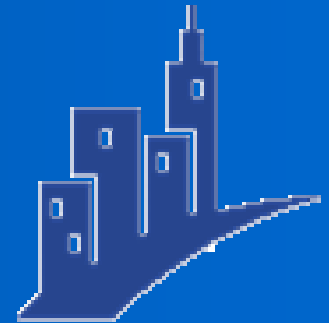


The Brookings Institution

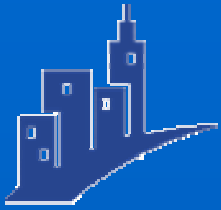
Metropolitan Policy Program
Bruce Katz, Director



Is Washington Ripe for Smart Growth?

National Building Museum

October 25, 2004



Is Washington Ripe for Smart Growth?

I

What are the major trends affecting cities and metropolitan areas?

II

What are the consequences of these trends?

III

Why is this happening?

IV

What policy solutions are available to affect positive change?



What are the major trends affecting metropolitan areas?

1. Cities are growing, but metros are still sprawling
2. As people go, so do jobs
3. It's not your parents' city...or suburb



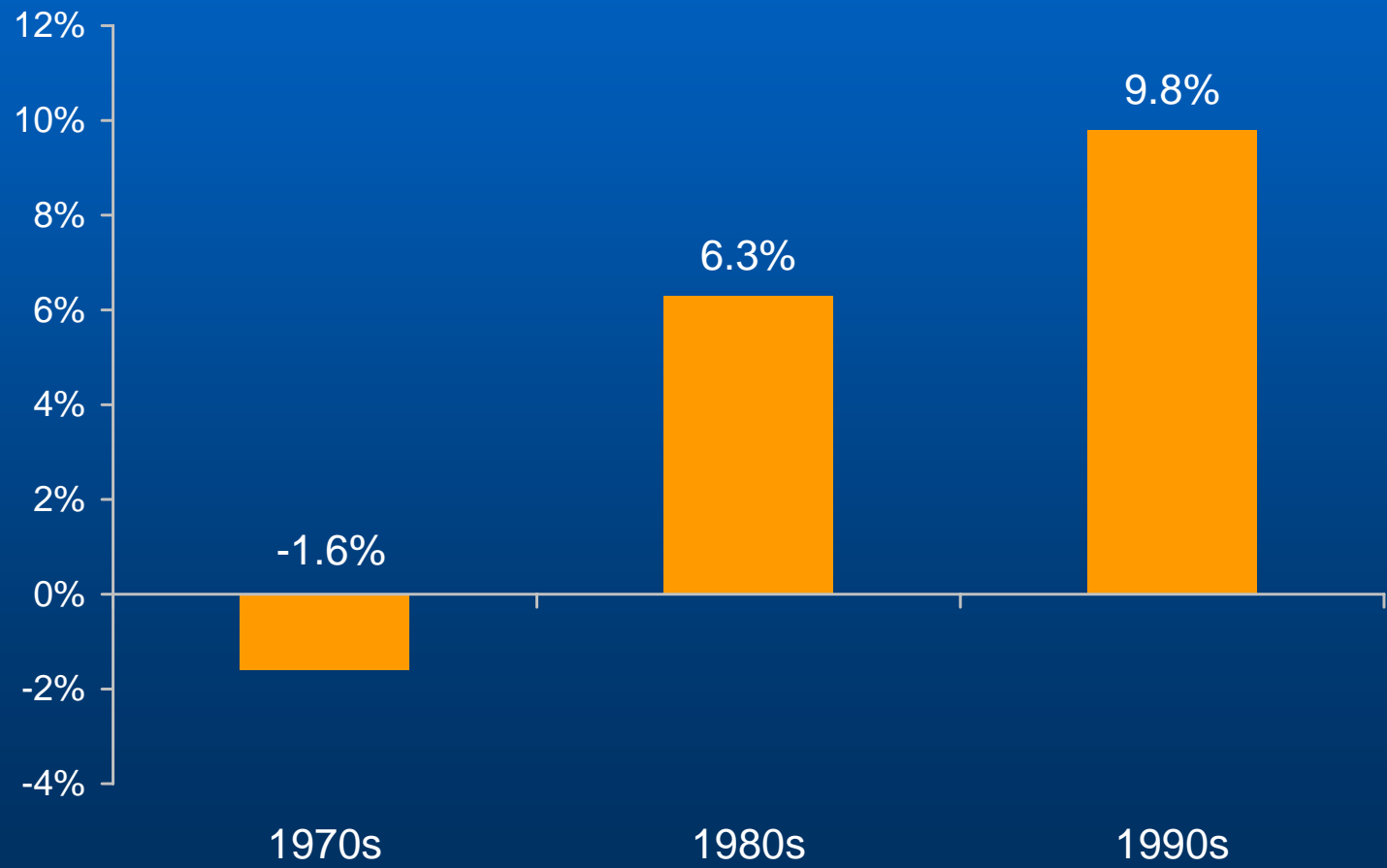
Cities



Large cities grew faster in the 1990s than they did in the 1980s and 1970s

50 largest cities,
population
1970-2000

Source:
