In those same areas, the overall economy grew one-third faster from 1991 to 1999, and the overall population grew three times faster during the entire decade." In all likelihood, the sluggish growth of downtown Kansas City was costly to the whole region's economy.[89]

# Missouri's current pattern of growth is straining the state's transportation system and burdening citizens with increasing travel costs.

Missouri's development patterns are also worsening the state's substantial transportation-finance crisis, straining its road infrastructure, and making it harder for Missourians to get around. That hurts competitiveness too.

Missouri resembles many states in its dependence on the automobile. Census data show that about 92 percent of the state's workers get to work by car. And the rate of vehicle ownership in the Show-Me State now approaches 1.2 vehicles per every licensed driver—or some 4.6 million vehicles. Yet for all that, the state's low-density development is exacerbating the problems of an auto-centric state to a special degree.

For example, in the absence of definitive Missouri-specific data and analysis, a substantial academic literature confirms that growth patterns such as Missouri's tend to increase a state's need for roads and substantially elevate the costs of building an adequate transportation network. A 1992 analysis undertaken for the New Jersey Legislature of that state's "planned" development act detailed the effect. It concluded that "trend" or status-quo development would require the state to spend $740 million more on new road lane miles over 20 years than "planned" growth, with $650 million of the added costs falling on localities.[90] Similarly, the Maine state planning office conducted its own assessment in 1997 and found that new roads cost Mainers $200 a year per household during the 1980s as the state built roads at a rate of 100 miles per year.[91]

Otherwise, Missouri's spread-out development patterns increase Missourians' transportation costs in other ways. New roads soon become old roads that require expensive maintenance. And then there are the under-recognized household costs of Missourians' lengthening trips, gas, and car repair and payments.

Here some indications of how Missouri's growth patterns are driving Missourians to spend:

**Decentralization widens the area that needs to be served by roads—and increases road-building costs.** As the state's urbanized area increases, so must its road mileage. Longer, wider roads must be built to connect increasingly scattered population and job concentrations. Which is one reason the state's total road lane mileage grew by 3,423 miles during the 1990s to reach 251,209 all told.[92] Of those new lane miles, nearly 72 percent—or some 2,456—were built in the state's increasingly populated rural areas. That growth more than tripled the growth of the urban system, according to Federal Highway Administration tabulations. More broadly, population dispersal explains at least part of why a middle-sized state struggles to maintain one of the larger road systems in the country. Such a large system has a cost: Namely, road expansion and maintenance helps inflate the state's yearly transportation budget, which reached $1.9 billion in 2002, although a new focus on "preservation" should begin to reduce some of the pressure.

**Decentralization generates more driving miles, adding to congestion.** With people living farther from jobs along such a huge road system, Missourians' vehicle miles of travel (VMT) surged in the 1990s. By 2000, VMT had increased 23 percent in St. Louis and 26 percent in the Kansas City region since 1992, and 18 percent in Springfield since 1993. Overall, VMT increased a sizable 34 percent statewide, increasing from 50 billion miles to 67 billion miles,[93] even though population grew just 9 percent. On a per capita basis, Missourians were driving nearly 33 miles a day in 2000, up from 26.7 in 1990.[94] With all this driving has come increased traffic, with all of its own costs. One analysis of Federal Highway Administration data found that 603 out of 1,743 (35 percent) of Missouri's urban interstates, freeways, and other major routes were "high volume roads" that frequently carried "more traffic than they were designed to carry."[95] Meanwhile, outright congestion is spreading in the state's major metropolitan areas despite significant highway construction. According to the Texas Transportation Institute (TTI), annual delays suffered by each rush-hour driver in the St. Louis area increased 127 percent in the 1990s, from 19 hours in 1990 to 43 hours in 2000.[96] Delays also spread across Kansas City's road system. There the annual delay per rush-hour driver lengthened by 171 percent, stretching from 7 hours to 19 hours. Such figures together with the scale of the regions' road-building point to a fundamental negative consequence of the state's auto-centric, low-density development patterns.

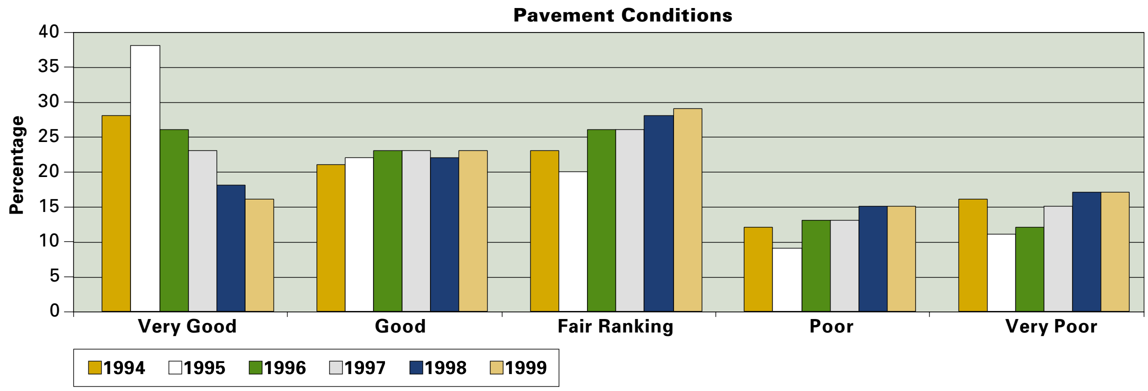
**Decentralization adds to households' costs in other ways.** That's because transportation-related expenditures are rising in Missouri even when traffic moves smoothly since more VMTs result in more repairs, more gas purchases, and more new-car purchases. In 2000, Kansas City and St. Louis households each spent about $7,900 on transportation, which represented 20.9 percent and and 20.4 percent of average annual expenditures. Those shares were up from 17.5 and 17.7 percent, respectively, in 1990.[97]

**Decentralized growth has deepened the state's road-maintenance crisis.** Over time, the lane-mileage increases and added driving required by dispersed growth take a toll on the condition of Missouri's roads. In this regard, a report by the state auditor recently concluded that Missouri roads are deteriorating and in generally worse condition than those in neighboring states. This review rated the condition of 43 percent of Missouri's interstate roads as poor or very poor, and it classified 19 percent of 9,900 state-owned bridges structurally deficient.[98] Ultimately the analysis attributed these conditions "to a large extent" to the large size of Missouri's road system and the state's tilt toward building new roads as opposed to maintaining them. And these conditions also have a cost. For its part, the Missouri Department of Transportation (MoDOT) recently estimated that rectifying the state's maintenance deficits will require up to $645 million a year over the next 10 years—some $242 million more than current funding will provide.[99]

### Road Wear: St. Louis Shows the Stress

No Missouri region has struggled more with the strains dispersed development places on the transportation grid than the St. Louis area. Substantial road building has accompanied the region's widening dispersal, to begin with. Yet strains persist. Even as congestion increases, the condition of the St. Louis transportation system remains uneven—and abysmal in places. Stories in *The St. Louis Post-Dispatch* repeatedly contrast the suburbs' wide ribbons of new pavement to the crumbling overpasses and connectors in the urban center.[100] Recently, MoDOT assessments acknowledged that 55 percent of Missouri-side freeway, arterial, and other lane miles in the metropolitan area remained in poor or very poor condition.[101] Going forward, a major local reprogramming of MoDOT spending from capacity expansion to preservation should begin to ease the tensions. But for now the challenges of supporting all parts of a dispersing region with quality roadways remain daunting.

## The condition of MoDOTs roads deteriorated during the 1990s




*Source: Missouri Office of the State Auditor, "Missouri Department of Transportation Condition Of Missouri's Highway Infrastructure and Related Expenditures," 2001.*

# Missouri's current pattern of growth is isolating low-income and minority Missourians from opportunity.

Finally, Missouri's development patterns impose an enormous social cost on the state that particularly harms its low-wage and minority workers. This cost results from the widening distance that separates the state's dispersing middle class from those living in Missouri's urban and inner-ring neighborhoods.

Particularly in the major metropolitan areas, decentralization and the "hollowing out" it leaves in its wake have deepened the isolation of those left behind in city centers. More and more, as middle-class residents and employment move outward, a wide physical distance separates the state's neediest families and workers from the state's best social networks, schools, and job paths. This spatial and social distance represents a major barrier to efforts to lift all working families out of poverty and onto the path to self-sufficiency in three ways:

