

Appropriate Levels of Government for Sustainable Land Use: Containing Urban Sprawl in the U.S.

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Abstract

Urban sprawl occupies an especially prominent position on the current land use policy agenda, both at the national level (“Smart Growth”) and in metropolitan areas around the country. Since the problem was first identified just after World War II, it has been blamed in great part on flaws in the structure of land use governance, specifically the traditional devolution of regulatory authority to local governments. Fragmented governments, it is said, engage in “municipal mercantilism” whereby they favor land uses producing net tax revenues, while excluding less lucrative ones. A proliferation of special service districts undermines attempts at regional planning through coordination of infrastructure investments. Sprawl causes region-wide problems such as air pollution, watershed degradation, loss of farmland and open space, and pervasive traffic congestion, yet the main policy tools that might contain it remain firmly in the hands of local governments. This paper examines the relation between government structures and urban sprawl and considers some suggested governance reforms, including metropolitan government (e.g. Jacksonville, FL), tax-base sharing (Minneapolis), regional transportation planning (Atlanta) and direct state interventions to guide growth (e.g. Oregon’s urban limit lines).

“Urban sprawl” has been considered a major American land use problem for more than half a century. But it now occupies an especially prominent spot on the current land use policy agenda. Federal agencies are paying new attention to sprawl (e.g. the Environmental Protection Agency’s Smart Growth program and several new studies by the Transportation Research Board); politicians denounce it (e.g. Al Gore, Christy Todd Whitman); and national environmental groups (e.g. Sierra Club, National Trust for Historic Preservation) have made it a priority issue. The origins of sprawl are multiple: Americans’ love of their cars and large suburban lots, fear of urban crime and taxes, and government policies that have subsidized single family homes and the transportation and other infrastructure that services them.

From the very beginning of attention to the sprawl problem, a substantial part of the blame was attributed to the mismatch between the level of government experiencing the problem and the level of government that possessed or could be given the authority to deal with the malady. For example, in his classic 1961 study *1400 Governments*, Robert Wood observed that in the New York City region there were 465 municipalities that exercised zoning controls (Wood, 1961:77). Moreover, he asserted “No common policy toward the control of land or the encouragement of economic development exists within the region. Instead, land-use controls are applied in an atmosphere of intergovernmental jostling, and the ensuing pattern of population and industrial distribution is often determined according to the respective political capacities of the municipalities involved.” (Wood, 1961:79)

This paper addresses this claimed problem—the inappropriate level of governance for metropolitan land use policy—and the relevance this long-running debate might have for today’s efforts to address urban sprawl. The paper offers a set of observations on governance and sprawl, cites some preliminary—and mainly anecdotal—evidence, and points to directions for research that might better document the universality of the observed phenomena.

Observation #1 Sprawl is everywhere, while metropolitan fragmentation varies. If we look at California, where municipal annexation is difficult, and jurisdictions are fragmented, we find many examples of municipalities and counties on the fringe actively pursuing growth, even as older jurisdictions have passed growth limits (e.g. Fulton, 1997). However, if we look at (for example) North Carolina, where annexation is relatively easy and where cities have extraterritorial planning jurisdiction in a narrow band outside their current limits, we also find sprawl. The new availability of geographic information system (GIS) technology is opening new research opportunities for studying how land consumption by new development differs between various parts of the country. This should make possible, among other things, new insights into how the degree of governmental fragmentation influences development patterns. Do states that make annexation easy have less sprawl than do those where annexation is difficult? Do places with combined city-county governments (e.g. Jacksonville, Florida; Nashville, Tennessee) have less sprawl than do counties with dozens of incorporated areas?

Contention #2 Although individual jurisdictions do contend strongly for additions to their tax base, sprawl has many causes. Many are not easily addressed by adjusting regional boundaries. It has often been contended that “Americans dislike two things, sprawl and density.” If sprawl is contained on the urban fringe, there will be calls for increased housing densities, and more commercial development, in or near existing neighborhoods. But it is precisely the residents of these neighborhoods who have the motivation and organization to fight what they regard as undesirable changes to their own neighborhood environment. Even when regulatory agencies encompass entire regions, neighborhood and other local interests will surely dominate specific land use controversies. Today, the opportunity for new development to leapfrog to a more accommodating jurisdiction, offers a safety valve for growth pressures that would otherwise result in housing shortages or in pressures for densification of existing neighborhoods.