Brookings calculations
of U.S. Census Bureau data





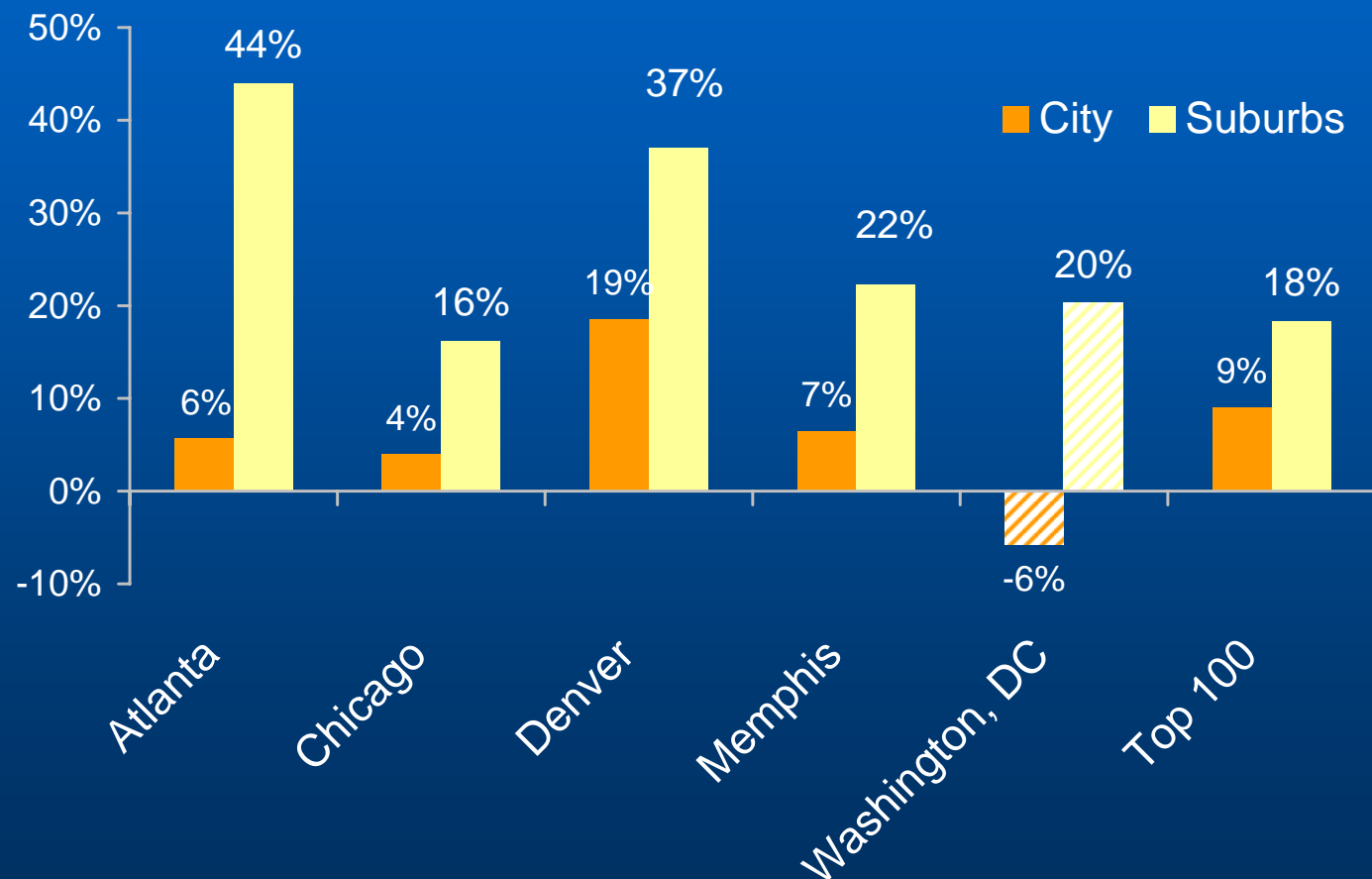
Suburbs



Still, population is decentralizing in nearly every U.S. metropolitan area

Selected cities and suburbs,
population growth
1990-2000

Source:
U.S. Census Bureau

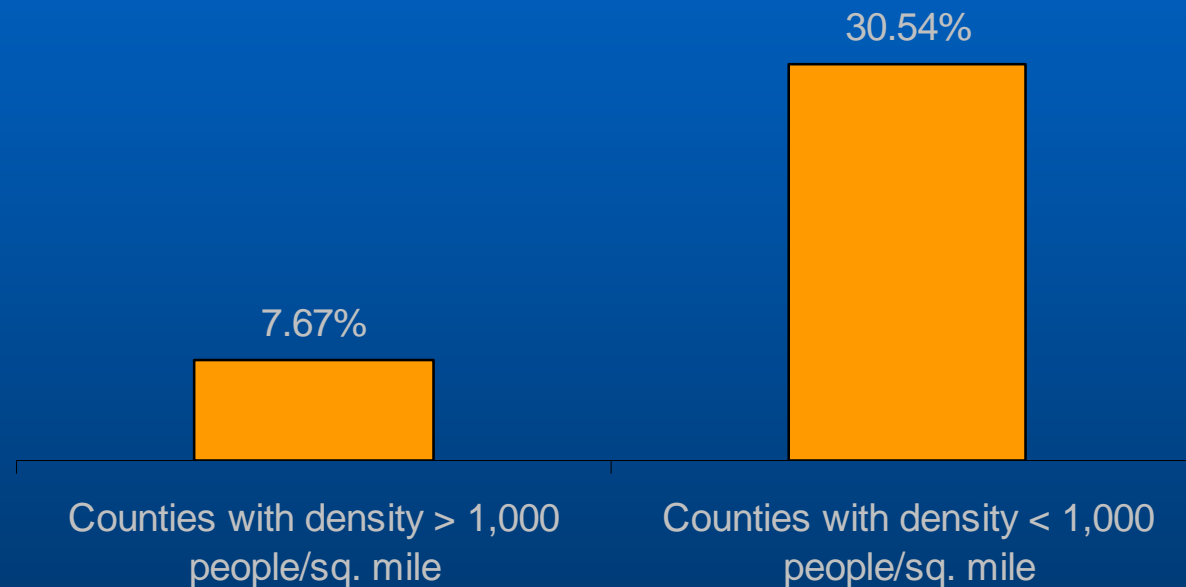




Counties in the DC Metro area with densities less than 1,000 people per square mile grew at a rate 4 times higher than more dense counties

Percent population growth for counties in the DC metro area 1990-2000

Source:
U.S. Census Bureau



I

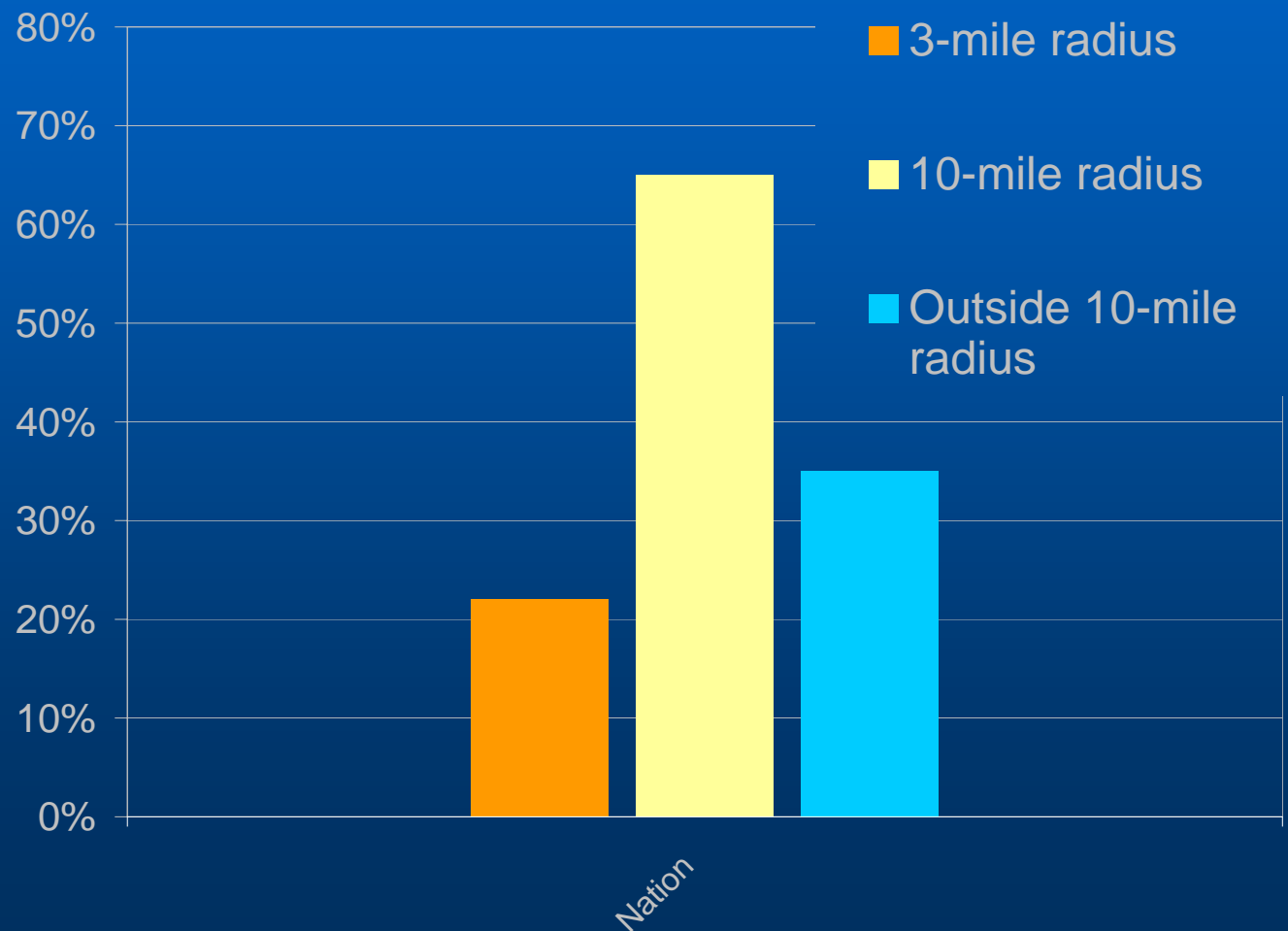
What are the major trends affecting metropolitan areas?

1. Cities are growing, but metros are still sprawling
2. As people go, so do jobs
3. It's not your parents' city...or suburb



Nationally, one-third of jobs are located outside a 10-mile radius of the central business district