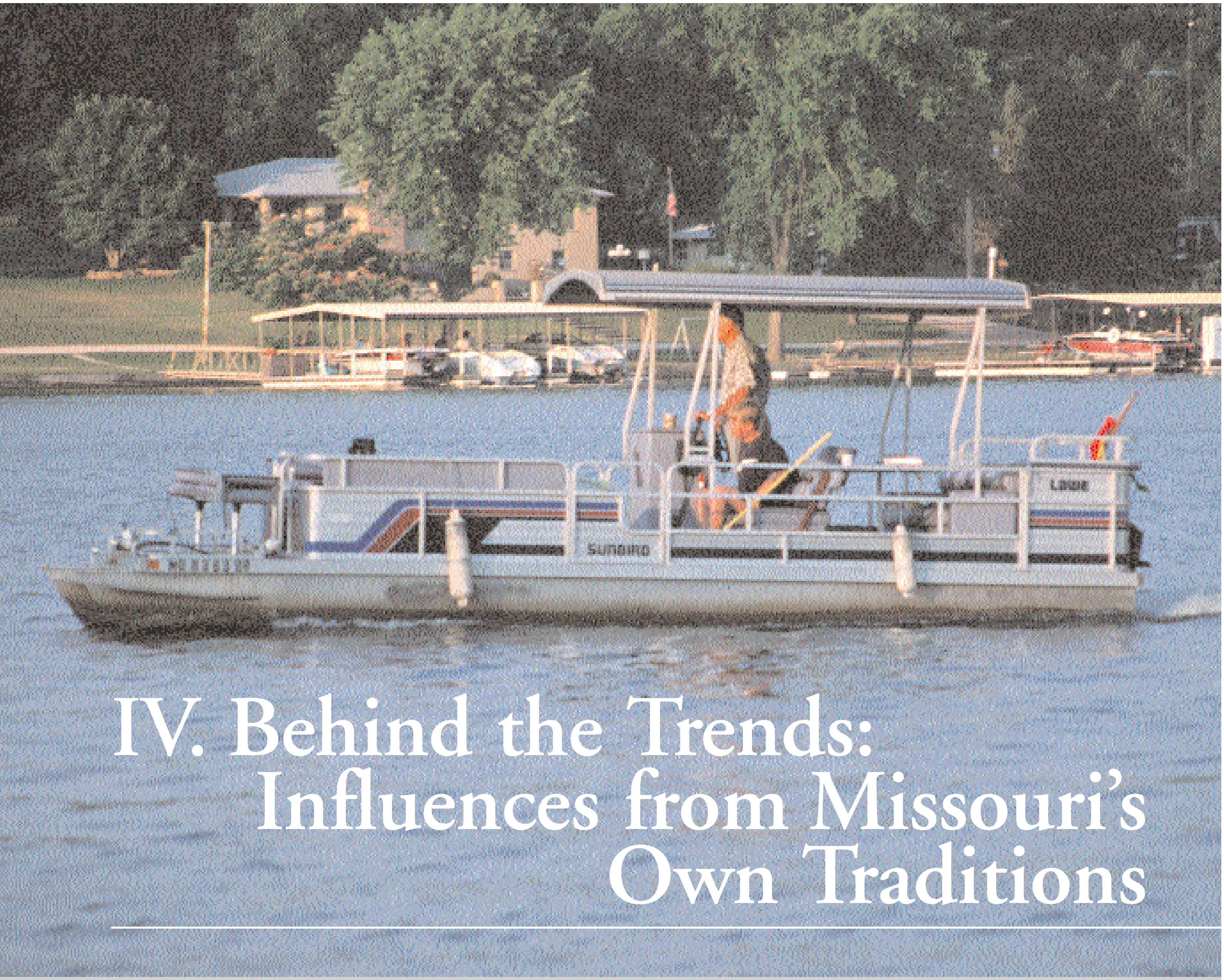
**Decentralization exacerbates social isolation in the core.** Dispersed development patterns, and the racial and economic divides they leave behind, deepen the problems low-income Missourians face by further separating them from the mainstream. Social science research, in this regard, documents that concentrated poverty and racial segregation deprive inner-city citizens of positive role models and exposure to middle-class values, further compounding problems they already face. As Orfield summarizes: "Poor individuals living in concentrated poverty are far more likely to become pregnant as teenagers, drop out of high school, and remain jobless than young people living in socioeconomically mixed neighborhoods."[102] As residents and jobs move further away from the core, leaving behind concentrations of poor and minority families, they may well be reducing the prospects of residents in urban neighborhoods.

**Decentralization reduces educational opportunities in cities and older suburbs.** As decentralization continues, the increasing concentration of low-income families and students in urban centers increasingly isolates children from Missouri's best schools. Data on the percentage of students receiving free- and reduced-cost meals between 1996 and 2000 show that while the overall Missouri average for federally subsidized meals increased by 1.9 percent, the inner-city average increased much faster. In the Kansas City school district, the subsidized percentage rose from 71.5 percent to 74.4 percent of all students. The increases were even steeper in inner-suburban districts. In Hickman Mills, the subsidized percentage rose from 41.4 to 50 percent of all students. In Grandview, it rose from 35.3 to 43.1 percent. By contrast, the growing suburban school districts of Platte, outer Jackson, and Clay counties all experienced declines in their percentages of students eligible for free and reduced cost meals. These income gaps between urban and suburban school districts create sharp achievement gaps between schools, with urban students badly trailing their suburban counterparts. On the Missouri side, the 40.9 percent of suburban students who achieved proficient or advanced levels on the reading section of the Missouri Assessment Program in the 1999 school year tripled the 13.3-percent success rate in urban schools. But not all suburban schools were strong. A number of inner-ring suburban school districts, including Hickman Mills, Raytown, and Independence, also saw significantly higher-than-average shares of students scoring below-proficiency for 4th graders in math. "Urban" problems of social and educational distress are spreading to the older suburbs as the metropolis spreads farther out. Decentralized development patterns are adding to the state's education problems.

**Decentralization distances poor people from job opportunities.** Finally, dispersed growth reduces the job prospects of urban low-wage and minority workers. This is because, as economies and opportunity decentralize, a "spatial mismatch" has arisen on the employment front between people and jobs in the state's larger regions. On the one hand, low-wage working people remain concentrated in central and inner-ring neighborhoods, where they often struggle to find good-paying jobs and advancement. On the other hand, the state's fastest job growth—including its largest numbers of retailing, service, wholesale trade, and even manufacturing jobs—increasingly takes place in fast-growing suburban places like Clay County near Kansas City or St. Charles County near St. Louis. This mismatch distances many of state's working poor from thousands of Missouri's most appropriate opportunities. Low rates of car ownership and inadequate public transportation widen the gap. The ultimate result: Missouri's decentralized and uneven growth patterns are deepening the isolation of Missouri's neediest workers from the economic mainstream.

* * *

Put it all together, and the unavoidable conclusion is that the important benefits of modest growth in the Show-Me State are being undercut by its dispersal. Moreover, Missouri's current growth patterns have negative consequences for all kinds of Missouri communities—rural areas, small and large cities, older suburbs, fast-growing new suburbs. Big city people and rural families, suburbanites and inner-city minority residents and exurban newcomers, all are being affected. Incoherent growth and development, it turns out, is everyone's problem.



# IV. Behind the Trends: Influences from Missouri's Own Traditions

Missouri's growth patterns in part reflect longstanding national developments. The drift toward auto-dependence, the decentralization of labor markets, the preference for low-density living, mass suburbanization: All these Missouri trends are in many respects national trends. Even rural population gains reflect an important national boomlet in the 1990s.

At the same time, though, Missouri is special, and a number of Missouri-specific factors have heavily influenced the way the Show-Me State has grown. Ranging from unique geographical attributes and cultural traditions to specific political choices, these state-specific influences have shaped Missouri's distinctive brand of growth and in several ways exacerbated its negative consequences.

## An Inviting Geography

Missouri's dispersed settlement patterns reflect to some degree the state's accommodating heartland topography, with its expanses of gently rolling prairie and open country. From the start few if any natural barriers—such as mountains, or oceans—have prevented settlement from expanding farther and farther outward in most areas. And where the topography was rugged—as in the Ozarks—it was not so formidable as to preclude settlement, as rough terrain has in parts of the West. Eventually, too, the Ozarks' gentle scenery attracted—rather than repelled—dispersed population growth.

## The Pioneer Tradition

Missouri's frontier history also sponsors its dispersal. From the beginning St. Louis was a gateway to points west, while Missouri epitomized the great American history of plain people staking their future on new land in new places. Soon thereafter, Senator Thomas Hart Benton loomed over the first half of the 19th century as Missouri's own thundering voice of western expansionism. In all of this, a tradition built up along Missouri's rivers and roads and in its newly founded towns of setting out from one place and then setting anew in another. Moving outward and settling in open country may in this way be "hard-wired" into the Missouri temperament. *The St. Louis Post-Dispatch* located exactly that impulse in the St. Louis suburbs a few years ago, where it suggested residents "seem to relish a variant" on the notion of "westward expansion" as they "move west" to west St. Louis County and St. Charles County "to rediscover a near-agrarian idyll."[103] The pioneer tradition lives on.

## The Rural Perspective

Allied with the pioneer tradition is the rural orientation of a state that still retains the second-largest number of farms in the U.S.[104] Harry Truman's biographer David McCullough has written powerfully in this vein on the strong pull the state's rural past exerted even in much-later, more-urban times.[105] Likewise, MU sociologist Rex Campbell had suggested the lasting relevance of the state's agrarian values, with their deep appreciation of the rural countryside and their strong emphasis on individualism.[106]


This special appreciation for agricultural landscapes, fishing holes, and the Ozark hills surely informs the state's continuing preference for dispersed "open-country" living. And so, too, does it play out in Missouri's proud tradition of "anti-city legislation," as observes MU emeritus political scientist Richard Dohm. Although this bent has changed with reapportionment and urbanization, many state laws still reflect what Dohm calls "rural biases," none more so than Missouri's stringent annexation laws.[107] These laws, with their requirement of two majorities in annexation elections (nonresidents and residents) or a two-thirds plurality in a combined vote, tend to stifle city attempts to expand their boundaries and have contributed to a proliferation of new towns and governments across the metropolitan and rural countryside. This proliferation has exacerbated the dispersal of development, and complicated efforts to manage regional problems like transportation, water quality, or the loss of open space.

