



Urban Growth Management Strategies

Peter Pollock, FAICP

The Rocky Mountain Land Use Institute

Sustainable Community Development Code

Research Monologue Series:
Urban Form, Transportation



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About the Research Monologue Series

The Sustainable Community Development Code, an initiative of the Rocky Mountain Land Use Institute, represents the next generation of local government development codes. Environmental, social, and economic sustainability are the central guiding principles of the code. Supporting research for the code is represented by a series of research monologues commissioned, presented and discussed at a symposium held at the University of Denver in September of 2007. RMLUI and the University of Denver's Sturm College of Law extend its gratitude to the authors of the papers who have provided their talents and work pro bono in the service of the mission of RMLUI and the stewardship of the creation.

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About the Author

Peter Pollock, FAICP, is the Ronald Smith Fellow at the Lincoln Institute of Land Policy. Since July 2006 he has been working with the Department of Planning and Urban Form to manage the Institute's joint venture projects with the Sonoran Institute and the Public Policy Research Institute of the University of Montana. He worked for almost 25 years for the City of Boulder, Colorado as both a current and long-range planner, and he served as director of the city's Planning Department from 1999 to 2006. His work in Boulder is profiled in Roger Waldon's book *Planners and Politics: Helping Communities Make Decisions* (APA Planners Press 2006). Pollock began his career as the staff urban planner for the National Renewable Energy Lab in Golden, Colorado, where he specialized in solar access protection, energy-conserving land use planning, and outreach to local communities. During the 1997–1998 academic year Pollock was a Loeb Fellow at the Harvard University Graduate School of Design and a visiting fellow at the Lincoln Institute. He received his master's degree in Landscape Architecture at the University of California at Berkeley in 1978 and his bachelor's degree in Environmental Planning at the University of California at Santa Cruz in 1976.

Contact Information:

Email: ppollock@lincolninst.edu

1. Definition and Introduction

Urban growth management strategies (GMS) consist of the various tools used to manage the amount, type, extent, rate, and quality of urban development. In other words, these tools can be used to manage how much growth occurs, what kind it is, where it occurs, how fast it happens, and with what impacts.

Change is a constant in our world and not all communities are dealing with the issues of growth. Some communities must manage the issues that derive from decline. Many communities have neighborhoods that are in decline while other parts prosper. Still, GMS can be used to help those that are struggling, for instance, by concentrating investment in distressed areas.

GMS can be employed at a variety of geographic scales, and by a variety of actors, usually governments. Individual development projects, particular areas or neighborhoods, entire communities, and whole regions can be the focus of growth management strategies. Table 1 shows the array of strategies that can be employed based on purpose (as discussed above), and scale.

Paul Neibanck and other commentators have appropriately criticized GMS when used primarily for exclusionary purposes. Niebanck further proposed a set of factors that growth management systems should be measured against, including whether they contribute to the health of our natural systems resulting in the wise use of local resources in the context of a “bioregional consciousness.”¹

The focus of this work is to determine appropriate strategies that can help to achieve a greater degree of community sustainability. One construct for community sustainability is the three “E’s” – Environment, Equity, and Economics. All three must work together to create a truly sustainable community, e.g., a job is an important part of quality of life, and further, access to employment by all members of the community important.

More specifically, to what end are growth management strategies used?

One purpose is to achieve a balance between the amount of growth and the ability of natural systems to sustain it. These natural systems include food production, water quantity and quality, air quality, plant and animal habitat, and increasingly, the climate itself. It is a rarity for communities to purposefully limit their population in order to minimize their impact on natural systems.

A more common purpose is to achieve a balance between the amount of growth and the ability to provide the transportation, energy, water and waste disposal, public safety, education, public health, and other services needed by human

¹ Neibanck, Paul, “Growth Controls and the Production of Inequality,” in Brower, David J., David Godschalk, and Douglas R. Porter, eds., *Understanding Growth Management: Critical Issues and a Research Agenda*. (Washington, D.C.: The Urban Land Institute, 1989).

populations. Development can be metered out so that a community can maintain its ability to provide adequate services and to avoid some of the negative effects of boom and bust development cycles which can strain a community's ability to just absorb the sheer amount of change. An alternative approach to mitigate the impact of growth on community services is to have development pay its fair share of newly created service needs. This primarily happens through systems of developer dedications and impact fees or taxes.

Growth management strategies can also be used to affect the extent of development, i.e., where will growth occur? This can involve the protection of open space for habitat, recreation, protection of important scenic areas, separation of communities, or agricultural land preservation. Development can also be excluded from areas that represent a potential hazard, such as floodways, steep slopes, or fire danger, or directed to areas that can be more easily served, or that have service capacity.