Share of jobs within 3-, 10-, and greater-than-10-mile radius of center, 1996



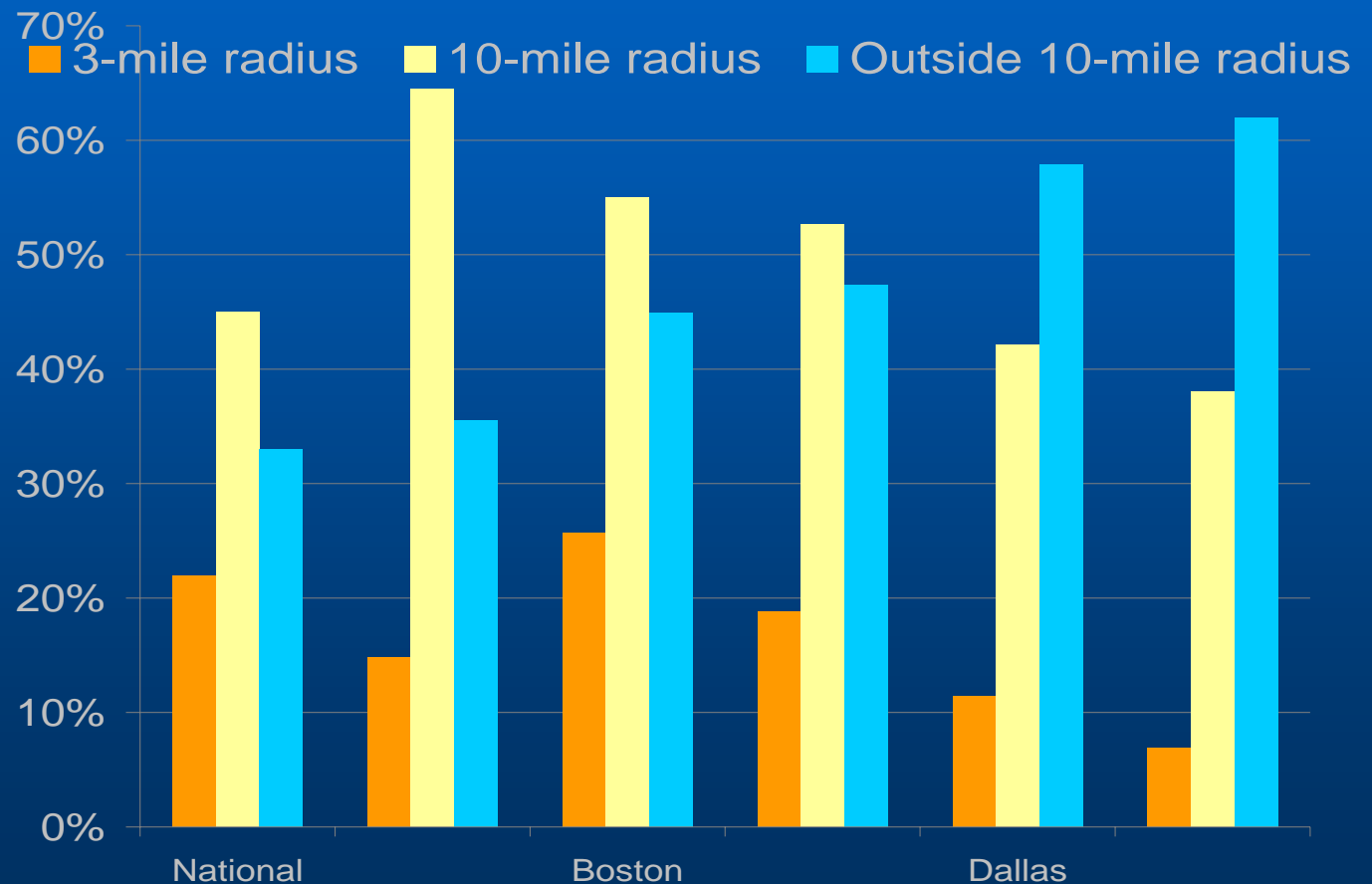


Employment decentralization



But the level of employment decentralization varies widely across metropolitan areas.

Share of
metropolitan
employment, 1999

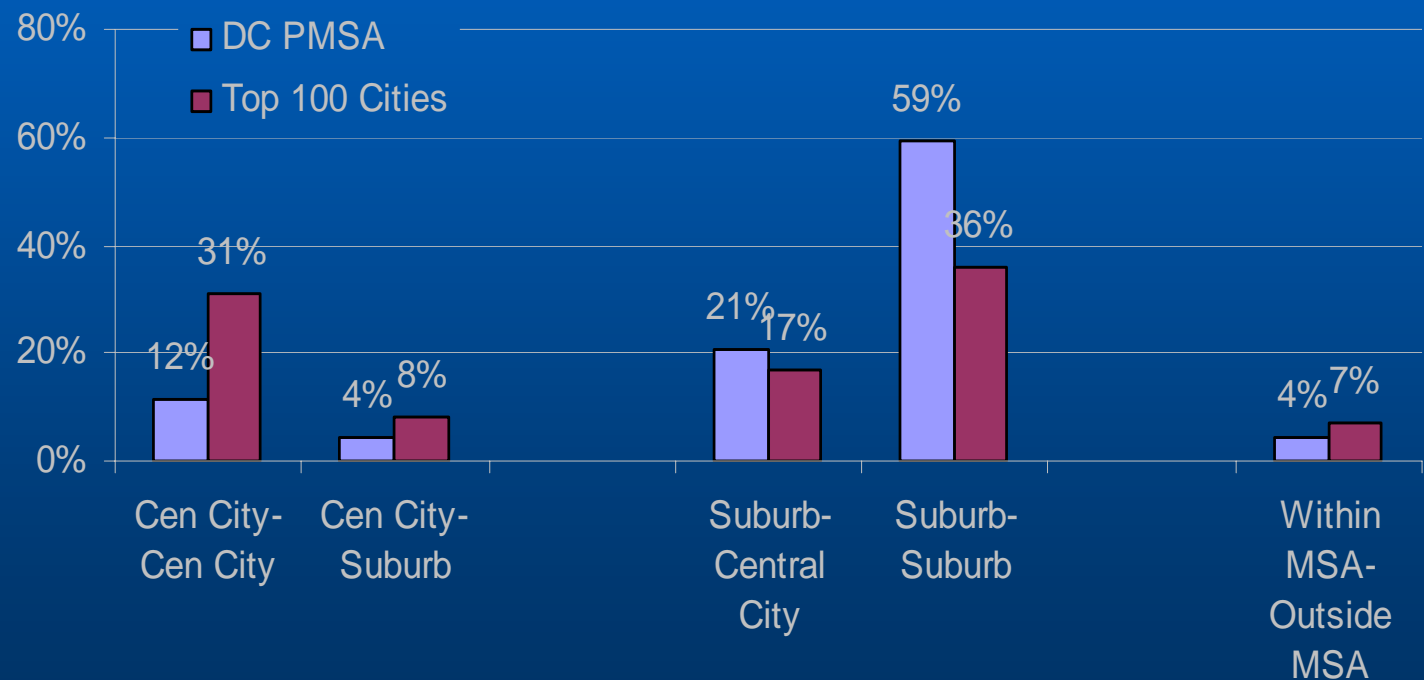




Consequently, the highest share of metropolitan commutes begin and end within suburbs

Share of
commuters
Washington, D.C.
PMSA, 2000

Source:
U.S. Census Bureau





What are the major trends affecting metropolitan areas?

1. Cities are growing, but metros are still sprawling
2. As people go, so do jobs
3. It's not your parents' city...or suburb

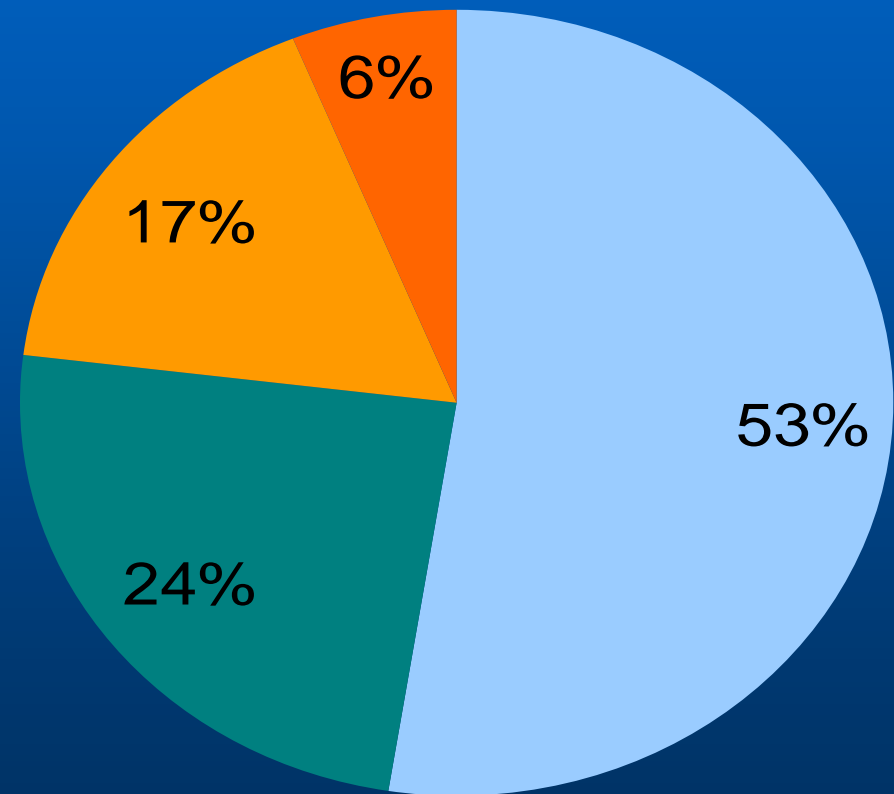


In aggregate, the racial makeup of the 100 largest cities has shifted....