*"This special appreciation for agricultural landscapes, fishing holes, and the Ozark hills surely informs the state's continuing preference for dispersed 'open-country' living."*

## The "Jeffersonian" Political Mind

How Missouri has grown has also been shaped by what Dohm and others term a "Jeffersonian" brand of conservatism. This ethos in part reflects the state's agrarian-pioneer tradition. But it more profoundly relates to the tradition in American thought associated with Thomas Jefferson, who believed, as Dohm notes, "in maximum political freedom and a minimum of government activity."[108]

Zealous to promote a nation of citizen-farmers, Jefferson distrusted government, and held that "it is not by the consolidation or concentration of powers, but by their distribution, that good government is effected." And so it goes with Missourians, who named their capitol Jefferson City and continue to emphasize individualism, minimal government, and dispersed political authority. In keeping with these commitments, Missourians prefer direct democracy (entailing many elected offices and many local votes), demand low taxes, and tend—in keeping with the skepticism immortalized by the "Show-Me State" nickname—to resist large new government initiatives.[109]

When it comes to growth, this mindset has had a number of important impacts—both positive and negative. On the positive side, Missouri's "Jeffersonianism" has kept governments responsive and approachable. It has also expanded consumer choice, since the number and variety of the state's counties and local governments offer Missourians, as the University of Missouri—St. Louis (UMSL) political scientist E. Terrence Jones has written, an unusually wide variety of land-use approaches and growth patterns, from strictly planned and carefully zoned to *laissez faire* to utterly rural.[110]

More problematically, however, Missourians' strong focus on property rights and its traditional aversion to government have provoked resistance to basic land-use planning, let alone larger-scale regional cooperation. In 1998, only 37 of Missouri's 114 counties (excluding the City of St. Louis) had adopted planning and zoning, according to an informal survey by the former president of the Missouri Association of Counties. Of those, only 21 counties—mostly in the six metropolitan areas—had actually implemented plans. The upshot: Missourians enjoy an added measure of personal freedom in the use of their property, but their communities and counties often lack significant ability to plan their futures to best maintain local property values and community character. In Missouri, thanks to the Jeffersonian mindset, it remains harder than elsewhere to channel growth toward where it is cost-effective, create truly diverse sets of distinct communities, protect traditional landscapes, and safeguard environmental assets like the Ozark lakes.

## Fragmented Government

Missourians' distrust of governments leads to a preference for small ones "close to the people," so Missouri law has made it as easy to create intimate new governments as it is hard to increase the size of existing cities through annexation. This too influences how the state is growing.

Most notably, Missouri's desire to decentralize power has spawned a proliferation of small, highly localistic governments. The state's unusually large number of relatively small counties (114) reflect an early desire to keep government accessible and small enough to allow for all residents to drive a team of horses to the county seat and back in the same day.[111] Beyond that, Missourians by 1997 had created at least 3,416 local governments, to rank Missouri 8th among states for its sheer number of governments and 12th for units of government per 100,000 people.[112]

This flowering of local democracy has produced an extraordinary array of distinct governments for every purpose. The 114 counties start the count, of course. Then there are the 972 cities, towns, and places Census 2000 identified, although Gary Markenson of the Missouri Municipal League (MML) puts the number at 1,000 now. And then come the state's 1,400 or more often-rural special districts, which usually retain an earmarked taxing authority to provide a variety of government-type, single-function services ranging from fire protection and ambulance service to road maintenance or sewer or water connections.[113] In 1992, Missouri ranked sixth among states for its number of special districts.[114] In 1997 it ranked first for road districts, with 308.[115]

And the scene is the same at the metropolitan level: The St. Louis and Kansas City regions rank third and fifth among the nation's 25 largest metropolitan areas for their numbers of political divisions.[116] Among an incredible 800 or so units of local government in the St. Louis area operate 312 total counties, cities, and townships, which alone comprise 12.2 major governments per 100,000 residents. In Kansas City, more than 450 governments include 182 major units for an incidence of 10.6 per 100,000 citizens.

How does this influence how Missouri is growing? Again, Missouri's multiplicity of governments has strengthened local identity and promoted community diversity in the state. However, it has also resulted in a degree of fragmentation that has increased the state's costs and complicated attempts to foster cooperation to address common challenges related to growth from transportation in St. Louis and water quality in the Ozarks to exurban population growth and infrastructure management.

In Missouri, nearby jurisdictions frequently duplicate infrastructure, administration, and services that could be provided more cost-effectively. Towns and counties compete to attract residential and commercial development in a race that exacerbates decentralizing development patterns. And local differences of opinion often undercut attempts to forge truly regional "metropolitan" solutions, as when in 1996 St. Charles County voters twice rejected a half-cent sales tax to fund the northward expansion of MetroLink. Problems like these are one reason significant academic research associates greater governmental fragmentation in regions with greater land-use inefficiency and socioeconomic division.

Ultimately, government proliferation creates a problem of scale, as Richard Dohm puts it. More and more the geographic reach of Missouri's challenges, whether in providing services efficiently, protecting rural landscapes, or maintaining water quality, exceeds the scale of an area's governmental machinery.

### St. Louis and Kansas City have more local governments per resident than their peers

| Metropolitan Area | Counties | Municipalities and Townships | Total Local Governments | Local Governments per 100,000 Residents |
|---|---|---|---|---|
| St Louis | 12 | 300 | 312 | 12.2 |
| Kansas City | 11 | 171 | 182 | 10.6 |
| Cleveland | 8 | 259 | 267 | 9.2 |
| Milwaukee | 5 | 108 | 113 | 6.9 |
| Chicago | 13 | 554 | 567 | 6.6 |
| Detroit | 10 | 325 | 335 | 6.2 |
| Denver | 7 | 67 | 74 | 3.2 |

*Source: U.S. Census Bureau; Myron Orfield,* American Metropolitics.

## State and Local Tax Structures

Missouri's state and local tax structures represent another state-specific twist to how Missouri is growing. Most critically, municipalities' heavy dependence on sales-tax revenues and the state's deep reliance on tax breaks due to spending caps set by the Hancock Amendment each exaggerate decentralization by sharpening the competition between municipalities for commercial assets.

Missouri localities depend inordinately on sales taxes for revenue—and that affects development patterns.

In 1997, sales taxes generated 27 percent of general-fund revenues for cities and towns and 57 percent of towns' tax revenues in Missouri. By contrast, municipalities nationwide relied on sales-tax collections for just 7 percent for their general revenue and 18 percent of their tax collections.[117] More recently, a 2001 survey by MML showed that sales-tax reliance was increasing, placing such tax dependency of cities and towns located outside of St. Louis and Kansas City at 52 percent, up from 45 percent in 1994.[118] Since the Hancock Amendment requires even localities to obtain voter approval for tax increases, localities' best option to grow their revenues has become the attraction of retail.

Put this dependency on sales taxes together with the state's large number of jurisdictions, and the result is a classic case of the "fiscalization of zoning."

With sales taxes so critical for revenue, the state's fragmented map bristles with competitions for retail that frequently distort land-use decisions. Municipalities have become unabashed in their courtship of developments that generate sales taxes, offering ever-more-permissive development terms. Not surprisingly, the towns most aggressive in wooing new stores and malls are often fast-developing fringe suburbs that are hustling to pay for the streets, schools, police, and firefighters growth suddenly demands.

Exacerbating these dynamics is the State of Missouri's extraordinary array of special tax-break and incentive programs for development. Some of these subsidies have helped spur beneficial, central-area projects like the historic 18th and Vine redevelopment area and key loft-revival projects in downtown Kansas City. But more often an explosion of use and abuse of the subsidies in the 1990s underwrote decentralization in the major regions, as several major newspaper exposes have indicated.[119]

A case in point is the state's liberal "tax increment financing"(TIF) statute, which has become a significant influence on the siting of new commercial and other projects in Kansas City and especially St. Louis.

Under TIF, site improvements at the start of a project are financed by the issue of public-sector bonds secured by future project tax revenue, allowing in principle for the completion of up-front investments that will stimulate investment in "blighted" or otherwise struggling areas. Such tax aid can be a powerful spur to redevelopment.

However, the vagueness of Missouri's TIF statutes in practice allows their heavy use in subsidizing development deals in prosperous, or outer, parts of regions to which development will likely come on its own. In St. Louis, most notably, 14 of the region's 38 TIF districts lie outside the region's major ring road (I-270) and contain 57 percent of the TIF-captured property tax base in the region.[120] Frequently the projects take place in growing cities far west of the region's distressed areas, and frequently they are used to attract development from established regions to greenfield areas.[121] Des Peres, the second wealthiest zip code in the region, for example, used the area's largest TIF subsidy to attract a new Nordstrom's store to the new West County Center and rebuild an existing indoor mall. And St. Peters, already one of the fastest growing municipalities in the state, has employed the provision to boost development at the Mid-Rivers Mall and on sizable tracts of nearby farmland.

The role of Missouri tax law in such projects exemplifies the way particular state policies and choices affect the quality and direction of growth in the state.

## A History of Road-Building

A final driver of decentralization is Missouri's tradition of large-scale road-building. This tradition dates to 1808, when Missourians established the King's Highway, the first legally designated road west of the Mississippi.

"Building freeways [in Missouri] has become…akin to the pyramids to the Egyptians," remarked former Missouri Rep. Lloyd Daniel a few years ago, and he had a point.[122] Over recent decades, MoDOT, the General Assembly, and most regions across the state have all collaborated in unusually enthusiastic road-building across the state.

By 2000, in fact, the 17th largest state by population and 20th largest by area possessed the seventh-largest state-owned highway system and the eighth-largest number of total state and local lane miles in the country. All told Missourians have built a total of 251,209 lane miles of highway.[123] As recently as 1997, MoDOT was still pushing a "15-Year Plan" to build four-lane highways to every Missouri city with a population of 5,000 or more.

Nor did a recent reorientation of the department's emphasis away from building new roads to maintenance significantly downsize the last decade's construction. Between 1990 and 2000, MoDOT and localities built more than 3,000 new bridges across the state and added 3,423 new lane miles to the 32,000-mile state road system.[124] In St. Louis between 1988 and 1999, governments added almost 600 new lane miles to the interstate system, nearly doubling what was there previously despite modest real population growth.[125] And meanwhile Kansas City road builders poured out some 1,150 new miles of local roads and freeways across, around, and through the region between 1990 and 2000. That extended the metropolitan area's road network by 7.4 percent.[126] Among large metros, only three maintain more roadway miles per resident than Kansas City. And no American city boasts more freeway miles per person.

