

PLANNING IN THE 1990S: GROWTH AND THE ENVIRONMENT

*Transcriptions of portions of a symposium held on May 3, 1990,
at the University of California at Berkeley*

The Politics of Growth

Betty Deakin

Growth management has spawned a massive amount of research and writing in a variety of disciplines. One finds articles on the topic in law, in geography, in political science, and in urban economics, as well as in the planning literature. And because California has been a leader in growth control and growth management, California has been much studied. The issues that are most commonly addressed in this literature are: who is it that supports growth management and why are they doing this?, and secondly, what are growth management's economic effects? I'm going to say a bit about what we know, or think we know, about growth control and growth management based on this massive and diverse literature, and then secondly talk about the politics of growth management.

One of the difficulties we have in interpreting the literature is that it calls everything from housing cap programs to urban limit lines to zoning, "growth management." Sometimes it is not terribly clear which specific kinds of public or private policies are being discussed and exactly which ones produce the consequences described. By grouping all these things together under this rubric, we sometimes limit our ability to interpret the results of the analysis. Nevertheless, with that caveat, let me talk a little bit about the work that has been done as to who actually supports growth control and growth management.

Support for Growth Control

Many writers have argued that growth control and growth management are an elitist plot wherein existing residents defend their turf against people who would like to live and work and do business in their communities -- with a self-aggrandizing and self-enriching motive, if not explicitly, at least implicitly present in these cases. There has been a body of research directed toward understanding who the people are who support growth-control and growth-management programs, or have attitudes that favor growth control and growth management. Most of this work is done through a combination of survey research and specific case study of instances in which growth-control campaigns are mounted. The findings of this research have been interesting in a couple of respects. First, the residents and others who tended

to support growth control do tend to be younger, more educated, and somewhat better off than the population as a whole.

But this is not the whole story. There also is broad support, in fact, majority support in many parts of the country, not just here in California but in such places as Iowa that have not been experiencing a lot of growth, for measures that are broadly considered to be growth-control measures. These include: charging developers impact fees to cover the full cost of the development, setting urban limit lines and trying to contain growth within those urban limit lines, making sure that the rate of growth is consistent with the delivery of infrastructure (transportation, water, sewer facilities), making sure that the schools don't get overcrowded. Majority support for these policies has been found here in California and elsewhere among low-income people, among minorities, among blue-collar workers, and among the elderly, as well as among professional classes. In fact, the group that seems to least support growth control consists of young, educated, wealthy, professionals who work in real estate and private enterprise.

Why do people support growth control and growth management? The studies have found that growth control policies are often responses to the consequences of past growth. Most of the places that have adopted growth-control and growth-management legislation or policies are ones that have recently experienced very fast growth spurts, and as a result of those very fast growth spurts, they had experienced one of the following kinds of problems: overcrowded schools, severe traffic congestion, air pollution, water pollution, water shortages, skyrocketing property taxes, inadequate public services (e.g., not enough libraries). There is a close relationship between the adoption of growth-management tactics and these indicators of problems resulting from fast growth.

In a number of cases the communities that have adopted growth control and growth management continued to grow at rates that are considerably higher than the growth rates of the state or of the region as a whole, but just a bit little slower than they had grown before controls were put into place. Thus, the measures did not stop growth, or even slow it drastically, in many instances.

There is not a whole lot of evidence of exclusionary intent. Indeed, most of the proposals that have been adopted for growth control and growth management include some measure intended to promote affordable housing, for example, or otherwise accommodate low-income people and their needs and concerns. But I think it is important to be cautious, because good intentions don't always translate into good programs. As case studies of a couple of communities here in the Bay Area have shown, one can have policies to promote afforda-

ble housing yet create such a complicated and difficult procedure for the actual delivery of that housing that it effectively bars its construction.

Effects of Growth Control Policies

The effects of growth control and growth management policies are a second focus of the literature on this topic, particularly the effects on housing. There is agreement that land regulations of all sorts can add to development costs both directly and indirectly, and can affect the price of developable land and in turn its supply.