Share of
population by race
and ethnicity,
1990

Source:
U.S. Census Bureau

- White
- Black
- Hispanic
- Other

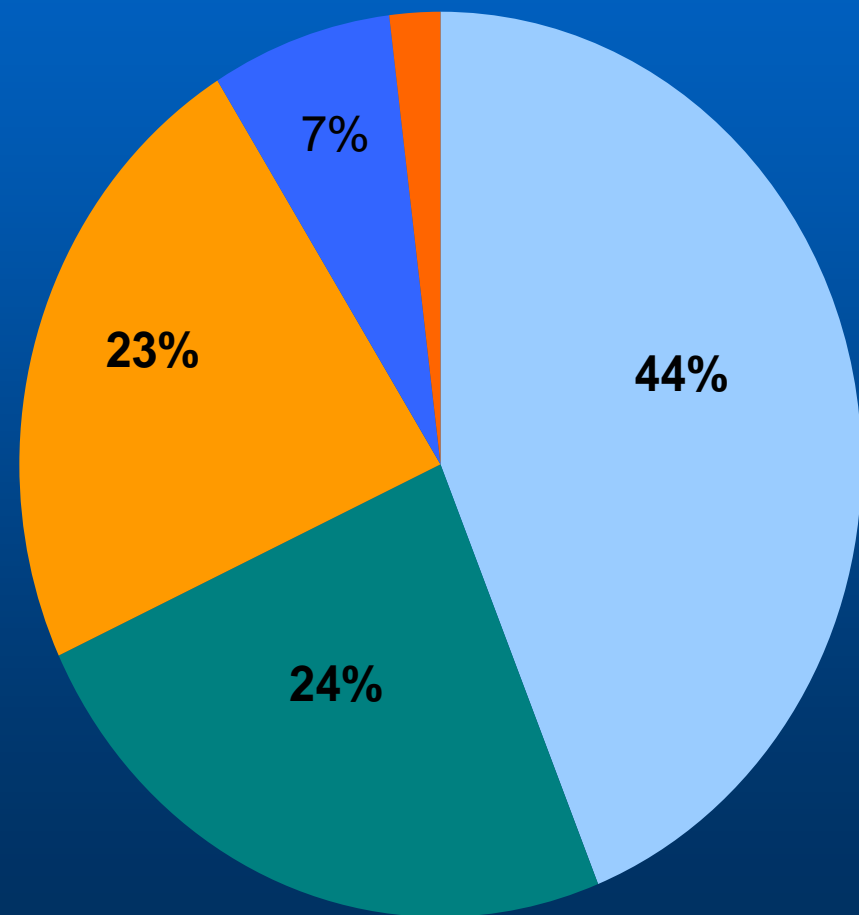




In 2000, the top hundred cities became majority minority

Share of
population by race
and ethnicity,
2000

Source:
U.S. Census Bureau



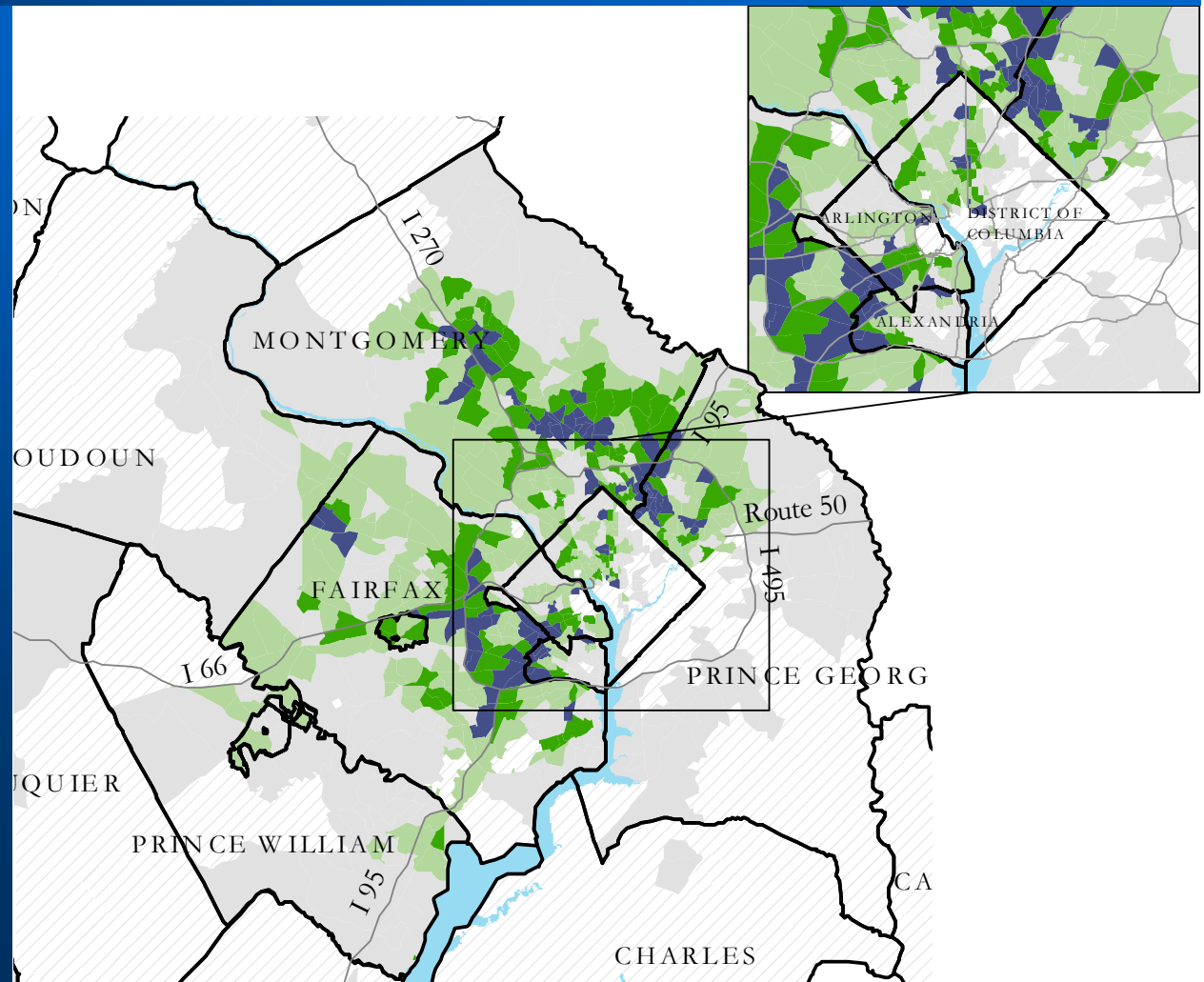
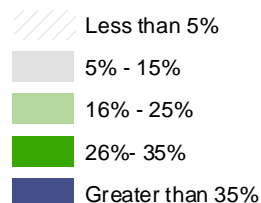


In many metro areas, the locus of immigration is shifting from the central city to the suburbs

Washington region, share foreign-born by census tract, 2000

Source: Singer, "At Home in the Nation's Capital," June 2003

Percent Foreign Born (by Census Tract)