Taken together, all of this road-building has played a critical role in the state's economic development by keeping the state well-connected. At the same time, though, the sheer size and reach of the state's road infrastructure has helped scatter population and employment. As in other states, Missouri's highways have increased the accessibility of farther-flung locations; as elsewhere but more-so, aggressive Missouri road-building has made it possible for residential and commercial development to advance farther away from city centers and deeper into the open country. In this way Missouri's tradition of transportation investment both supports and promotes decentralization.

That that policy tradition remains heavily focused on roads (rural, urban, and special transit systems garner no more than $11 million-a-year in operating assistance under MoDOT's $750 million-a-year current funding projections) only intensifies the effect.[127] Road-building has accelerated population dispersal and so increased the long-term price of maintaining Missouri's transportation system.

# V. Another Way: A Policy Agenda to Help Missouri Grow Stronger

So how does a state incurring significant costs from inefficient growth patterns get a handle on those trends now that a fiscal crisis demands it?

How does a place that needs and wants to be prosperous do so in ways that enhance its competitiveness and quality-of-life, rather than undercut them?

And how, finally, do 114 counties and 1,000 municipalities use their local capacities to respond to the downsides of decentralizing growth patterns, including straining local budgets, multi-county transportation challenges, and the replacement of scenic, open fields with rows of big-box retailers?

These are tough questions: No doubt about it, Missouri stands in a difficult spot just now as it considers how it is growing and how it should proceed.

On the positive side, the last decade brought much-needed growth, and new people, to a state that needs to retain them. Yet on the negative side, population dispersal (with all of its consequences) became ubiquitous in the 1990s even though absolute growth was uneven (and is now slowing) across the state.

And other challenges trouble Missourians. Across the state, questions about the form, costs, and inefficiency of Missouri's development patterns conflict with fears that managing growth will kill it in hard times. Similarly, a growing discontentment with business-as-usual—with its proliferating strip malls, longer driving times, and lost rural tranquility—runs up against deep commitments to localism, personal choice, and economic freedom.

In short, the present would seem a daunting moment for the Show-Me State to contemplate a major redirection of the way it has been developing.

And yet, the present is precisely the *right* moment for Missouri to evaluate and readjust the state's longstanding growth patterns. Three reasons make it so:

- First, fiscal responsibility alone requires decisive moves, in times of budget crisis, to place the state's development trends on a more efficient and cost-effective footing
- Second, the state's economic competitiveness, particularly at a time of slowing growth, depends on keeping the state attractive to educated workers and families, and reducing the costs to communities that spread out development can exact
- And third, the health and vitality of the state's diverse localities—whether they be big central cities, small college towns, bedroom suburbs, tourist destinations, or rural hamlets—are in many ways being threatened by the chaotic manner in which residential, commercial, and economic development is enveloping the state and blurring local uniqueness

These reasons for reconsidering the state's manner of growth are the same ones that have motivated many citizens, local leaders, governors and state legislatures all over the country to seek reforms recently. More and more, leaders understand that:

- Sound land-use and growth practices *reduce* the per-capita costs to taxpayers of providing services and building infrastructure, such as schools, roads, and sewers
- Reforming growth-as-usual can actually *promote* better growth, by reducing the economic inefficiency of sprawl and enhancing a region's "quality-of-place"
- Well-thought out land-use planning can *increase* citizen choice by promoting the development of affordable and middle-class housing, providing walking and transportation options, and preserving Missouri's diversity of residential and recreational locations

In view of these powerful rationales, the report offers local and state leaders in Missouri five major dimensions of a serious effort to make the most of growth's benefits while reducing its downsides.

These five major policy goals, however, sketch only a partial agenda for creating a truly prosperous and competitive Missouri.

More broadly, all states must pursue three general sets of strategies to be truly competitive.

First, they must embark on large-scale investment strategies that ensure that cities and metropolitan areas—the economic engines of the state—grow truly vibrant even as rural areas gain stability and opportunity. These economic strategies will likely include investments in public schools, higher education, biotechnology centers, downtown development, rural and neighborhood revitalization, and the enhancement of the state's natural and lifestyle amenities.

Secondly, states need to bolster the assets and opportunities of low-income and working families living in cities, small towns, and rural areas to ensure that families and their children can continue to lead independent, rewarding, and productive lives. Widening receipt of the Earned Income Tax Credit (EITC) in rural and urban areas, for example, can do a lot to ensure that work pays and supports success among lower-income families.

And third, states must promote healthy growth and development patterns, which determine the environment within which neighborhoods and communities grow. Critical here is ensuring that larger-scale growth and development dynamics do not undercut the health of existing localities, create new costs, or harm precious land and amenities.

This third broad policy priority is the focus of this report. But the following strategies to promote healthier growth and development in the state will work best if the other investments—in economic competitiveness, in education, and in families—are also pursued in tandem.

And so, the following pages lay out—with specific policy steps and some relevant models—a five-point set of initiatives to help Missourians focus on the important goal of maximizing the benefits of its growth and development. Action in these five areas will greatly help Missouri enhance its quality of life and make the most of its limited resources.

# Know the Context

## THE GOAL: THE STATE OF MISSOURI SHOULD ESTABLISH THE INFORMATION AND ANALYTIC BASE TO SUPPORT BETTER GROWTH POLICIES

Smart states "know the context" of their challenges. They take pains to understand growth trends as a first step towards better harnessing and managing them.

In keeping with that, Missouri public- and private-sector leaders need a far richer stream of information and analysis on growth patterns in the state (and on the economic, social, environmental, and fiscal implications of these patterns) than they possess now.

At present, Missouri lacks such a multidimensional picture of its metropolitan and statewide growth trends, and the different market, demographic, and policy forces that may be driving them.

Granted, several separate efforts around the state gather some of the needed information. The state DED, for example, provides an extensive data resource and "think tank" analyzing economic issues. And the state university system supports a number of top-flight research shops, including OSEDA (a unit of MU's University Outreach and Extension division that serves as the state census center); the Community Policy Analysis Center (CPAC), which uses its "Show-Me" model to project local revenue-outlay flows; and the Public Policy Research Center at UMSL. Equally valuable are the strong metropolitan research efforts of the East-West Gateway Coordinating Council in St. Louis and the Mid-America Regional Council in St. Louis and Kansas City, respectively.

Still, these separate efforts, while impressive, fail to provide state and local leaders with the state-wide information they need to design and implement really smart policies.

In part this owes to the fact that the various data and research efforts are not well coordinated among each other and often do not add up to a collective story or knowledge base. But even accounting for such fragmentation, huge gaps exist in what planners and legislators know in Missouri.

In conducting the research for this report, for example, Brookings could turn up relatively little information on several major areas of concern. For instance, it was difficult to find complete data on growth dynamics in the smaller municipalities of the state. The same goes for local research assessing the impact of state policies and programs on growth patterns. How do state and local highway and infrastructure spending affect the pace and location of new housing and jobs in communities? What role do various state and local tax instruments play in creating incentives or disincentives for different forms of growth? Likewise, few efforts appear underway to assess the costs—fiscal, environmental, and social—of development patterns on various parts of the state. How does the cost of providing government services vary in different counties with differing development patterns? In general, many of these questions remain largely unanswered.

And so it would serve Missourians well if state leaders undertook a series of strategic, targeted initiatives to advance research that helps inform policymakers as they consider new approaches to growth and development. Such analyses need to be spatial—meaning, they should focus not just on what is happening, but why and where it is happening. The research also needs to be collected and updated constantly, so the state and local jurisdictions can benchmark their individual and collective progress on key economic, development, and environmental indicators.

*"It would serve Missourians well if state leaders undertook a series of strategic, targeted initiatives to advance research that helps inform policymakers as they consider new approaches to growth and development."*

### Research Atlanta: Research for a Better Region

Metropolitan Atlanta offers the most advanced model of a research consortium for Missouri to consider. In the early 1970s, a group of Atlanta business and civic leaders created Research Atlanta to enable the city (and now the region) to "solve its problems through research." The organization supports independent research on a broad range of issues including government services, government structure, housing, taxation, air quality, and transportation. While Georgia State University manages the daily operations and programs of the organization, Research Atlanta engages a broad mix of scholars from various universities and research institutions in the metropolitan area. A volunteer board of directors guides its work. Recent publications have framed debates about the cost and land-use impacts of a new outer perimeter highway in Atlanta, suggested ways to break up concentrations of poverty, and provided options for establishing regional decision-making. Missouri could take this regional research model to the state level.

**For more information:** See www.researchatlanta.org

In any event, to provide Missourians with a really firm grasp of growth trends and impacts in their neighborhoods the state of Missouri could:

1. **Create a "Research Missouri" network to compile and seed research on growth and development patterns.** The fragmentation of Missouri's information sources underscores the need for a one-stop source in the state for research on various metropolitan and rural areas, and for the state as a whole. We therefore recommend that a single organization or network of researchers and existing organizations, "Research Missouri," be created.

   Such an organization could, at a minimum, act as a clearinghouse on growth-related research for the state, and establish a website with links to some of the reports mentioned in our bibliography. More ambitiously, Research Missouri could move to systematically identify significant gaps in the existing information, and even to seed needed new analyses by independent scholars and researchers. For example, a Missouri-specific study could be commissioned along the lines of the fine University of Kentucky analysis (cited in Part III) assessing the sharply different costs of adding population in Kentucky counties with differing growth patterns.

   As to its structure and administration, Research Missouri could be governed by a board of directors drawn from the private and nonprofit sectors, and placed within the state university. There the enterprise could garner an important measure of independence and prominence, and function effectively as a "virtual" entity.