Affecting the type of development maintains a particular community character (like excluding heavy industry from a residential community), or maintains a balance of jobs and housing to minimize commuting, or favors development that is particularly lucrative from a local taxation perspective.

Drilling down to the focus on sustainable communities, the primary system that is implicated is the relation of land use to transportation. Where people live, work, and play affects their transport choices and options. Communities can be made more sustainable if they exhibit more of the qualities of compact, higher density, and mixed use development. This is because such development can reduce the amount of vehicle miles traveled (VMT) as compared with low density sprawling patterns. In addition, reducing VMT has the benefit of reducing air pollution, including greenhouse gases, and reducing the overall amount of congestion on the roads.

Cervero and Kockelman identified three key elements of urban development patterns that impact VMT: density, diversity, and design.² Density relates to the number of people, jobs, or dwelling units in a particular area. Diversity refers to the number of different land uses in a particular area and the extent to which they are balanced. And design refers to the street network characteristics in a particular area, whether it is fine grained allowing for many connections and the extent to which a friendly pedestrian environment is created

² Cervero R. and K. Kockelman, "Travel Demand and the 3Ds: Density, Diversity, and Design," Institute of Urban and Regional Development, UC Berkeley, Working Paper #674, 1996.

2. Potential sustainability measures

Growth management strategies can have a positive effect on the creation of development that exhibits these qualities. Briefly, these consist of:

- a) The use of urban limit lines that serve to concentrate development and preserve land outside of the urbanized area for open space.
- b) A variety of zoning techniques used to promote increased density and mixed use.
- c) The use of redevelopment strategies to encourage the development of passed-over or environmentally damaged sites (brownfields/grayfields).
- d) A variety of techniques used to ensure that adequate services are provided as new development occurs. These include infrastructure dedication requirements, fees/taxes on new development, concurrency requirements, and the use of building permit allocation systems that moderate the rate of new development so that new development can keep pace.
- e) The acquisition and protection of land for open space purposes. These techniques range from outright acquisition, to the purchase of development rights, to the transfer of density off protected sites elsewhere, to requirements that new development be concentrated (or clustered) to preserve the remaining land on a parcel.

3. Land Use Code Strategies

Removing obstacles

- i. Conventional zoning is a major obstacle to the promotion of higher densities and mixed use. Euclidian zoning³ was based on the notion of single use districts where uses are primarily either residential, commercial, or industrial and separation is encouraged. Conventional approaches to zoning are based on the regulation of maximum densities, i.e., no more than a certain number of dwelling units or building square footage may be developed on a lot. This has led to development lower than that permitted if market forces favor those housing types. Codes can allow by-right (or even require) mixed use in particular zones and specify minimum densities.
- b) Incentives
 - i. Encouraging development on passed-over sites or on brownfields or grayfields frequently involves the use of development and financial incentives. This is because the costs of site preparation can be higher if environmental remediation is necessary. *Specific zoning* can be created to encourage an appropriate mix and density

³ This refers not to geometry, but to the town in Ohio that successfully defended the use of zoning in the Supreme Court in 1926. See Village of Euclid, Ohio et.al. v. Ambler Realty Co., 272 U.S. 365 (1926).

- ii. of development, at densities higher than seen on greenfield sites. If it meets state standards, the use of *tax increment financing* can use future tax revenues to finance bonds to build needed infrastructure and amenities up front. A *direct subsidy* from a local government in the form of fee or tax waivers or an outright grant is another way to secure needed improvements. Actual *partnerships* between the local government and developer can lead to early development of public services or the incorporation of local government facilities within a project. *Public investment in infrastructure* can lead to the redevelopment of particular areas; this is now commonly seen in the form of transit improvements.
 - iii. Urban limit lines or growth boundaries send a market signal that distinguishes between that land which is to be urbanized, and that land which is to remain rural. In the absence of these definitions, land markets assume that all land could at some time be urbanized, leading to inflation in land value at the periphery of urban areas, and a deflation in the value of passed-over land within the urban area. Urban growth boundaries therefore act as an incentive to property owners to preserve land outside the boundary as open space, and to develop land within the boundary for urban purposes. These limit lines can be implemented among willing local governments through intergovernmental agreements, by regional governments prioritizing federal funding for communities that adhere to limit lines, or by state control whereby all local governments are required to create such systems.
- c) Regulations
- i. Zoning code reform to encourage higher densities, mixed use, and pedestrian and transit-friendly development is a major opportunity. Use standards can be modified to require and encourage mixed use in appropriate locations, including main streets, community centers and corridors, and transit rich areas. Minimum densities rather than maximum densities can be specified. Incentives or requirements for specific housing types, such as requiring a mixture of housing types within a development or requiring a minimum affordable housing component, can encourage housing, and therefore economic, diversity. Another incentive is the relaxation of development standards in locations where additional development is desired.
 - ii. Code provisions that deal with the relationship between development and the provision of urban services can take a variety of forms as addressed above. State laws can impact which systems make the most sense for a local government.

