

## SUBURBAN SPRAWL, URBAN DECLINE, AND SMART GROWTH

Baltimore, Maryland – National Association of Homebuilders

1. It is a pleasure to speak to you today about relationships between suburban sprawl, urban decline, and smart growth. They are of vital importance to home builders. My speech is complex, but you can soon download it from my website [www.AnthonyDowns.com](http://www.AnthonyDowns.com).
2. My first point is that ***urban decline is definitely aggravated by the dominant American urban growth and development process***. Peripheral growth helps cause inner-core decline.
  1. I define “urban decline” as either (1) severe loss of central city population from 1980 to 1990 or (2) the presence, or worsening, of certain adverse conditions in core-areas of large cities and older suburbs. These conditions include high rates of poverty, teen pregnancy, crime, broken families, drug abuse, and poor quality public schools.
  - B. Certain specific traits of the American metropolitan growth process contribute to high concentrations of poor minority-group households in older core areas.
    3. ***One trait is our universal legal requirement that all newly-built housing meet very high quality standards***. Building to these standards is so costly that millions of poor households cannot afford new units without big subsidies. ***But we do not provide enough housing subsidies to enable many poor households to live in newly-built units***. Since most cannot live anywhere in new-growth areas, they must reside in older areas in deteriorated and less desirable units.
    4. ***Another trait is that many suburbs deliberately adopt exclusionary zoning regulations that prevent local construction of low-cost housing*** – especially multi-family housing. Homeowners politically dominate most suburbs, and they want to keep housing prices high – and rising – to protect their investments in their homes – and to maintain their social status by keeping the poor out.
    5. ***The next characteristic is widespread racial segregation in housing markets***. It is founded mainly on the unwillingness of most whites to live in where more than about one-third of the residents are African-Americans. There is also an element of self-selection in segregation that makes it very difficult to reduce.
    6. ***In addition, major obstacles exist to redeveloping core-area neighborhoods with new structures, compared to building anew on vacant peripheral land***. These obstacles include city bureaucracies, trade union rules and political power, demolition costs, and local resistance to change. ***The last trait is the dynamic nature of our social mobility***. As households get wealthier, they like move out.
  - C. ***These traits have long been built into the American urban development process – regardless of the density at which it occurs***. Together they create strong pressures for many poor minority-group households – especially African-Americans – to live concentrated together in older parts of big cities and suburbs because they cannot find affordable units in new-growth areas. Such concentrations exist in most big cities.
  - D. ***The concentration of poverty in those neighborhoods creates adverse local conditions that***

*motivate many non-poor households and business firms of all ethnic groups to move out of such neighborhoods, normally withdrawing to the suburbs.* The resulting loss of viable households and businesses, and their tax revenues, further weakens economic and other conditions in those communities.