   Independence is critical because disparate constituencies—developers, environmentalists, business groups, urban advocates, state policymakers—must have confidence in Research Missouri's work and use it as a basis for decision-making and agreement. "Virtual-ness," meanwhile, will allow Research Missouri to attract a wide range of researchers and scholars who may be affiliated with other institutions.

2. **Disclose the spatial impact of state programs.** The state also needs to assess the degree to which its own activities hinder or accelerate sprawling development patterns. Unhealthy growth patterns don't just happen. In subtle and not-so-subtle ways, specific state, federal, and local programs and policies—whether they be particular tax structures or state spending initiatives—influence the course and nature of growth. Highway building may open up outlying new areas to development, pulling jobs and people away from the core. Transit improvements or economic development spending, by contrast, may buoy a struggling inner suburb and postpone decentralization. Either way, government—and oftentimes the state—alters a region's trends through its own actions, spending, and policies. And yet, in Missouri very little is known about how and to what extent various state programs shape growth. And that means the state lacks an objective, detailed, and comprehensive basis for framing high-quality reforms.

To fill that gap, the state government should embark on a systematic inventory of all growth-influencing state government programs. First, a careful tally should be completed of all programs with growth and development implications, ranging from reinvestment in older communities to tax provisions. Infrastructure programs will no doubt top the survey, but so will a myriad of other programs make the list. Once it has been assembled, this compilation should be subjected to a clear spatial analysis of how state resources are allocated, and where the money flows. Ultimately, the new data will likely structure a far sharper discussion of equity issues, how and where the state should be growing, what activities influence those patterns, and which policy adjustments might help the state grow differently.

### Taking Inventory: North Carolina

North Carolina's Interagency Quality Growth Task Force shows how Missouri might start the process of disclosing the spatial impact of state programs. In January 2000, the North Carolina task force published its highly informative compendium, "An Inventory of State Government Programs that Influence Growth in North Carolina." Included in the tally were not just explicitly smart-growth programs, but also programs that influence growth in any way. Overall, the ten programs cited as having the most influence on growth were programs for: highway building; transit improvements; water and sewer funding; the industrial development fund; industrial revenue bonds; on-site watewater treatment; ambient air-quality standards; urban transit; watershed programs; and the local planning and management grand program. This list served to focus a major reevaluation of state spending priorities.

**For more information**: See www.enr.state.nc.us/docs/ncgrowth.pdf

# Rethink Transportation and Infrastructure Policy

## THE GOAL: THE STATE OF MISSOURI SHOULD ALIGN ITS TRANSPORTATION AND INFRASTRUCTURE INVESTMENT POLICIES WITH THE PRINCIPLES OF SOUND LAND-USE AND SENSIBLE PLANNING

Any review of Missouri state-government programs will reveal the substantial—and decentralizing—influence of transportation and infrastructure spending on growth patterns in Missouri.

Missouri's highway and other capital programs have complicated the state's budget crisis, failed to keep pace with growth, and contributed to dispersal by facilitating the movement of people and jobs from more established locations to new ones.

Transportation investments have in many cases shifted economic activity from one part of a region (generally the older core) to another (generally the exurban fringe) without full examination of the consequences. Public spending on water and wastewater facilities, flood-control works, and so on has similarly occurred in an atmosphere of short-term problem-solving rather than long-term planning.

Nor has this fragmentation gone unnoticed. Over the last few years awareness has grown in Missouri of the need to reform transportation and capital development in the state by aligning it with sensible land-use principles, quality-of-life goals, and broader planning for economic efficiency.

In 1996, for example, the report of the late Governor Mel Carnahan's Total Transportation Commission emphasized the relationship of the transportation system, quality-of-life, and economic development, and called for a more comprehensive planning process that "integrates transportation decisions with other related public policies."[128] And, in 1999, the bipartisan steering committee for the first Missouri Legislative Forum (an annual program of the Danforth and Kauffman foundations) presumed that "the state's current planning and organization for developing transportation policies are inadequate, and improving them is critical."[129] Those assembled for the forum recommended, among other things, that the state "establish and monitor accountability for the system under a revised governance framework." Unfortunately, no such fundamental revision has been forthcoming, either in the realm of transportation or other capital planning, even as recognition of the need for change spreads prompted by the state's fiscal crisis and the 2002 defeat of the Proposition B package of sales and fuel-tax increases for transportation.

Given all this, the time is right for Missouri to rethink its transportation and infrastructure policy to better coordinate the state's spending on roads, sewer pipes, and flood-control facilities with other priorities, such as the need to minimize costly decentralization and revitalize established urban and rural communities.

At least one governance reform appears necessary to facilitate the needed policy coordination, and that should then promote at least three broad adjustments of state capital policy.

## Connecticut's Transportation Strategy Board: Seeking the "Big Picture" on Infrastructure Spending

In June 2001, Gov. John Rowland signed into law an act of the Connecticut General Assembly creating a Transportation Strategy Board to better coordinate the state's transportation spending. Designed to promote a more holistic view of system investments, the new panel consists of fifteen agency, business-community, and investment-area members who are tasked with setting capital and strategic priorities in a multidimensional process. Under that process, five working groups examine and make recommendations on such issues as the "movement of people," "evaluation," and "land use and economic development." Meanwhile five "investment-area" representatives provide a forum for public participation and local transportation plans. Clearly, the ultimate effectiveness of the new board remains to be assessed. But already the panel's swift completion of its initial transportation strategy and cost projections has been well received. Missouri would do well to consider this model for raising the profile of transportation decision-making and integrating environmental, economic, and social considerations into planning.

**For more information:** See www.opm.state.ct.us/igp/TSB/tsbinfo.htm

In the realm of governance the State of Missouri should:

1. **Create a Missouri Public Capital Investment Board.** Multidimensional policy-making requires a multi-interest forum for decision-making. For that reason, Missouri—in the absence of such a forum now—should establish a dynamic new public-private partnership at the state level for coordinating priorities on infrastructure spending.

   Long overdue, such a panel—the notion of which has been circulating for more than a year—would ensure that Missouri's public capital investments are not simply focused on building infrastructure but also on building competitive, healthy communities.

   Made up of equal numbers of key state department heads, regional business leaders, and regional planning organization leaders from around the state, an investment board would work through a coordinated process to develop a shared state vision with which all capital expenditures would be aligned. Accompanying that vision would be sound new standards for both economic and quality-of-life outcomes. These standards would be designed to ensure that Missouri's capital spending supports the health of established communities, minimizes greenfield development, and respects local community visions and values. Using them, the board would refocus the state's long-term transportation plans, and coordinate investment philosophy for investments in water and wastewater facilities, flood control, public buildings, and other works. For the first time, Missouri would gain a rigorous and accountable planning process that fully integrates transportation and capital decisions with other local and regional policies and aspirations.

In terms of general policy, the new investment board's priorities as well as all of the state's transportation- and infrastructure-related programs should be readjusted along the following lines:

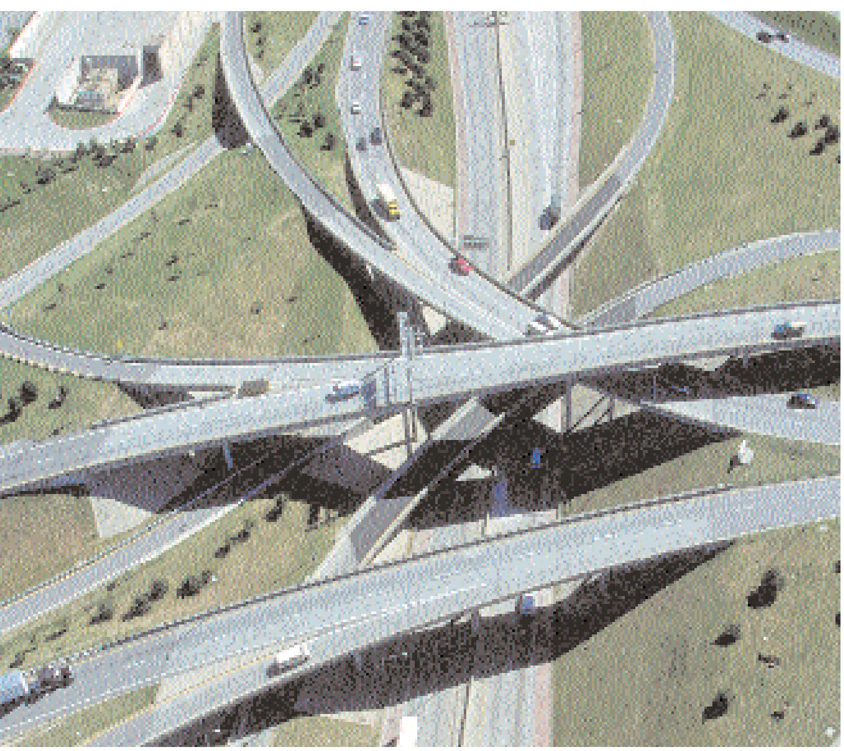
2. **Use capital investments to support sensible land-use.** Implicit in the investment board concept is the notion that infrastructure planning must be coordinated with land-use planning. Water, sewer, and road connections directly affect growth patterns, after all. Therefore, great pains should be taken to assure that state capital projects support—rather than disrupt—the existing plans and priorities of communities, as well as the interests of the state. To that end, exhaustive efforts should be made to coordinate state road or sewer investments with other agencies' activities, and to make them consistent with local and regional comprehensive plans where they exist.

   Already, MoDOT is working hard to solicit planning input even in rural areas beyond the reach of the major metropolitan planning organizations (MPOs) where few plans exist. But more work needs to be done—by MoDOT and others—to consult existing corridor, land-use, and traffic plans or to encourage their creation. In like fashion, special funding consideration should be given to infrastructure projects that follow sensible growth principles, or originate in communities with comprehensive plans. Such priority consideration would create positive incentives for voluntary local planning to ensure roads and developments match up and sewers and water mains are added on a rational basis.