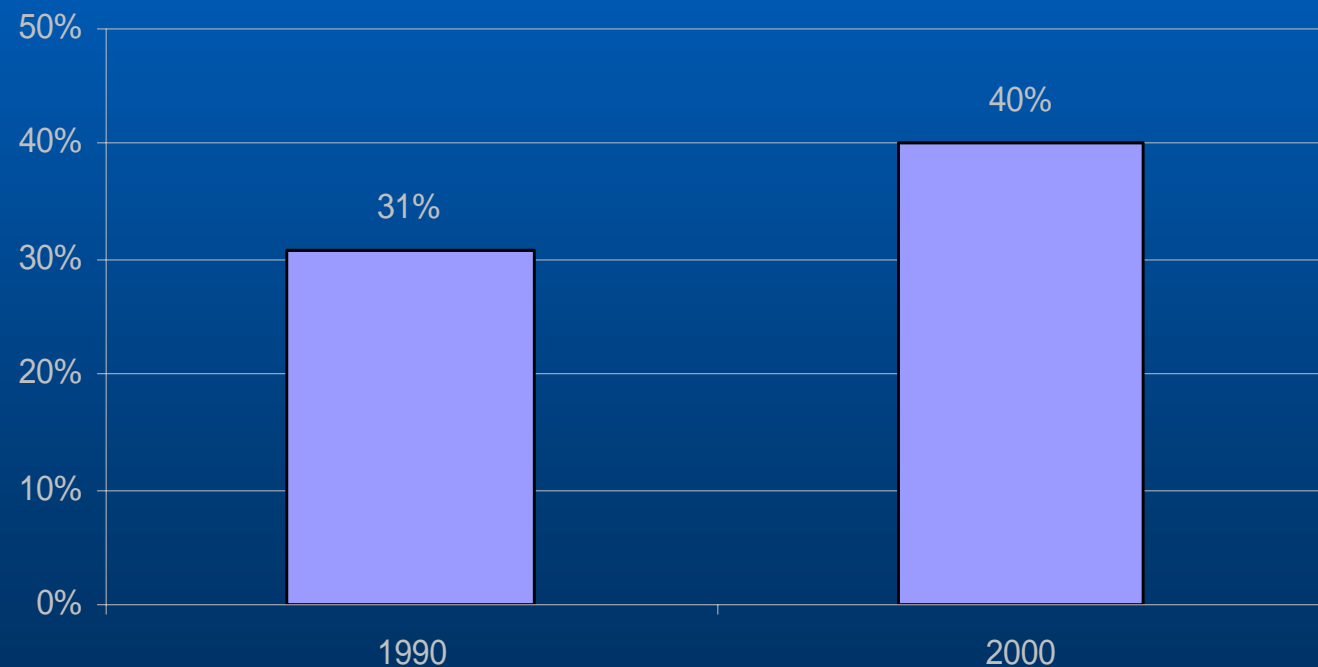




In Washington, D.C. more than 1 in 3 suburban households are minority

Minority share of
suburban
population,
1990-2000

Source:
U.S. Census Bureau

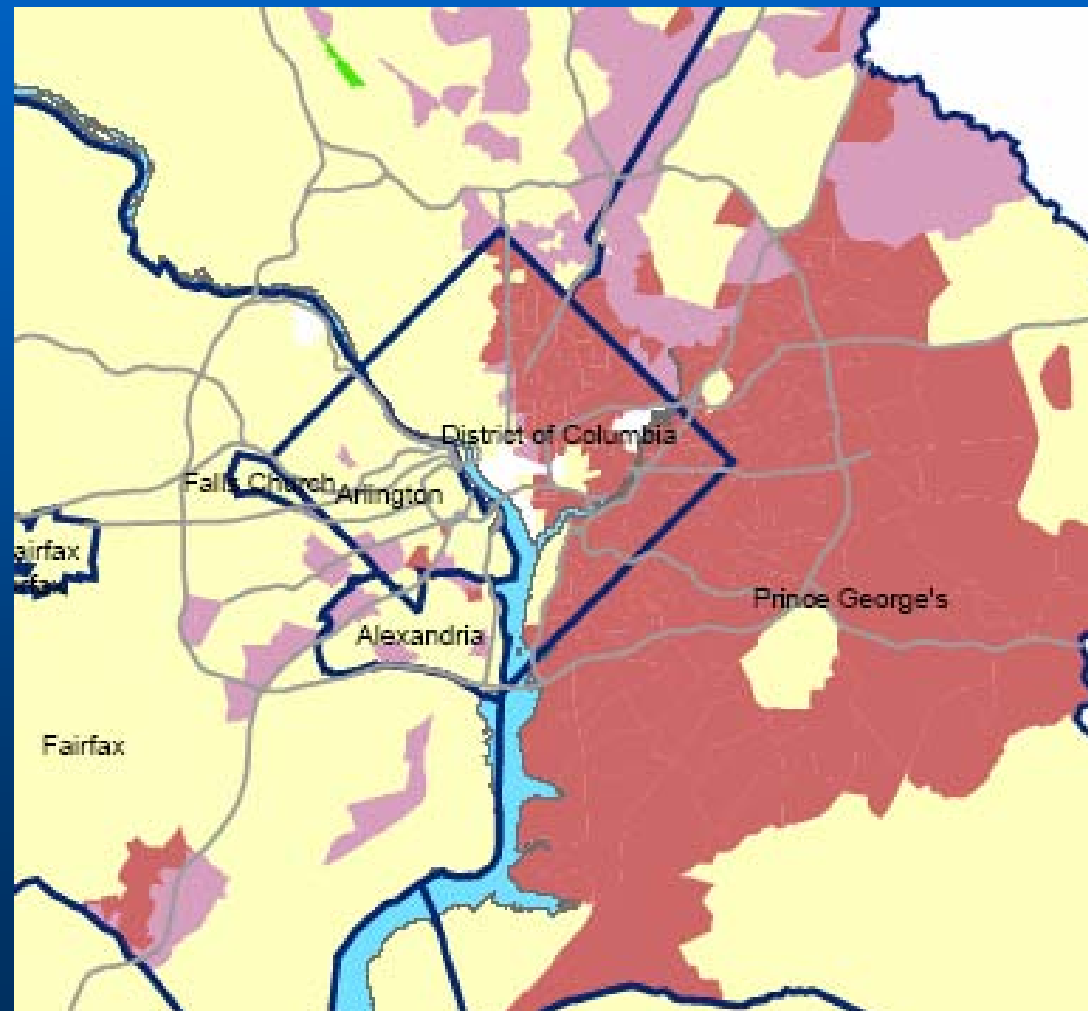
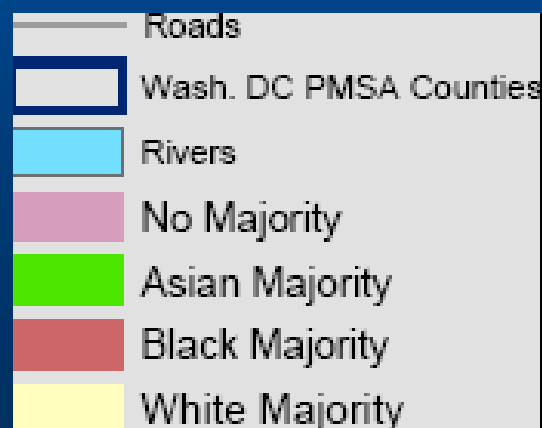


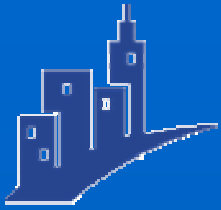


Despite growing suburban diversity, racial separation persists

Distribution by
Race, 2000

Source:
U.S. Census Bureau





Is Washington Ripe for Smart Growth?

I

What are the major trends affecting cities and metropolitan areas?

II

What are the consequences of these trends?

III

Why is this happening?

IV

What policy solutions are available to affect positive change?



Decentralization Increases Costs on Communities and Taxpayers



Decentralization is costly

Low density development imposes greater costs on state and localities

Low density development increases demand for:

- New schools
- New roads
- New public facilities
- Sewer and water extensions

Low density development increases the costs of key services:

- Police
- Fire
- Emergency medical



Decentralization Diminishes Economic Competitiveness & Quality of Life





Decentralization is costly

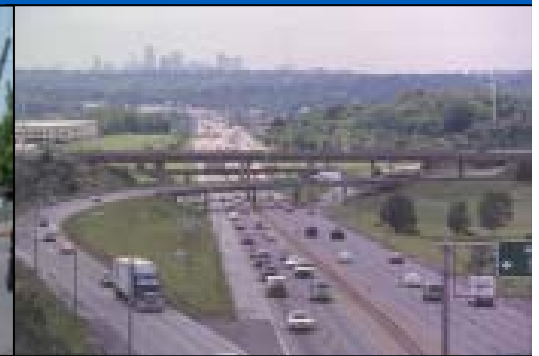
In many states, current growth patterns are eroding quality of life

Decentralization:

- Is weakening downtown and other cores that attract and retain young workers and employers.
- Is reducing choice for different types of communities
- Threatens natural amenities and tourism industries



Decentralization Strains the Transportation System and Increases Travel Costs





Decentralization is costly

Sprawling growth patterns are straining states' transportation systems and increasing travel costs

Decentralization:

- **Widens the area that needs to be served by roads and increases road building costs.**
- **Generates more driving miles adding to congestion.**
- **Adds to household costs.**
- **Deepens the state's road-maintenance crisis.**



Decentralization Isolates Minorities and Low-Income Residents From Opportunities





Decentralization is costly

Decentralization isolates low-income residents & minorities from opportunities.

Decentralization:

- Exacerbates social isolation in the core.
- Reduces educational opportunities in cities and older suburbs.
- Distances poor people from job opportunities.