As planners, we can restrict development potential through restrictive zoning and plans; we can add to the cost of development by loading on both on- and off-site subdivision improvements or impact fees; we can lengthen the amount of time that it takes to get needed approvals and permits and thereby up the interest costs and taxes, inflation costs, and overhead in development. All of these tactics are likely to make the development more expensive, and, under market conditions in which there is heavy demand, much of that added cost will be passed on to the ultimate consumer of the property; prices will rise. In the longer term, the demand is either going to spill over into other communities or get cut off by higher prices or some combination of both.

Thus, one important issue is whether growth control adopted on the local level is a factor in regional sprawl -- that is, in the continuing outward movement of urban development. It's extremely difficult to trace such a process because many other factors affect regional development patterns. The kind of work Mike Teitz just described to you, I think, is an important first step in trying to understand regional growth dynamics, not just the growth within regions but eventually the competition among regions.

The other issue we have identified, for which there is pretty good documentation, is market reorientation. In many markets where growth controls have been imposed, developers produce higher-cost products and upscale products through putting more emphasis into amenities and lower densities. The magnitude of these effects has been estimated by a variety of researchers, whose findings range from a 2 percent to 35 percent inflation effect on housing price. The wide variation in the estimates largely depends on the initial assumptions made. For example, a study done in San Diego for people who were quite concerned about the average effects of growth control showed that there might be as much as a 40 percent housing price inflation as a result of the policies that were being proposed there a couple of elections back. Another study done using exactly the same set of proposals estimated that the housing price inflation effect might be only 5 percent.

It also is important to think about the extent to which housing prices perhaps ought to be carrying more of the cost of basic infrastructure and services that are being delivered, or whether those costs might be borne by the housing purchasers in some other fashion -- for example, through property taxes (but for Proposition 13, which has essentially prevented that as an option for carrying the costs of the development in California). Put another way, some increases in housing price may be equitable, reflecting internalization of costs formerly subsidized by the general public rather than paid just by the homeowner-beneficiary.

Why Policies are Adopted

Given such a high level of uncertainty about what the effects of growth control really are, and the concern that growth control policies can be costly, I think the big issue is why it is that these policies are pursued. In my research I have looked at what it is that motivates local governments, and in some cases citizen movements, to support, promote, and adopt growth-control and growth-management measures. Based on a survey of 55 cities, about half of which are in California and half in other parts of the country experiencing a lot of activity in growth management, and in 15 very detailed case studies, my major finding is that much of what gets called "growth control" is in fact designed and functions not to restrict growth at all, but to facilitate it, and to facilitate it by fending off anti-growth movements.

Many of the communities that have adopted growth control and growth management measures were facing very heavy controversy over the growth that had occurred in their communities. This controversy arose because local government was not able to maintain services in the community with the existing tax base, or even with acceptable or affordable tax increases. Many of these cases occur in states that have acceptable tax limitations, including California and Florida. The most common problems were traffic congestion, water and sewer inadequacies, air pollution, and crowding in schools.

Faced with those kinds of problems, citizen activists had been lobbying for a variety of policies to respond to prevent continued deterioration in what they saw as the quality of life that they had or wanted in their community. The kinds of proposals the citizens made for controlling growth included: "beauty contests" (that is, competitions for development permits); caps on how many housing units could be added; very complicated reviews on the projects that would be permitted; height limitations for commercial development, in some cases from 30 to 40 storeys down to perhaps only four or six storeys; detailed citizen approval of projects (for example, requiring that, before any major development could be approved, it would have to go to the citizens for a vote).

In many cases, policies were adopted by the elected officials to fend off what were seen as the citizen activists' rather extreme proposals for growth control, by proposing instead to use impact fees to make sure that development paid its own way, to use urban limit lines to make sure that development was compact and was being oriented toward places where infrastructure either was already available and could be provided in a relatively efficient way, or otherwise were designed to make sure that growth could occur more smoothly, without harming the existing population's interests.