3. **Preserve and maintain existing systems and communities.** Another principle: Missouri infrastructure investment should support existing communities and facilities—rather than subsidize the creation of remote new ones. This fits with both fiscal necessity and sensible land-use. State capital investments ought to emphasize the repair and enhancement of existing systems and places rather than expansions that disperse resources, scatter population, and complicate management.

   On the road front, MoDOT has begun the change. Of late it has made "taking care of what we have" its top priority, acknowledging that its past emphasis on building new roads instead of maintaining established ones resulted in a deteriorating system.[130]

   But all kinds of capital programs should emphasize support for long-established communities, rather than greenfield development and newer communities. Decisions on new interchanges, new highways, and widenings of existing roads should all be preceded by studies of their potential impact on existing communities. The same goes for the distribution of grants and other support for water/sewer projects. Currently, these are reviewed with an eye to encouraging intergovernmental collaboration; perhaps that review can expand. Ultimately, the benefit will come to all Missourians: Directing infrastructure spending to established communities will promote more vibrant downtowns, strengthen strained suburbs, and reduce development pressures on natural and agricultural areas.



## Maryland's Priority Funding Areas: Favoring Older Communities

In 1997, Maryland enacted "smart-growth" laws to steer major state road, sewer, and school investments away from farms and open spaces to "priority funding areas" in established places where infrastructure already exists. The law also allows counties to designate other areas if they meet certain guidelines. Such rules do not stop development or the role of market forces; they simply shift taxpayer resources away from subsidizing inefficient and potentially harmful projects. Several states have followed this approach.

**For more information:** See http://op.state.md.us/smartgrowth/smartpfa.htm

4. **Support alternative transportation strategies.** Finally, rethinking transportation policy means investing more state money in alternative transportation strategies, particularly public transit.

   More and more, efficient and comprehensive transit networks are emerging as a long-term competitive necessity for regions. Transit, where effective, can promote efficient uses of land and provide mobility for a diverse population. Likewise, it can provide a desirable alternative to the automobile for middle-class residents, an affordable and reliable way for entry-level workers to get to distant work, and a responsible approach to ease the strain growth places on the environment. However, in Missouri as in many states, transportation policy has focused on highway and road expansion to the exclusion of alternative strategies. Currently, the state invests only small sums in the state's 250 urban and rural transit systems, while a constitutional requirement mandates that gas-tax revenues be spent exclusively on roads and bridges. Such priorities keep the state from developing a truly balanced transportation system that will help build livable, convenient communities.

# Review the State-Local Tax System

## THE GOAL: THE STATE SHOULD ALIGN ITS TAX AND FISCAL STRUCTURES WITH THE OBJECTIVE OF SOUND LAND-USE OUTCOMES

Missourians should also examine their state and local tax and fiscal policies with an eye to reducing the pressures on localities to pursue misguided development.

To be sure, Missouri's budget difficulties in the wake of the slowing economy provide plenty of other reasons for the state to examine the adequacy and appropriateness of its fiscal structures. Huge budget deficits now threaten the state's basic ability to make needed investments in its future.

But for all that, state-local tax and fiscal structures (like state infrastructure policy) also exert a powerful influence on the state's future land-use patterns.

As noted in the last chapter, localities' high dependency on sales tax collections for revenues—along with the barriers to raising tax rates imposed by the Hancock Amendment—gives local governments a strong incentive to develop land in ways that generate sales tax revenues. The result is that the state's many local governments vie intensely with each other to land the all-important shopping malls, retail centers, and big-box retailers with their taxable retail sales. What results is a pervasive competition for new development that is both wasteful and disruptive.[131]

The scrimmage is wasteful because, from a regional point of view, all this interlocal competition remains largely a "zero-sum" game of winners and losers in which communities fight to shift economic activity around without cooperating to enlarge the shared economy. The fighting is disruptive because it tends to accent disparities and scatter growth. Given the current structure, newer fringe places strive to lure retail from more established sites, older places lose needed tax base, and overall the imperative to grow contributes to decentralization.

Add in the misuse of some tax increment financing (TIF) deals, and the state's tax structures appear to promote further competition between jurisdictions for economic development subsidies. This leads to greater economic disparities, further development on the fringe, over-retailing of some communities, and an overall inefficiency in land and resources.

In view of these dynamics, the state of Missouri should undertake two major actions to reduce the tax system's incentives to disperse development:

1. **Reform TIF Law.** In the near-term, the state should fix the state's laws enabling tax increment financing and promote more consistent implementation.

   In principle, Missouri's strong embrace of TIF provides an important tool for promoting economic development in established or struggling places. In practice, however, TIF has facilitated greenfield development at the expense of investment in established communities.

   The early promise of TIF was that it would help slow-growing places like central cities and older suburbs jump-start reinvestment by financing site improvements or other "economic development costs." To that end, the state's TIF rules allowed localities to designate TIF districts in "blighted," "conservation," or other "economic development" areas.

   Over time, however, the vagueness of the law's qualification requirements has allowed for overuse of the TIF program, particularly in the St. Louis area. Courts, furthermore, have interpreted the law's loose language liberally. Consequently, TIF projects have proliferated in fast-growing new suburbs where they add to the advantages of outer districts rather than help older areas compete.

   Fortunately, reforming TIF is an attainable objective. In its next session, the Missouri General Assembly should tighten the qualification criteria for TIF projects so as to more carefully target investments in central cities, older suburbs, and truly distressed sites. This might be accomplished by confining TIF eligibility to particular geographic areas; or, it could be achieved by indexing the amount of TIF money available to projects to objective measurements of distress, such as the local poverty rate, neighborhood unemployment, or tax assessments.

   Either way, TIF is a valuable tool for the state and its localities that needs to be sharpened to better promote the health of established places and ensure that tax-payer dollars are spent wisely.

**2. Empanel a commission to review the state-local tax/fiscal system with a partial goal of removing incentives to inefficient growth patterns and promoting sound development.** Ultimately, reforming TIF will not be enough, though. More broadly, the TIF issue only underscores what the current budget crisis also highlights: the pressing need for a comprehensive, objective review of the overall adequacy, efficiency, and equity of Missouri's revenue system.

So far, calls for another look at the tax system have revolved mostly around Missourians' concern about recent budget cuts. The state's deep spending reductions in core state programs, like higher education and economic development, have prompted serious questions about Missouri's revenue system.

But any assessment should also consider the unintended consequences of the state's revenue structures on Missouri's development patterns, the health of cities, and its rural areas. Heavy municipal sales tax dependency results in a wasteful competition for tax base among numerous governments: How, then, might the competition be reduced? Does the state's very low rate of state aid as a share of municipal expenditures exacerbate the competition by leaving cities to their own devices? In 1997, it turns out, state aid made up just 6 percent of Missouri municipal spending compared to an 18-percent national average.[132] And then, what other state-local tax factors encourage wasteful development patterns, sharpen the fiscal disparities between older areas and new suburbs, and aid excessive intrusion of rural landscapes?

Certainly, these issues remain less pressing than the overall budget crisis, which will likely compel a systematic revenue-system study and reform process. Nevertheless, it is just as certain that the implications of the state-local fiscal system for the state's growth patterns should become a big part of any such review. Aligning the tax/fiscal system with the objective of sound land-use outcomes would go a long way to promoting the health of Missouri communities. A commission to probe these issues and make recommendations would start the work.

### Wisconsin Revenue Sharing: Addressing the revenue/growth connection

Wisconsin has made state aid a major part of its efforts to balance growth, protect older communities, and minimize wasteful intergovernmental competition. There, state aid contributed no less than 30 percent of municipal spending statewide in 1997, with much of the sharing distributed on the basis of several criteria including population, the existence of untaxable utility properties, and the condition of the local tax base. Altogether, the Wisconsin Department of Revenue reported that almost $1 billion in state revenues were shared among jurisdictions in 1997 for use as they saw fit. This unconditional—and sizable—program greatly helps both Wisconsin regions and individual cities. Most importantly, it helps equalize revenue-raising capacity among local governments, and so dampens interlocal competition. It also helps municipalities provide their residents with basic services without resorting to unduly high property taxes.

**For more information:** See www.legis.state.wi.us/rsb/Statutes.html

# Protect Rural Missouri and Craft Livable Regions

## THE GOAL: MISSOURI SHOULD WORK TO PROTECT THE INTEGRITY OF ITS SIGNATURE RURAL SPACES BY SHAPING WELL-PLANNED REGIONS

The welcome arrival of growth in the state's hinterlands underscores another critical need: that of safeguarding the character of rural Missouri and promoting the future livability of all the state's regions through better planning.

"Rural Missouri" encompasses the frontier of today's and tomorrow's sprawling development, as this report has suggested.

Unfortunately, though, rural Missouri is also where the shortcomings of the state's weak land-use planning structures most hobble communities' efforts to apply forethought to solve or avoid the problems sometimes generated by growth.

Planning, undertaken by local communities, can maintain property values by preventing the chaotic mixing of residential and unpleasant industrial land uses. It can guard against shoddy development that can drive population away. It can protect scenery and traditional community character even as it saves dollars by coordinating additions to the infrastructure with development patterns.

Unfortunately, Missourians have one of the sketchiest statewide planning systems in the nation. The state's enabling statutes for planning activities in the counties and cities remain largely unimproved since the 1920s. Planning is essentially optional and casual, with few tools or "elements" mentioned by the state statute. And not surprisingly, given that, planning at the important county level remains patchy, as is documented by that 1998 survey of counties by the Missouri Association of Counties. In that year, just 37 counties had adopted planning and/or zoning frameworks. Only 21 (out of 114) counties had implemented them.