1. An even more serious result is that many of our young people are not being educated well enough to participate positively in our high-tech society. ***This will handicap each region's ability to compete in the globalized economy, thereby reducing the prosperity of all of its residents.*** That is why urban decline should be of concern to all Americans, including all suburban residents.
  2. Urban decline has definitely been underway in the Baltimore region. The city's total population has fallen steadily from 905,000 in 1970 to 646,000 in 1998 – a drop of 259,000 or 28%. The suburbs rose from 1.184 million in 1970 to 1.837 million in 1998 – a gain of 653,000 or 55%. Such out-movement is continuing.
- III. My second key point is ***suburban sprawl is just one possible form of the American urban growth and development process, but it is so widespread here that most Americans think it is the only possible form. Moreover, sprawl in itself does not cause urban decline.*** Decline results from the whole growth process containing those traits I mentioned.
- A. Sprawl is a specific form of growth marked by low-density settlements, leap-frog movement of subdivisions far out onto vacant land, predominant use of private vehicles for movement, and highly fragmented local control over land-use decisions. Nearly all U.S. suburban growth has taken this form because suburbanites prefer it. But our growth could be based upon much higher-density settlements, new subdivisions built only contiguous to existing ones, more reliance upon mass transit, and regional decision-making – which dominate most European metropolitan areas.
  - B. I initially thought sprawl caused urban decline, ***but my intensive regression analyses revealed that none of the defining traits of sprawl contribute much to urban decline.***
    1. I conducted a regression analysis of these traits and other elements of sprawl, as related to an index of decline in 162 central cities. I also used city population change from 1980-1990 to measure decline. I tested over 200 independent variables. ***These tests showed no significant links between sprawl and decline.***  
***Thus, it appears that the basic traits of the American urban development and growth process described earlier – not the four basic traits of sprawl – are the chief causes of concentrated core-area poverty, and therefore of urban decline.***
- V. My third key point is that ***successfully attacking urban decline would require reducing present core-area concentrations of poor minority-group households by making it possible for more such households to live in the suburbs near where most job growth is occurring and where better neighborhoods and schools are available.***
2. Such voluntary out-movement would also greatly improve local conditions for the households concerned. Certainly, it would also be desirable to encourage more jobs and middle-income households to locate in core-areas. Many big-city mayors are trying to do just that. But it will not to work well if those areas remain mainly poor.

3. Of course, making more suburban housing affordable to low-income households would require portable vouchers or other subsidies, and a lowering of regulatory barriers to construction of more lower-cost and multi-family units in the suburbs.
  4. This is a highly controversial conclusion, which I first set forth in my 1973 book, *Opening Up the Suburbs*. HUD Secretary Cisneros reached the same conclusion and tried a program he called “moving to opportunity” modeled on the successful Gatreux public housing dispersal program in Chicago. But intense political opposition from suburban residents and officials in Baltimore has stifled this plan.
  5. *Yet most big-city mayors believe this conclusion, because they are trying to reduce the concentration of very poor households within their cities by attracting middle- and upper-income households back into those cities.* That strategy has some possibility of working near downtowns that have large employment centers and strong amenities – but only for households without school-age children. Families with school-age children – of all racial and ethnic groups – are moving out to the suburbs to gain access to schools with lower concentrations of students from very poor homes.
  6. *Changing the future form of urban growth from sprawl to a higher-density, more compact form would not remove the fundamental causes of urban decline built into the way we develop suburbs – unless we also changed our urban growth process.*  
A really tight urban growth boundary might shift more growth into in-fill sites, and raise housing prices within the city. But that would hurt low-income residents there.
- VI. *My fourth point is that sprawl does contribute to certain other types of problems more closely associated with peripheral growth itself. Those problems – plus prosperity – are the two factors responsible for the current rising hostility to sprawl among suburbanites.*
- A. *Prolonged general prosperity is one reason for our recently increased focus on sprawl as a problem.* Whenever people feel liberated from worries about their jobs and incomes, they can afford to worry about their quality of life. That shifts their attention to the irritating consequences of growth, such as traffic congestion, air pollution, crowding of public facilities, rising taxes to pay for new infrastructures, and loss of open space. If a recession occurred, they would once more yearn for growth.
  - B. *The second cause of our focus on sprawl consists of those growth-related problems I just mentioned.* In my view, these problems are far less significant to our future success as a society than urban decline. But growth-related problems afflict the relatively well-off suburban majority, so they get the most attention from politicians who respond to the concerns of their donors and constituents.
  - C. *Ironically, the most widely-resented of these growth-related problems – traffic congestion – is essentially insoluble. There is no feasible solution to rising traffic congestion that most American citizens will accept.*
    1. *Americans will not shift into public transit in large enough numbers to prevent*

*rising traffic congestion*, no matter how much transit we provide. In 1995, 90% of all commuting was done in private vehicles, and only 5% by public transit. Private cars are faster, more comfortable, more convenient, more flexible and often cheaper than transit. We have been adding *more than one private vehicle for every one person* added to the human population, and this will continue.