Several characteristics typify the programs adopted by communities that are not really trying to limit growth so much as to manage it, and to make sure that anti-growth sentiments don't become the dominant sentiments in their communities. The characteristics include, first, the use of a formula-basis for determining where development can occur and what the costs of development will be. In particular, the use of impact fees is very common in communities that are trying to facilitate managed growth. The formula-basis goes along with a second very common characteristic: limiting discretion by staff, or by the city council, in some cases, over project approvals, setting very clear rules on what will or will not be approvable, and then fast-tracking projects through the system as long as they follow these rules.

A third characteristic of programs that are trying to manage growth but keep it going is to provide incentives or *quid pro quos* to developers who follow the rules. These incentives might be in the form of density bonuses, or making bonding available to help pay for some of the infrastructure, or helping to create assessment districts. The techniques used vary from state to state depending on what kind of legal framework each state has.

What happens in communities that don't manage to control negative impacts and contain political opposition to growth? Obvious consequences are voter-enacted growth moratoria or development restrictions, but these are more the exception than the rule. More commonly, policies that aren't even thought of as growth-control measures by most people are adopted. Probably the most common such policy is heavy down-zoning, to housing densities of only two or three units an acre, for example. Other policies include down-zoning commercial areas and restricting the amount of land that can be developed.

Another technique that I have seen used here in California but not so much anywhere else is the setting of extremely high standards and requirements for commercial development. For example, a city may require five or six parking spaces for every thousand square feet of new retail development in a relatively built-out neighborhood shopping area. That much parking would require the building of a garage, but the mar-

ket isn't strong enough for the developer to be able to afford to build a parking garage. Essentially, this kind of requirement kills off any development, because unless the developer can get some sort of exception made, he or she can't proceed under these strict rules.

Issues

Two major issues remain to be dealt with by planners and researchers. First, can we develop growth-management techniques that are socially responsible, that do deal with these questions of what happens to low-income and moderate-income people in the face of higher housing prices and higher cost in general as a result of the policy? Secondly, how do we deal with spillover effects? Community-by-community growth management has had, perhaps, less effect than it might have simply because one can always go one town over and find another opportunity for *status quo* development practices. As we begin to build toward regional and area-wide systems of growth control and growth management, it is going to become increasingly important, I think, to look at those two issues together.

Editor's Note:

The work presented by Michael Tietz prior to this discussion has recently been published in the article "California Growth: Hard Questions, Few Answers," in Kirlin, John J., and Donald R. Winkler, eds., *California Policy Choices*, Volume Six (Los Angeles: U.S.C. School of Public Administration), 1990 edition.

State Growth Programs

Judith Innes

Six states have passed legislation since 1985 to set up growth-management programs. These are attempts at comprehensive, coordinated planning among all the agencies and levels of government which make decisions that affect the use of land. These are major, far-reaching programs, and some of the most creative efforts at planning that we have seen in twenty years. The jury is still out on whether they are going to work at all to achieve real coordination or the degree to which they will work; but before I turn to that issue, let me just underline what Betty Deakin just said about the motivations for developing such growth-management programs.

Motivations

While the environmental movement undoubtedly has played a role in the institution of these systems, they have come into place because of the rapid growth that has occurred in these states, which include New Jersey, Rhode Island, Maine, Vermont, Georgia, and Florida.¹ This growth has caused visible changes in the environment. It has also spurred horror stories about large-scale developers moving into small towns of 500 population and suddenly wanting to build 500 new apartment units. The towns in many of these states have no planning procedures and no plans. They also have no resources for infrastructure. What happens, of course, is that the developer can't develop. The town may issue a moratorium. They don't know what procedures to follow; they can't evaluate the project; they simply don't know what they're doing.

Thus, much of the impetus for these growth-management systems has come from the developers themselves, who want more systematic procedures to deal with these issues (the exception to this, of course, is New Jersey, because of the Mount Laurel decision, which has forced the state to deal with housing issues; so it is somewhat a separate issue). Make no mistake, it is the desire for growth and the knowledge that a town might not have growth someday in the future that is the impetus for these systems. I think one of the reasons that we do not have such a system in California is that we are not worried about losing growth. But with this background in mind, let me address why I consider these programs to be new and something really worth watching.