This low incidence of zoning of counties, meanwhile, underscores another problem: the general fragmentation of planning in Missouri. With many counties not wanting to plan while their municipalities do, many local communities have been surrounded by rings of unsystematic development that undercut towns' efforts to shape their own growth. Similarly, the 1,400 special districts providing a dozen or more services around the state— from sewer and water services to hospitals and libraries—inject additional variables.

In view of these conditions and the consequences of current development patterns, Missourians should consider reevaluating their approach to planning so they can better handle their changing local destinies.

What should go into this reevaluation? Hopefully, citizens, local leaders, development interests, and other key constituencies will work together with the state to craft a comprehensive set of local planning tools that at once preserves local flexibility and enhances localities' ability to apply forethought to their growth.

Of course, such a reorientation is clearly a large undertaking. Therefore, the State of Missouri should move incrementally. First it should ensure communities have the

legal and conceptual tools they need to plan effectively; then it should assist those localities that decide to plan. Here is how to start on the first agenda:

1. **Update the state's outmoded planning statutes to provide localities the tools and guidance they need to manage change.** States set the tone. States can be serious or blasé when it comes to planning. And when they are serious, they can do a lot to encourage planning without mandating a thing.

   To that end, the State of Missouri should before anything else modernize its obsolete, 1920s-era enabling laws to articulate a broad—if non-binding—vision of effective land-use management that provides localities the tools they need to pursue strong locally determined planning if they so choose.

   This modernization should at once guide counties and municipalities and empower them.

   Currently, Missouri's outdated enabling acts discourage local efforts to manage growth by virtue of their silence about contemporary problems, methods, and solutions. Though they are not highly restrictive, the statutes leave so much unaddressed that their vagueness creates uncertainties that have retarded local planning projects.[133]

   To remedy this, passage of a state-of-the art planning statute should set out a clear new framework for orderly development that provides a wide menu of model options to planners at the local and regional levels.

   ***Vision.*** The new law should lay out key principles of smart planning for Missouri in simple language. These principles might emphasize the power of local choice to influence how and where Missouri grows. They might underscore the value of looking ahead, the importance of public input, the need for collaboration. Another statement might stress that planning seeks not to slow growth, but to channel it to where it best serves Missourians' hopes and desires for their future.

   ***Options.*** An updated planning law should also provide localities more Missouri-specific language and alternatives. The current laws—while weak and vague—are also one-dimensional. In large part, they simply reproduce sections from the 1920s-era, one-size-fits-all model of the U.S. Department of Commerce's "Standard City Planning Enabling Act."[134] A new planning law for Missouri should reflect Missouri's own thinking, and offer localities a menu of choices and examples for their taking.

   ***Elements and detail.*** More suggested "elements," or issue areas, for local planning could be named in the enabling laws than the current bare minimum. And more detail could be provided about what local plans in those areas might contain. Currently, Missouri law names just four major topics for local planning: land-use, redevelopment, transportation, and community facilities. But an updated enabling act should suggest to localities and state agencies other worthwhile growth issues, such as the importance of protecting open space, sensitive areas, and agricultural lands. Housing should also be discussed. What about the basic planning process itself, which should include extensive public participation, and coordination between nearby jurisdictions, towns, and counties? Such details about plan elements promote progress and suggest avenues.

   ***More tools.*** A revised planning statute should also make available a wider array of specific tools to implement plans. Frequently Missouri counties and towns hesitate to embrace approaches not explicitly mentioned in the state's vague statutes. But that might change if a broader array of strategies and procedures was mentioned by statute—and authorized. Such enumeration and description would equip Missouri counties and towns with a modern toolbox for addressing local growth challenges. This toolbox could lay out such standard planning procedures as tiered development systems, mixed uses, infill, transit-oriented development, and town-centered planning. It could include easements for farm preservation, critical and sensitive-area designations, transportation corridor analysis, and urban service boundaries. With such tools more explicitly available Missouri towns and counties would be more likely to embrace more proactive types of planning.

   ***Model language.*** Finally, a new enabling act should provide specific model ordinance language. Right now a leading reason many Missouri counties and towns do not plan is they simply don't have the capacity to do it. Tiny staffs and overburdened administrators in many Missouri localities lack the time or money to develop, research, write, and edit a major new county or municipal plan. By ordering the preparation of model plans and pre-written ordinances for key ideas the state could greatly speed the dissemination of smart ideas to receptive localities.

*"States can do a lot to encourage planning without mandating a thing."*

### Illinois' Local-Planning Assistance Act: Supporting Localities by Updating the Law

In the 2002 legislative session, Illinois lawmakers enacted a state-of-the art reform of its outmoded state planning law. The bipartisan legislation begins with a textbook updating of Illinois' previously archaic 1920s-era planning statute. But what is especially noteworthy is how thoroughly the new law demonstrates that planning reform needn't dictate top-down solutions to localities. Illinois' rules provide guidance on the elements of sound local planning but do not mandate content. Likewise, the new statute authorizes the state Department of Commerce and Community Affairs to offer a wide variety of planning-related assistance to boost localities' capacity to chart their futures. Model ordinances, grants to support local plan-writing, and training programs for local officials will all be provided in the coming months by the department.

**For more information**: See www.legis.state.il.us/publicacts/pubact92/acts/92-0768.html

But an improved enabling act will only carry the state so far. What matters even more than installing the principles of planning among Missouri's laws is working to boost the inclination and the capacity of Missouri places to embrace those principles. Here, then, are three incremental steps to encourage local planning efforts, all of which could be organized through the creation of a local-government assistance center, perhaps in the university system:

2. **Encourage local planning efforts with a broad outreach effort.** A first activity of a potential local-government assistance center would be outreach. Good planning won't really begin in Missouri until more Missourians understand the benefits of sound planning. Unfortunately, the negative and sometimes erroneous views many Missourians hold of notions like "smart growth" and "growth management" remain a significant barrier to thoughtful decision-making. Considering that, any effort to foster a flowering of local planning would benefit from improving the public's awareness of the benefits of planning and land-use reform. Public awareness can be built through speeches, websites, and region-by-region forums. Over time a steady outreach program can eliminate misconceptions and encourage more productive conversations about growth in the state. Central to the effort should be a campaign to emphasize the positive benefits of planning for property owners and taxpayers. Ultimately, a better-informed public will grow more engaged in helping local officials choose the best course for their communities.

3. **Encourage local planning efforts with technical assistance.** Beyond general knowledge, planning takes expertise—painstaking consultations with trained professionals. Frequently, though, counties in Missouri lack such expertise. Rural or small jurisdictions staffed often by part-time officials rarely have on hand certified planners or the resources to pay for expensive outside consultants. To address this gap, the state should consider providing additional funding for technical-assistance programs across the state to support localities that wish to explore new land-use directions. Once again, a partnership with the university system to provide support to local governments could meaningfully advance the cause of sensible land use in Missouri. Alternatively, an enhanced peer-to-peer program—perhaps building on efforts underway at the regional planning councils—could match experienced municipal and county professionals with colleagues in need of help.

4. **Encourage local planning efforts with financial assistance.** Planning also takes staff time; it requires expensive consultants, research efforts, and various professional services. In short, it requires money—money that scores of Missouri's overstretched towns and counties lack. To lower that hurdle, the state of Missouri should make funds available to localities that want to plan. Matching grants could be extended to counties preparing to develop or strengthen community planning and management capabilities. Direct financial assistance could be available to help places write or revise a local comprehensive plan; prepare needed studies; or update zoning, subdivision, or land-development ordinances. Nor need the assistance be lavish. Even small financial incentives can jump start earnest local efforts.

And here is a final proposal to stimulate voluntary planning activity more fundamentally:

5. **Encourage local planning with positive incentives.** Why not give a slightly stronger nudge in the direction of planning by tying local-aid programs to an emphasis on good-quality local planning? Currently, few programs stipulate that localities applying for state money conform to an applicable comprehensive land-use plan, or other relevant planning document. As a result, state spending frequently supports the outward dispersal of water infrastructure and suburban economic development projects. But why should that be? In the near

future, the state should introduce an explicit state policy requiring that all state resource-allocation programs—whether for economic development, roads, water and sewer infrastructure, or housing—give preference to applications accompanied by a comprehensive plan. That will achieve two ends: It will ensure state spending supports sensible development, and it will create a reward-system for planning.

With initiatives like these—and no mandates—the Show-Me State stands a good chance of sparking local innovations across the heartland in sound community and economic-development planning. Only in that way will the state preserve its rural heartland and create truly distinctive local communities.

# Encourage Regional Collaboration

## THE GOAL: MISSOURI SHOULD SEEK REGIONAL SOLUTIONS BY PROMOTING COOPERATION AMONG ITS MANY LOCALITIES

Along with more planning, finally, needs to come more collaboration.

The reason is simple: To an unusual degree, the side effects of growth in the Show-Me State are spilling across political boundaries and challenging localities to work out coordinated solutions to region-wide problems.

The challenge is universal: Public-policy theorists have for decades observed that a whole class of growth-related challenges—such as road conditions, air quality improvements, and some critical service delivery—almost never can be adequately addressed by single jurisdictions. At the same time, the challenge in Missouri is particularly complicated given the state's highly dispersed development patterns and unusual proliferation of small towns, counties, and governmental entities.

That difficult environment makes it urgent that Missourians work especially hard to put together effective new mechanisms for addressing the cross-jurisdictional challenges of growth and development and reducing competition among localities.

But how should Missourians manage the situation? What's the right approach? One approach that is gaining attention is that of the state actively encouraging (but never mandating) that localities work together.

For decades, of course, Missouri regionalists promoted wholesale government restructuring as the best way to address the problems of fragmentation. This approach was epitomized by the long series of bids proposing the creation of a consolidated city/county government in the St. Louis area. Ultimately, though, the repeated foundering of these proposals underscored that Missourians treasure their local governments in all their rich variety, and that eliminating levels of government, or forcing consolidations of others, creates only conflict.