In areas such as Miami, a spatial mismatch has arisen between high-poverty neighborhoods and areas of high job growth



Major Cities

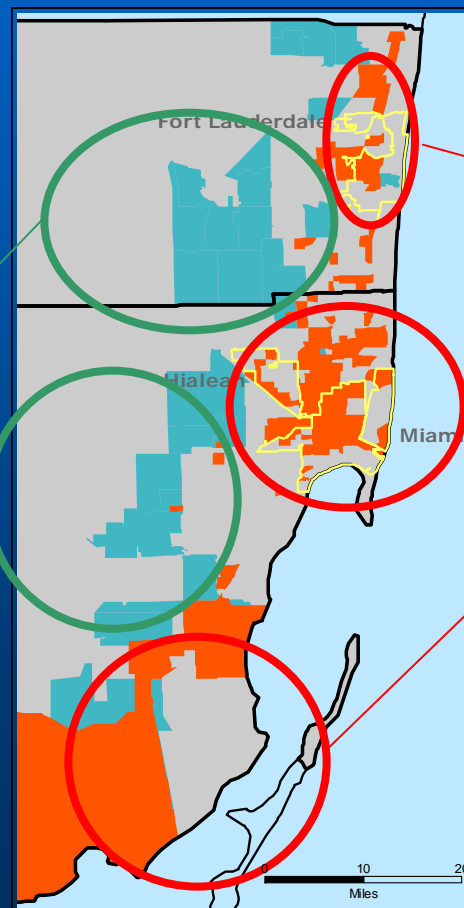


Poverty Rate > 20%

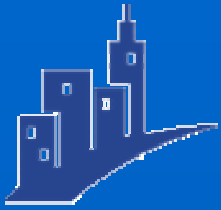


Job Growth > 50%

While **job growth** occurs here



Poverty is concentrated here



Is Washington Ripe for Smart Growth?

I

What are the major trends affecting cities and metropolitan areas?

II

What are the consequences of these trends?

III

Why is this happening?

IV

What policy solutions are available to affect positive change?



Broad economic and social forces shape the growth of cities and metro areas



Consumer preferences



Household formation



Market restructuring



Major federal and state policies shape metro growth



A recent Brookings report on Pennsylvania found 5 specific types of state policies that favor greenfield development and undermine city economies



Why is this happening?

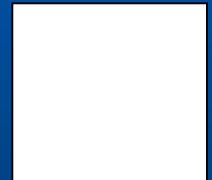
Skewed Investments



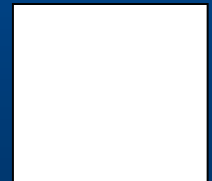
Unlevel Tax System



Weak Planning




Barriers to Reinvestment



Fragmented Governance





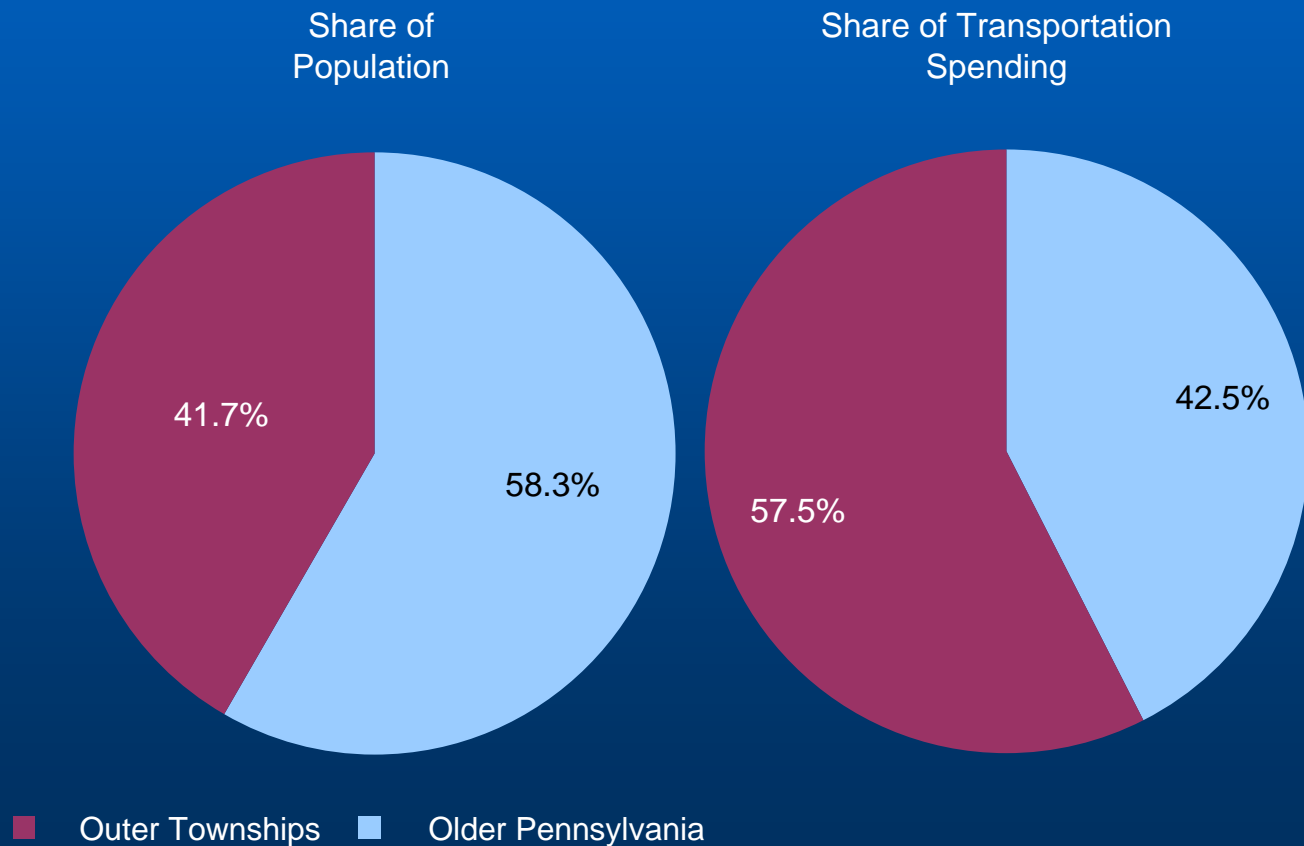
Major state spending programs
have skewed funding to
greenfields



In Pennsylvania newer suburbs received 58 percent of classifiable spending during this period, although they represent only 42 percent of the state's population

Share of population versus share of transportation investment, 1999-2002

Source:
U.S. Census Bureau,
Anne Canby and James
Bickford, 10,000 Friends
of Pennsylvania





Why is this happening?

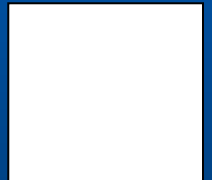
Skewed Investments



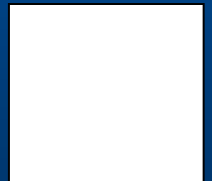
Unlevel Tax System



Weak Planning



Barriers to Reinvestment



Fragmented Governance





State tax systems are biased
against cities

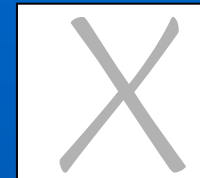
City revenue bases are small
(e.g., large numbers of tax exempt properties)

City expenses are high
(e.g., concentrated poverty, union contracts)



Why is this happening?

Skewed Investments



Unlevel Tax System



Weak Planning



Barriers to Reinvestment



Fragmented Governance





In most states, cities lack effective regional- or state-level planning, strategizing, and coordination capacity

- Disparate state agencies do not plan in accordance with a coherent, unified vision
- Disparate state agencies plan separately and often act at cross-purposes
- As a consequence, there is a lost opportunity to use policies to generate markets and create wealth



A lack of consistency requirements ensures land use planning remains essentially optional and frequently uncoordinated

- In many states local zoning ordinances do not conform to local or regional plans
- Required county plans remain advisory



Why is this happening?

Skewed Investments



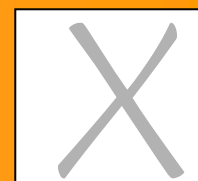
Unlevel Tax System



Weak Planning



Barriers to Reinvestment



Fragmented Governance





Barriers to reinvestment

- Barriers to brownfield development hinder their productive reuse
- Information gaps, limited marketability, and ineffective acquisition processes keep many vacant and abandoned industrial properties idle
- Barriers to the rehabilitation of older buildings perpetuate their deterioration



Why is this happening?