New Elements

The way I look at these growth-management programs is that they are efforts to develop a new way of achieving coordinated public action among various levels of government, across agencies, between local

governments, and a new way of including the public in a process of conversation and communication. What is different is that most of these are not top-down, hierarchical, bureaucratic procedures where someone at the state level says how it has to be done or what rules to follow. There are, of course, some rules, but they do not represent a hierarchical system. On the other hand, these are not simply laissez-faire or bottom-up systems, where everyone can do whatever they want. Rather, they represent an effort to create a framework within which a set of informed negotiations can occur.

Two other aspects of this set of developments also represent departures from past policy as a practice. First, growth management represents a new recognition among both the public and state policymakers that the regulations and actions of various functional agencies play themselves out on the ground. In other words, if you want to deal with regulation of water and air and keep your highways free of total gridlock, that you have to set policy in terms of land use. This is something that has not been common; rather, it has been thought that you could address one functional area at a time. Thus, what is new here is that people are saying you have to regulate land use in some way to be able to deal with these issues.

Another new element is computer technology -- the capacity to build geographic information systems that make possible a common information base. Then, everyone who is acting in this complicated system of negotiation and discussion can have the same information about where the environmental hazards are, where the development is, and so forth. These systems are just now being developed and are beginning to be used. The possibility of effectively implementing these total-growth-management systems, I would contend, depends heavily on those information systems.

Characteristics

Most states have established formal goals and policies. Most of these goals are in the motherhood-and-apple-pie category -- clean air, clean water, etc. They all aim, basically, to balance environmental protection and development goals. Some of the states have special problems -- slopes, coastal zone areas, and so forth, some of which are controversial. Each state requires or strongly encourages localities to do plans. It should be noted that some of these are states in which local governments have not done much planning. This requirement is similar to the California general plan act requiring certain plan elements, certain data, and certain justifications. But in several cities you're talking about citizen planners and small communities; Vermont's largest city is 37,000. Each state has an agency which approves the plans and determines whether they are consistent with the state policies.

In some sense, this may be the first new full-employment act for planners since HUD's 701 program because so much planning is required. Various sanctions and incentives force or encourage planning; sometimes a locality that develops a plan can challenge a state agency's plan or get some extra funding. These policies have not prevented a number of people in Vermont towns from refusing to participate, however. Most states are also simultaneously developing a geographic information system at the state level, in order to build a common database to deal with things like land capabilities, water tables, slopes, flood-plains, development areas, and so forth.

There are a lot of variations across the states. For instance, there are a variety of ways of adjudicating the inconsistencies and establishing the criteria for when a plan is in compliance. This is all being worked out as they go for, the most part. Some new language is entering the planning vocabulary, however, in the process. One of them is "cross-acceptance," the New Jersey word, where at the county level all the localities have accepted each other's plans and the county's plans and the state's plans. Another concept is "concurrency," the Florida term, which has to do with development not being allowed until the infrastructure is in place, particularly highways and maybe water supply. Vermont has a whole system of regional planning agencies and a council of regional commissions which has an elaborate set of procedures and acts as mediator when there are disputes between local agencies and between local, regional, and state agencies.

Thus, there is a lot of experimentation going on in institutional design, in finding ways to have conversations and ways to determine the nature and required degree of consistency, and in defining the criteria for consistency. The New Jersey master plan, for example, has divided the whole state into "tiers," designating where the most development will be allowed, where the least will be allowed. This approach seems to be the most controversial of all the techniques. One of the lessons from the Vermont experience with developing the state map is not to come up with a map as your first task, but instead maybe as your last task, because everybody attacks the map.²

Factors for Success

Let me turn to the question about what will succeed and what success will depend on. The first issue concerns how effectively the arenas for negotiation are established. In some states such as Vermont (I'm proud to say two of our graduates were involved in writing the legislation in Vermont: Richard Cowart and Anne Winchester), there are a lot of procedures established for people to talk to each other and for resolution of conflicts to be made among them. A number of other states have not set up such processes for conflict resolution. Thus, the

question is, how effectively will the states get the appropriate participants involved, create the opportunities for them to talk to each other, and create the opportunities for them to resolve issues.