Observation #3 Sharing of tax revenues may help with the fiscal results of sprawl, but the Minneapolis case suggests it is unlikely to prevent sprawl. There has been much talk about sharing of revenues from new development, so that individual municipalities and counties have less temptation to engage in “municipal mercantilism”—the competitive search for new tax base. Minneapolis—St. Paul, alone among large metropolitan areas, has now had 25 years’ experience with its Fiscal Disparities Law. This provides that 40 percent of property tax revenue from new commercial and industrial development must be shared among seven counties and 187 jurisdictions on a per capita wealth basis. Without the revenue sharing, the per capita commercial-industrial tax base of the wealthiest jurisdiction would be 21 times that of the

poorest; the Law reduces the difference to 4 to 1. In 1999, some \$252 million was redistributed under the Fiscal Disparities Law (Minnesota Citizens League, 1999)

Yet urban sprawl continues to be a major problem in the Minneapolis region. In a 1997 set of interviews with local political leaders, conducted by the Minnesota Citizens League, one leader observed that "there is a schizophrenia about the management of growth." While it makes more sense to do compact development, this person said, "all the social pressures work against what makes sense." Another interviewee observed that "I'm not sure suburban areas are ready to accept the much higher density of development the Metropolitan Council's plans suggest." And yet another contended that "The Met Council and each individual city needs to really address the hard choices...we need to stop allowing development on the fringes, we need to start to insist on higher density infill development." (Minnesota Citizens League, 1997) And new commercial development has continued to sprawl, rather than taking the form of urban redevelopment. In 1992, the largest shopping mall in the United States, (Mall of America) was built in suburban Bloomington—to the detriment of the commercial district in downtown St. Paul. This mall recently announced an expansion that would double its current size—much of it in the form of hotel, office and entertainment facilities that would traditionally have been located in a central city, rather than in the “edge city” environs of Mall of America.

Furthermore, tax base sharing addresses only part of what is at stake in land use decision-making. As Dick Babcock (1966) counseled long ago, while local officials may be interested in the impact that new development may have on the tax base, “[t]he resident of suburbia is not concerned with *what* but with *whom*. His overriding motivation is less economic than it is social.” The addition of environmental criteria for judging development has not only added a new, non-fiscal rationale for decision-making, but has allowed neighborhood and other groups new levers to protect their environment.

Observation #4. There is greatly increased attention to using multi-jurisdictional, multi-modal transportation planning as a key method of attacking sprawl. This has been stimulated by the available of planning money from two federal transportation initiatives, the ISTEA and TEA-21. But there is very little evidence that land use and transportation planning are now being coordinated. The state highway agencies are still extremely powerful and still single-minded in seeing their mandate as speeding vehicular traffic flow, rather than reducing or redirecting it. Moreover, the example of the Washington (DC) Metropolitan Transit Authority, which operates an extensive (and very expensive) heavy rail system over a three-state region, suggests that even when successful efforts are made to promote development at urban and inner suburban transit nodes, suburban rail stations also facilitate very long distance commuting by persons who live on the fringe or countryside, drive to rail station parking lots, and commute by rail to jobs in the center city or inner suburbs.

In 1999, the Georgia Regional Transportation Agency was created to address multi-jurisdictional sprawl in the metropolitan Atlanta area, where outlying areas have been booming even as Atlanta itself has stagnated. (The city's population accounted for 22

percent of the metropolitan population in 1980 but only 13 percent today). The new agency can not only build or veto new roads and transit systems, but can affect development patterns by controlling the ability of new office parks, industries or residential developments to tie into transportation facilities. This new agency represents a major step toward using transportation policy to address sprawl, and clearly offers an experience whose unfolding will be worth studying.

Observation #5 State governments may be in a better position to deal with metropolitan sprawl than are the constituent jurisdictions or locally constructed combinations of jurisdictions. States have the ultimate legal authority over land use. During the 1970s, when very large projects and projects in environmentally sensitive areas were perceived as being inadequately regulated by local jurisdictions, states such as Vermont and Florida asserted jurisdiction over certain land developments statewide. An even greater number of states took direct state action—often over the loud objections of local governments—over substate regions, including California’s Lake Tahoe, San Francisco Bay and its entire Pacific coastline, New Jersey’s Pine Barrens, and New York’s Adirondacks. Oregon’s 1973 state land use law was a specific response to urban sprawl, particularly in the Willamette Valley. It required that local governments set urban limit lines, and prohibited most urbanization—and even some types of land subdivision—outside the limit lines.

In at least some of these Quiet Revolution cases, state action was initiated by the vigorous advocacy of governors, such as Tom McCall in Oregon, Russell Peterson in Delaware and Nelson Rockefeller in New York. Today, Governor Parris Glendening in Maryland and Christy Todd Whitman in New Jersey are exerting personal leadership in fighting sprawl. It is notable that the new (1999) Georgia Regional Transportation Authority was created by the state legislature and was in great part a response to pressure from the U.S. Environmental Protection Agency for regional solutions to the region’s poor air quality.

Although just over ten percent of country’s metropolitan areas (34 of 284) cross state lines, that is the case for only one (Las Vegas, NV-AZ) of the 25 metropolitan areas that are currently growing most rapidly. Therefore states can be expected to contain most growth pressures within their boundaries. Moreover, states have significant control over transportation policy, water quality regulation, and the ground-rules for local taxation (the Minnesota Fiscal Disparities Law was a state law, not an inter-local agreement). Just as states played a major role in land use policy during the Quiet Revolution of the 1970s, there may be an equally compelling role for state governments in addressing sprawl in the coming decade.

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