- iii. Standards for infrastructure from development itself should recognize constitutional limits to exactions. Community wide services can be funded by fees and taxes on new development. And concurrency or building permit allocation systems can ensure that new development is fully supported by urban services before it is occupied.

4. Critical Success Factors

A community's land use pattern is obviously not just the result of a regulatory framework; it is a product of a complex marriage of the market, regulations, fiscal policies, and politics. For example, the way in which local governments are financed can have a direct bearing on the land use preferences of local governments. And competition for tax revenues between local governments is an obstacle to a better balance of land uses among communities. When cities compete to capture development that will yield high property tax or sales tax revenues, it is more likely that they will develop more of that particular use than is needed within their own community in order to capture revenue from users from other communities. This in turn leads to increased travel and associated energy and climate impacts. Revenue sharing agreements or reform of state taxation systems can allow for more rational development patterns.

Achieving good outcomes from growth management measures can be more easily attained through the cooperative efforts of multiple local governments and members of the business and non-profit community. Regional collaboration can take place in a variety of forms, including metropolitan planning organizations, councils of government (COGs), or more voluntary efforts that bring together diverse groups to solve problems, such as the Envision Utah program.

An important tool that local governments have to direct growth is their expenditures for capital improvements, e.g., streets, parks, and schools. Linking those expenditures to the vision created in a comprehensive or area plan can be a powerful motivator for private investment consistent with the vision. This would include the development of a capital improvements program that specifies needed urban service improvements over time and that identify sources of funding.

Table I Growth management tools by purpose and scale

Scale/GM Tool	How much growth?	What kind?	Where?	How fast?	What fiscal impacts?
Project Developments	Zoning re: dwelling units per acre; floor area ratios; minimum-maximum density; density bonuses; discretionary review processes, e.g., PUDs	Zoning re: allowed versus prohibited uses; and uses permitted through conditional or discretionary review processes.	Zoning re: building setbacks or build-to lines; height and bulk requirements, restrictions based on environmental features such as floodplains, wetlands, habitat areas, steep slopes.	Phasing plan as specified in development approval or agreement. Permit allocation system or infrastructure concurrency requirements.	Fees for services such as development review, inspections. Fees, taxes, assessments designed to ensure individual projects pay their fair share of infrastructure costs.
Area Special neighborhoods in local jurisdictions, e.g., downtowns; urban renewal districts; improvement districts	Zoning districts used to implement specific vision for area.	Uses defined in zoning for specific area.	Allocation of density within an area, usually based on ability of transportation system to handle trips, creation of activity centers, avoidance of environmental hazard areas, and compatibility with existing development.	Infrastructure investment as an incentive to hasten development of an area. Permit allocation systems that favor growth in particular areas or neighborhoods.	An analysis can be prepared to determine if the vision for a particular area can be privately and publicly financed based on projected growth, infrastructure and service needs, up-front development fees and taxes, and ongoing tax revenues. Additional revenues could be generated if needed through special assessments.

Scale/GM Tool	How much growth?	What kind?	Where?	How fast?	What fiscal impacts?
Community Cities, towns, counties	A question of both opportunity (can growth be generated and sustained given the assets of the community) and desire (what community character is desirable to present and future residents). City size can be managed through the use of annexation policy and zoning – how much land area and what intensity of development. Urban growth boundaries and open space protection can be used to define the extent of current and planned urbanized land area.	Depending upon the assets of the community and its location within the urban framework, it may be possible for cities to push development toward particular uses, such as a residential or bedroom community, versus an industrial city made up primarily of jobs. Communities also favor uses that generate good tax revenue. This is managed by the extent of particular types of zoning, residential, commercial, or industrial.	Communities can shape the location of future development by its annexation policies and its investment in infrastructure.	Building permit allocation systems can control the rate of growth.	The local system of fees and taxes, both up-front in the development process, and over time.
Region Councils of government, metropolitan planning organization, regional collaboration entities	Increasingly regions are confronting the issue of how future growth might be accommodated. Few controls are available other than allocation of federal and state infrastructure funding by municipal planning organizations. Voluntary compacts or agreements can seek to bring together the many local actors in a regional system to define growth projections.	Within a region jobs and housing are by definition in balance, but the spatial distribution of uses can influence the ability of the region to efficiently move people and goods. Regional visioning efforts and regional transportation plans often attempt to organize future growth to take advantage of existing and future centers with planned transportation improvements.	Regional visions that evaluate the cumulative effect of local growth plans and define urban growth boundaries. Infrastructure funding can also influence development location.	Infrastructure plans and funding priorities	Revenue sharing. Allocation of federal and state infrastructure funding based on adherence to growth management strategies.