The second issue is how effectively will the watch-dog function be carried out. It's very clear to me that the effectiveness of these systems will depend on citizen watch-dog groups being able to have the information and the legal standing plus the political influence to monitor what's going on and to make sure that the bureaucrats carry the program out. The degree to which these processes are aired publicly is not always specified. There are hearings at certain points and not at other points. It's inevitable that some things are done behind the scenes when you have negotiations. Florida is trying to use a "compliance agreement," which is a version of a local plan negotiated among state and local planners. However, the public at the local level may well reject this when it comes back and is finally publicly aired. Public education is going to be an important issue because citizens have to play an enormous role in these processes.

There is also some problem in maintaining state support for these programs. Other political issues and fiscal problems of the states so far haven't been serious enough where the state planning agencies have had their basic support withdrawn for planning and technical assistance, despite statewide funding cutbacks. But it remains to be seen if the commitment to the infrastructure needs and the larger funding will be there.

There is a real problem also in the development of criteria and procedures. This is a conceptual and political task as well as a practical and technical one. The solution to this problem, I think, will depend on the geographic information system and how effectively the information can be developed so that people trust it, and believe it, and it comes in a form that they can use. So, one of the challenges (and again, it's one where planners are not playing a sufficient role), is the development of geographic information systems for growth management. The geographic information system involves input from many different sources, about land, about infrastructure, and about housing. The only way to have a usable system is to have a lot of different agencies provide their data and to provide output in a lot of different forms that's useful to those agencies and also understandable to the public, which plays a significant role in this process. Right now, these information systems (except in Vermont where system designers have been planners looking at the application issues) are being run by natural resources people, scientists or people in universities who are not really familiar with the organizational information needs, or the relationship of the information to policymaking. One of the major challenges will

be to figure out how to make the interface between production and application.

Conclusions

The question to answer now, I think, is the relevance of this to California. There are several changes happening at the state level and at the regional level in the Bay Area. People are beginning to be much more aware of and concerned about the lack of regional planning. In many senses, of course, these small states are really doing what we would call regional planning: the state of Vermont is maybe one-tenth the size of the Bay Area in terms of population -- thus California represents a very different scale. But in comparing these state programs to the potential for regional planning in California, one issue that arises is that we are not worried about losing growth, as most states are. Thus many policymakers are content to do "growth control" rather than "growth management." The only growth management issues we're beginning to be worried about in California are where the growth should go, and whether we somehow are being inefficient about it. Also, many of the states have fewer existing institutional arrangements for planning and environmental regulation than California. This may be an advantage for California but it also may prevent the creation of new institutional forms. Finally, California does have a powerful environmental movement, comparatively, that is likely to back growth management reforms and play a major role in effective implementation.

We have a great challenge ahead. There is unquestionably a new push for regional growth management in California. This is going to be the time for activism and a redesign of planning institutions. As you may know, former University of California at Berkeley Chancellor Michael Heyman is chairing the Bay Vision 2020 activity, which involves people from all over the Bay Area in a formal commission that is considering possibilities for a regional plan and a regional strategy. Regional planning legislation is under consideration in Sacramento. This is the time that people like yourselves will have to play a role in creating new institutions. I would urge you to keep an eye on what's going on in New England and the East for ideas.

NOTES

¹In May 1990, the legislature of the state of Washington passed a state growth management program. A stronger and more inclusive proposal will be on the November ballot by citizen initiative.

²As of June 1990, however, the cross-acceptance process seems to have generated sufficient acceptance of the basic tier map that this procedure may well be successful in New Jersey.