2. ***Building more roads or adding lanes is often a good policy, but it will not relieve traffic congestion in a region once it has appeared there.*** If a major expressway is widened, traffic speeds up for a while, but soon drivers converge on it from other times, other routes, and other modes – until traffic in the peak hour is just as slow-moving as before. And growth soon fills up new roads.
  3. ***Traffic congestion is the balancing mechanism we use to pursue conflicting objectives***, such as having a wide range of choices about where to live and work, combining many purposes on each trip, having multiple workers per household, working during the same hours so firms can interact efficiently, and separating our homes from households poorer than we are. This is a world-wide problem.
    - a. So you had better get used to rising congestion. Get yourself a comfortable air-conditioned car with a stereo radio, a tape deck and CD player, a telephone, a fax machine, and even a micro-wave oven, and commute with someone you really like! Congestion is here to stay.
- V. ***This analysis does NOT mean that sprawl has no relationship to urban decline, even if its relevance cannot be statistically proven.*** But focusing public policies primarily upon reducing low densities and leap-frog development, or increasing use of public transit, is not likely to affect urban decline much unless accompanied by effective actions aimed directly at reducing high concentrations of poor minority households in older core areas.
- VI. ***What about “Smart Growth” as a means of coping with growth problems.*** This term has become a catch-all phrase for anything its users happen to favor about the growth process. This ambiguity conceals big conflicts among three different groups.
- A. The first group consists of ***anti-growth advocates and environmentalists*** upset by sprawl's negative impacts – mainly those upon suburban localities. They want to slow down outward expansion and cut dependence on private automotive transportation.
  2. The second group consists of ***pro-growth advocates*** – home builders, developers, chambers of commerce, and landowners. They are not upset by sprawl much, if at all. They want to expedite outward expansion so as to accommodate future growth fully.
  3. A third group – the smallest – contains ***inner-city advocates*** upset about the draining of resources from the inner city by our outward growth process, which leaves behind many poor minority households concentrated in inner-core areas.
  - D. All three groups promote “smart growth,” because who can oppose it? But that term means

different things and no one agrees on just what its elements should be.

- E. Unfortunately, all three groups support leaving control over growth policies in the hands of local governments. ***But local governments cannot solve the problems associated with growth through local actions, because those problems are regional in nature.*** Traffic congestion is a clear example. Each local government can limit growth within its own borders, but that merely moves the growth somewhere else in the region. And each local government is motivated to adopt policies that benefit only its own residents, without regard to the whole region.
7. Now let us consider what policies should be included in a truly effective “smart growth” program, and how those policies would mesh with the goals of all three groups.
- A. The first element is ***placing limits on outward extension of further growth.*** Most anti-sprawl advocates support urban growth boundaries, utility service districts, or local growth controls. They think such limits will reduce infrastructure costs, shorten distances between new suburban jobs and unemployed city workers, shorten future commuting times, preserve vacant land, and create higher densities.
    - 1. ***But there is no one approach that will fit all regions.*** In Florida, limiting growth into the Everglades seems prudent. But in Albuquerque, where the best open space is in the region’s center, limiting outward growth is not sensible. ***Also, limiting outward growth would not accomplish all the goals its advocates want.*** It would not cut average commuting times, since the shortest such times are between suburban housing and suburban jobs. It might protect farmland from urban uses, but there is no national shortage of farmland. It might shorten commuting distances for inner-city workers, but they need cars or better transit. Growth limits would also prevent building low-cost units on cheap land.
    - 2. To work well, outward growth limits must involve the entire region, not just individual localities acting separately. But most localities are not willing to cede any authority over land uses to regional bodies. If separate limits are adopted by individual localities, that will just spread sprawl farther out.
  - B. The second element in most “Smart Growth” schemes is ***reducing dependency upon private vehicles – especially one-person cars*** – to cut congestion, increase transit availability to the poor, and reduce total travel costs. The usual tactics suggested are requiring higher-density future development, clustering high density around transit stops, raising gas taxes and license fees, shifting more money from road building to providing more transit, and creating more pedestrian-friendly communities.
    - 1. This goal will be extremely hard to achieve. Future development density would have to be over 10,000 persons per square mile to make heavier transit use feasible. Clustering higher density around transit stops has not been done much because of neighborhood opposition. Raising gas taxes and license fees is a political non-starter. Moving more funds to transit is questionable since transit now gets 25% of all public transport spending for under 2% of all person trips.