More recently, genuine successes have been scored by a more modest approach to regionalism featuring incremental, purpose-by-purpose cooperation between local governments to save money or solve problems.

This approach is reflected in the growing importance of metropolitan planning organizations such as the Mid-America Regional Council in Kansas City and the East-West Gateway Coordinating Council in St. Louis as well as the network of other regional councils doing fine work in almost every corner of the state. It can be seen in the seven-county MetroGreen project in the Kansas City region and that region's bi-state cultural tax district. And similar cooperation keeps breaking out elsewhere among Missouri's 1,400 special districts as in

*"…Missourians buy cooperative public ventures 'retail' rather than 'wholesale."*

St. Louis' longstanding metropolitan sewer district, its Zoo-Museum District, and the new Metropolitan Park and Recreation District.

Over time, what has accumulated—helped by Missouri's permissive legal environment for such activity—has been the beginnings of a characteristically Missourian regionalism that works incrementally, not grandly, and buys cooperative public ventures "retail" rather than "wholesale," in the words of the UMSL's Terrence Jones. This appears to be the Missouri way: "evolutionary adaptation, cooperation by accretion, agreement here and a joint venture there," as Jones describes it.

But is it enough? Even with hundreds of joint arrangements in force across the state, enthusiasts of the Missouri style of ad-hoc regionalism acknowledge that progress has been episodic. Boundaries between communities continue to sharpen fiscal inequities and widen the TIF wars. Localistic differences too often limit the reach of transit projects, complicate progress on watershed protection, and fracture land-use planning. Indeed, numerous observers—from *The Kansas City Star* and *The St. Louis Post-Dispatch* to Curtis Johnson and Neal Peirce of the nationally known Citistates Group—continue to observe a statewide reality that features rampant competition, rather than cooperation, between local governments.[135]

And so that new agenda for the state is clear: The State of Missouri needs to actively foster cooperation among local governments to eliminate costly duplications of service and ensure that citizens' growth-related problems don't fall through the cracks.

In no way does this mean Jefferson City should start butting into local affairs. But it does mean that the state's interest in ensuring the efficiency and continuity of 21st-century Missouri requires it to put in place stronger incentives for localities to work together. Ultimately, this agenda requires that the state play a facilitating/encouraging role much like the one it needs to play in encouraging localities to plan.

Here, then, are several suggestions by which the state might help generate a greater level of partnership among cities and counties:

1. **Embrace the regional planning councils.** One way to promote collaboration is to boost and better utilize the alliances of local governments that already exist. In this vein, the State of Missouri should consciously seek ways to deliver services and implement programs though the state's existing network of regional planning councils. To some extent this has started. MoDOT, to its credit, has recently invested in the creation of Transportation Advisory Councils in each of the regional councils. But the regional councils have the potential to become even more important. The state emergency management agency has recently turned to the councils to assist in developing the new hazard-mitigation plans now required by federal disaster-relief programs. Regional councils are meanwhile carrying out state mandated regional solid-waste programs. And the DED and Missouri Rural Opportunities Council each work with individual councils on various grant and economic development programs. In this fashion intergovernmental collaboration is growing without the addition of new layers of government. With cutbacks in state programs, it would be cost-effective for the state to use regional councils still more, and so encourage them to administer and coordinate even more efforts and services.

2. **Support intergovernmental collaboration through a local-government assistance center.** Just as the state might encourage planning with technical assistance provided through a local-government assistance program or center, it could greatly encourage collaboration by pairing such a center or program with an institute for the study and support of intergovernmental cooperation. Such an institute would go far toward establishing a known forum and recognized pathway for new coordination.

   Now, state and local officials alike face large challenges in developing new cooperative ventures. Frequently, they must "invent the wheel" with every new collaboration because no routine process exists for negotiating shared-service pacts, forging consolidations, or crafting other deals. Likewise, leaders often lack easy access to relevant studies, data, and best-practices information in the field—making their course harder. With a robust new assistance and outreach effort, however, a state-supported office or institute on intergovernmental cooperation could make collaborations easier. Trained specialists could help localities identify opportunities and explore them.

They could facilitate deliberations. They could disseminate information and offer dispute resolution. Nor would the new institute require a new bureaucracy. Existing university outreach efforts around the state already support local governments in various ways and could easily be refocused on collaborations.

3. **Encourage collaboration with financial assistance.** Modest financial support for multi-jurisdictional initiatives would also foster collaboration, just as it would planning efforts. A matching-grant program could be funded to help towns, counties, and districts hash out service sharing, coordinate programs, or prepare analyses needed to evaluate department consolidations.

4. **Reward collaboration by making it a priority.** Finally, the state should make cooperation even more of a priority by building strong incentives for intergovernmental coordination into key local-aid programs. This initiative would require no additional spending. Instead, it could parallel the suggested linking of state aid to local planning by giving first consideration to grant applications and regions that incorporate multi-jurisdictional approaches into their plans. City-county or multi-municipal planning initiatives would go to the front of the line for planning grants. Multi-party sewer or water projects would gain the edge over districts going it alone. And more broadly governments that presented cooperation compacts with at least two other jurisdictions in at least two areas (whether land-use planning, housing, parks, mass transit, or environmental protection) might get a higher share of state resources in those areas. Such an approach would put taxpayers' money where their interests are. By working to minimize redundant or uncoordinated spending a priority policy would save money and begin to build up partnerships around the state.

### The Governor's Center for Local Government Services in Pennsylvania: Supporting Collaborative Local Government

Pennsylvania's Center for Local Government Services has emerged as a national leader in promoting local planning in general and collaboration in particular. Since its creation in 1999, the center has become an important statewide clearinghouse for all kinds of aid for planning: grants, education and training, technical assistance. But beyond that the center has increasingly stressed the advantages of multi-municipal and intergovernmental cooperation, all while supporting flexibility and local-government control. Most pointedly, the center made clear in 2000 that priority consideration for matching grants would be given to municipalities that incorporate multi-municipal approaches into their planning efforts. Such "gentle persuasion" has helped foster the establishment of more than 150 intergovernmental agreements to coordinate planning or service delivery.

**For more information:** See www.legis.state.il.us/publicacts/pubact92/acts/92-0768.html

# VI. Conclusion

Missourians, in sum, enjoy great freedom to choose how and where they live.

They inherit a colorful history of pioneering—of striking out to settle in a place of one's own choosing. Missouri's diverse sets of communities afford residents many options. And more recently, the strength of the 1990s economy enhanced households' ability to expand housing choice, so numerous natives and newcomers did: They opted to disperse themselves more widely across the Missouri landscape. As more homes dotted the landscape, so did more retailers, more offices, and more roads pop up.

For the most part, these choices served the state well. The result of all of these free and individual choices has been a Missouri that is more developed and more broadly prosperous than ever before.

But now other choices need to be made. Missouri has grown more spread out than it was—and that has brought on challenges that require citizens to decide how to ensure their individual choices add up to a Missouri that remains livable, sensible, and economical.

Currently, as this report suggests, Missourians' full embrace of their freedom to live and develop virtually anywhere is undercutting some of the benefits of growth and eroding the state's greatest assets.

Taxpayers are recognizing that low-density, decentralized development patterns exacerbate the fiscal problems of state and local governments by increasing the cost of providing infrastructure and services. Rural people are noticing that chaotic, low-quality development can erode property values and alter the character of the state's traditional heartland and natural areas. And suburbanites increasingly regret the traffic, school crowding, and lost open space that come with the rush outward almost as much as do residents of urban neighborhoods and older suburbs who see vitality flowing away. At the same time, all Missourians notice when too much development—or the wrong kind of development—cuts into their communities' green spaces, traditions, and tranquility.

In short, inefficient, spread-out development is negatively impacting almost every Missouri region and type of community, and challenging Missourians to make sensible choices about how to maximize the benefits of growth while minimizing its potential fiscal, environmental, and neighborhood downsides.

In view of all this, fiscal necessity alone counsels Missourians to balance their freedom of choice in growth and development issues with additional considerations that ensure the state preserves and strengthens its array of rural areas, small towns, cities, and suburbs.

Now is the time, then, to create a new vision for Missouri communities that can help address the state's pressing need to balance the budget, stimulate the economy, and promote a more efficient use of resources.

High-quality, well-planned communities—fostered by sensible land-use reform and greater citizen engagement—could save taxpayers as well as governments money. High-quality communities attract and maintain families, skilled workers, and businesses. And the promotion of such communities and regions can also be used to preserve amenities—whether they be lakes, meadows, or historic neighborhoods—that otherwise would be lost.

In the end, the present is a surprisingly opportune moment to pursue a new vision—and new policies—for shaping high-quality, sustainable communities in Missouri for generations to come.

Citizens, communities, and leaders have choices, after all. Now is the right time to start making some.

*"Now is the time to create a new vision for Missouri communities that can help address the state's pressing need to balance the budget, stimulate the economy, and promote a more efficient use of resources.*

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16 On total jobs, the big cities' share declined from 60.5 percent in 1990 to 58.3 percent in 1999; for business establishments, their share eased from 58 percent to 56.1 percent.

17 Data in this paragraph and the next come from the U.S. Department of Agriculture Resource Conservation Service's Natural Resources Inventory (NRI) for 1982, 1987, 1992, and 1997. The NRI is a national longitudinal panel survey of land use that allows for analyses of changing trends over a 15-year period. As a sample, the NRI is subject to all the typical errors of sampling, and its figures remain estimates. Another note: The NRI defines "urban" areas to consist of: residential and industrial parcels; construction sites; rail yards; cemeteries; airports; golf courses; landfills; water and sewage facilities; small parks within built-up areas; and highways, roads, and railroads. Also included are open tracts of land that are completely surrounded by urban land.

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