Skewed Investments



Unlevel Tax System



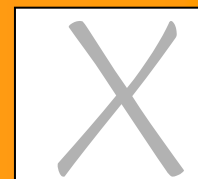
Weak Planning



Barriers to Reinvestment

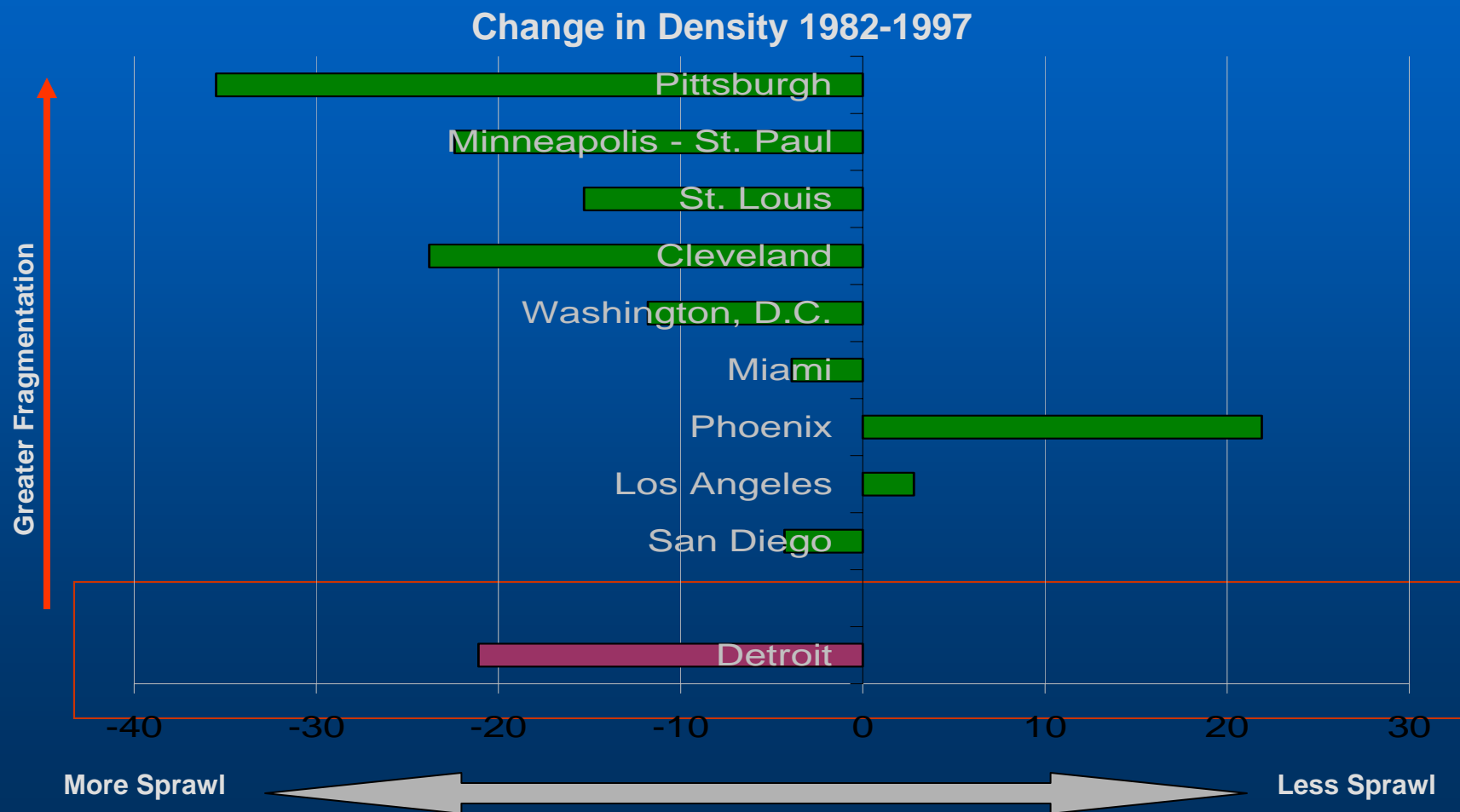


Fragmented Governance

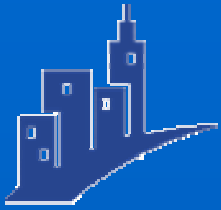




Greater government fragmentation correlates with more sprawl...



Source: William Fulton, et. al. "Who Sprawls Most? How Growth Patterns Differ Across the U.S." Brookings, July 2001.



Is Washington Ripe for Smart Growth?

I

What are the major trends affecting cities and metropolitan areas?

II

What are the consequences of these trends?

III

Why is this happening?

IV

What policy solutions are available to affect positive change?



IV

What policy solutions are available to affect positive change?

Smart Growth

Smart growth involves efforts to change the governmental “*rules of the development game*” that facilitate sprawl and concentrate poverty

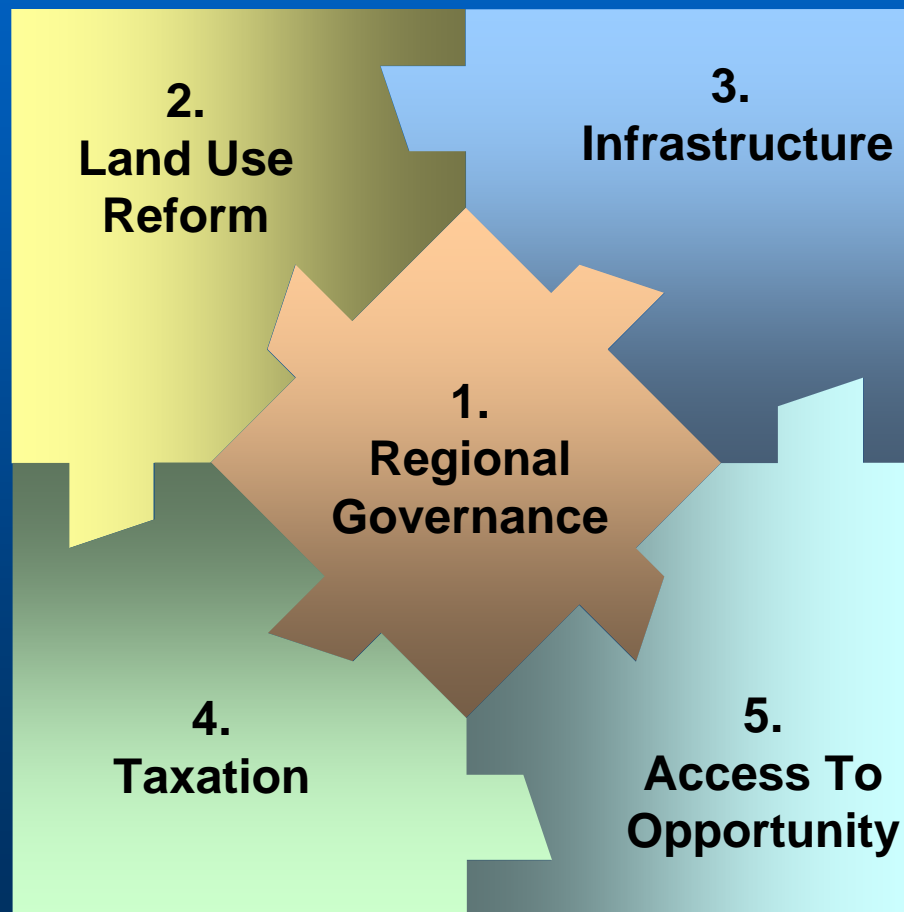
Smart growth efforts are designed to slow decentralization, promote urban reinvestment, and enhance access to opportunity



IV

What policy solutions are available to affect positive change?

The Smart Growth Agenda





Smart Growth Reforms: State Examples



Regional Governance

Georgia Regional Transportation Authority (1999)

- Combats air pollution, traffic congestion and sprawl development
- Mandates approval for major highway and development projects that affect the metro Atlanta region
- Requires local governments to cooperate with GRTA or face loss of state and federal funds for road-building



Land Use Reform: Preservation

Issue #1 - Clean Ohio Fund (2000)

- Voters authorized \$200 million in general obligation bonds for the conservation and preservation of natural areas, open space, and farmlands
- \$200 million in revenue bonds to remediate urban brownfields and promote economic development



Land Use Reform: Growth Management

Pennsylvania Growing Smarter Law (2000)

- Clarifies authority of counties and municipalities to create Locally Designated Growth Areas
- Encourages transfer of development rights from open space to planned growth areas
- Facilitates regional planning
- Gives local governments greater ability to withstand legal challenges while planning growth



Infrastructure

Maryland Smart Growth and Neighborhood Conservation Act of 1997

- Targets major state funding (e.g. transportation, housing, state facilities) to Priority Funding Areas
- Priority Funding Areas include municipalities, inner beltway areas, enterprise zones, industrial areas and new planned growth areas



Taxation

Minnesota Fiscal Disparities Law

- Allocates 40% of the growth in property tax revenues from commercial industrial development to a metropolitan tax base pool
- Funds in the pool are redistributed to communities based on their commercial tax capacity
- While the law has narrowed fiscal disparities, growing suburbs continue to have 25 to 30 percent more tax base per household than central cities and inner suburbs



Access to Opportunity

California Tax Credit Allocation Committee

- Approximately \$450 million per year is awarded in federal and state tax credits to assist in the construction and rehabilitation of affordable rental housing
- Priority is given to properties located within close proximity of transit corridors, parks, recreational facilities, retailers, grocery stores, schools and senior centers



Smart Growth Reforms: Local and Regional Examples



Regional Governance

Minneapolis - St. Paul Metropolitan Council

- Provides planning expertise and funding to support good land use and transportation decisions
- Serves 117 communities and nearly 5,000 households administering Section 8 and other affordable housing programs
- Operates a regional transit system that provides nearly 230,000 rides daily
- Oversees treatment of 300 million gallons of wastewater daily



Land Use Reform: Preservation

Transfer of Development Rights Montgomery County, MD

Allows owners to transfer the right to develop their property to higher density “receiving areas” in other parts of the County, this program, perhaps the best in the nation, has preserved roughly 47,000 acres of farmland since its creation in 1980.