- C. A third “Smart Growth” element concerns *who should pay for the infra-structures needed to accommodate growth*. Anti-sprawl advocates propose loading such costs onto new developments via user fees, exactions, and proffers. Pro-growth advocates propose sharing these costs with existing citizens, who benefit from better facilities. If the guiding principle should be “Those who benefit should also pay,” then some sharing of these costs seems fairest.
- D. A fourth element in “Smart Growth” is *what residential densities should be encouraged in new-growth areas*. **In theory**, anti-sprawl advocates support higher densities to encourage more transit use. But **in practice**, residents of new-growth areas prefer low densities in order to raise home values by excluding apartments and lower-cost housing. Developers want to reduce regulatory barriers that impede building lower-cost units. I agree with that view, because we must encourage more low-income households to live in the suburbs. One example is permitting owners of single-family homes to create auxiliary rental units in or attached to their properties.
- E. Another element in “Smart Growth” strategies is *redeveloping inner-core areas* so as to make them more attractive to middle- and upper-income households, and to improve the quality of life there for low-income households. *Advocates of all three basic positions agree on the desirability of this element*, but disagree on how to allocate funds to this purpose. Another element on which all three groups agree is *removing barriers to urban design innovation in both cities and new suburban areas*, permitting the “New Urbanists” to use grid street patterns, alleys, porches, etc.
- F. A final element in “Smart Growth” concerns *what form of governance over land-use decisions should exist*. Ironically, all three groups support leaving full control over land uses in the hands of local governments, even though doing so is ineffectual for implementing the other policies they support or achieving their basic goals.
1. *I believe some type of regional coordinating mechanisms are necessary to coping with both sets of problems associated metropolitan growth*. But my view is not widely held except in regions that have had growth crises, such as development threatening the Everglades, or air pollution causing a cut-off of federal highway funds in the Atlanta region.
- IV. What conclusions can be drawn from this complex analysis?
- A. *Localities need to develop some type of coordinated regional approach, even if just voluntary, before some crisis arises that compels them to do so*. On the other hand, “*Smart Growth*” *cannot mean the same thing everywhere – its elements must vary in accordance with a region’s specific characteristics*. What is “smart” in New York may be “dumb” in Phoenix.
- A. Second, the *vested interests of all key stakeholders should be taken into account in arriving at effective regional policies*. No one should dominate all others.

- B. ***Third, some growth is an essential trait of any economically dynamic community. Therefore, a basic principle of “Smart Growth” should be to accommodate future growth, not choke it off. Specifically, “Smart Growth” should not cut off all the benefits of sprawl for those who enjoy them.*** Those benefits include housing on cheaper land, more space, low-crime rates, good schools, and shorter commutes.
- C. Fourth, opening up suburban communities to lower-cost housing is vital to reversing urban decline by reducing the concentration of poverty in inner-core areas. This requires reducing regulatory barriers and exclusionary suburban zoning.
- D. Fifth, one of the biggest conflicts among these views is how to allocate available transportation funds. Pro-growthers want more roads; anti-growthers want more transit; and inner-core advocates want more maintenance of existing systems. There is no easy way to settle this dispute, but ***no policies will stop rising traffic congestion.***

VIII. In conclusion, if all three groups approach creating a growth management strategy for their own region in a spirit of cooperation and compromise, and a recognition that the efficiency of the region as a whole is vital to their own future prosperity, ***it should be possible to work out a “Smart Growth” strategy for each region that will work.*** Good luck!