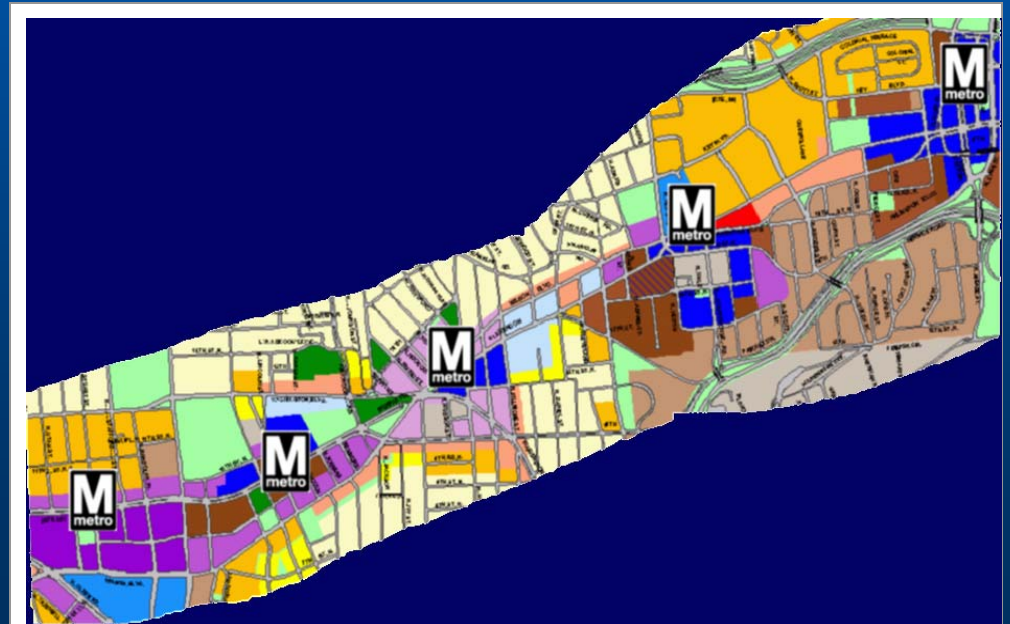


Infrastructure

Transit Oriented Development Arlington County, VA

Sector plans around each metro station establish land use and development guidelines to ensure a mix of commercial residential and office uses.

One third of all Metro transit riders get on or get off in Arlington County





Infrastructure

Milwaukee Freeway Demolition Milwaukee, WI

Removal of a little-used spur of the never-completed Park East Freeway began in 2002 to reclaim 11 blocks of downtown land





Access to Opportunity

Inclusionary Zoning Montgomery County, MD

Moderately- Priced Dwelling Unit Ordinance

Requires new developments of >50 units to set aside 12.5% - 15% of the units for low and moderate income households.

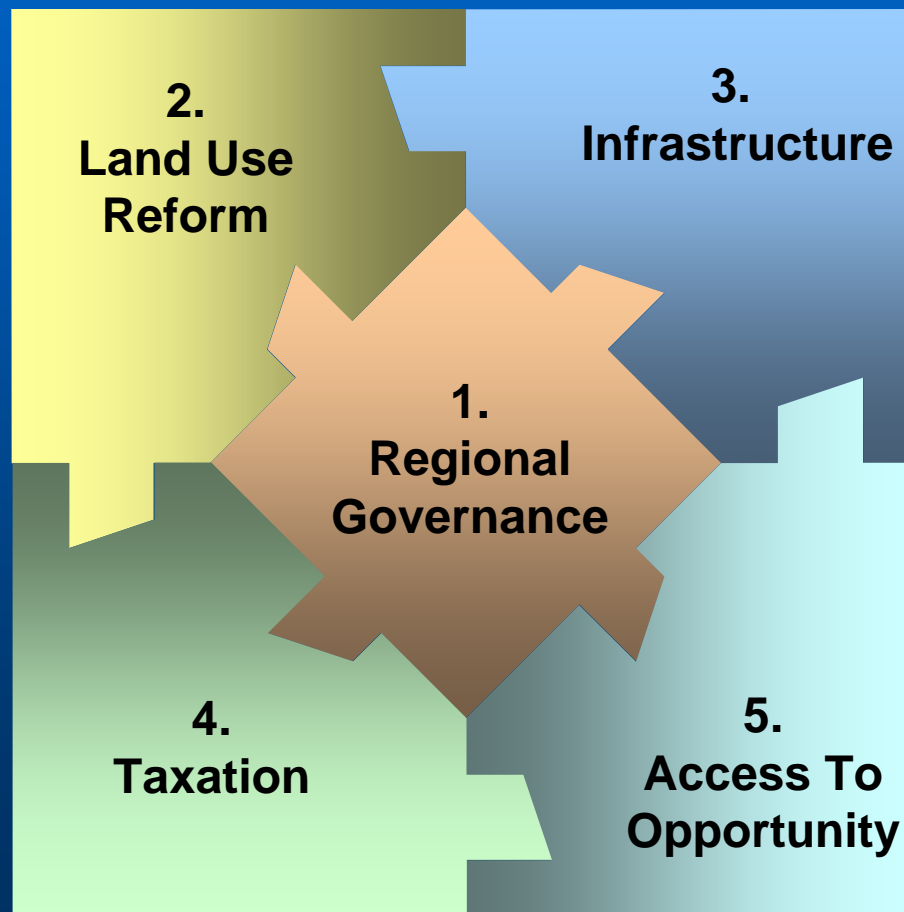
- Return is a 22% density bonus
- Almost 11,000 units since 1973



IV

What policy solutions are available to affect positive change?

The Smart Growth Agenda





A Smart Growth Imperative for the Washington, D.C. Region:



Bridge the racial divide



Pursue state reforms to enable smart local and regional solutions



Design and implement transformative investments to leverage urban density

www.brookings.edu/metro

The Brookings Institution

July 1, 2004

- Home
- News & Events
- Scholars
- Research Topics
- Programs
- Publications
- Bookstore
- Executive Education
- About Brookings

METROPOLITAN POLICY PROGRAM

Brookings > Metropolitan Policy

Redefining the challenges facing metropolitan America and promoting innovative solutions to help communities grow in more inclusive, competitive, and sustainable ways.

ANNOUNCEMENT

Urban Center Becomes Metropolitan Program

In a major promotion, the Center on Urban and Metropolitan Policy this month became the Brookings Metropolitan Policy Program—and the first new Brookings department established since 1948. The new status reflects the rising importance of metropolitan issues to the domestic and global challenges Brookings seeks to address.

read an open letter from Brookings President Strobe Talbott

METROVIEW

Deficits by Design Plague Metro
by Robert Puentes
The Washington Times
June 21, 2004

[News Index](#)

METROPOLITAN GROWTH

Mechanisms for Market-Based Land Use Control

Using case studies and a national survey, this paper examines transfers of development rights (TDRs) and other market-based land preservation techniques like mitigation banking and density transfer fees.

IMMIGRATION

Washington Goes Polyglot

Metro Washington's "limited English proficient" (LEP) population

SEARCH BROOKINGS

GO

Advanced Search

Metro Program

- Research by Topic
- Publications
- MetroViews
- Presentations and Events
- About Us

Metropolitan Policy Program

Greater Washington Research Program

SUBSCRIBE TO:

Metro Program Listserv

Stay on top of the latest releases, events, and web features.

First name:

Last name:

Email address:

SUBSCRIBE

[Access all lists](#)