Smart Growth Efforts around the Nation

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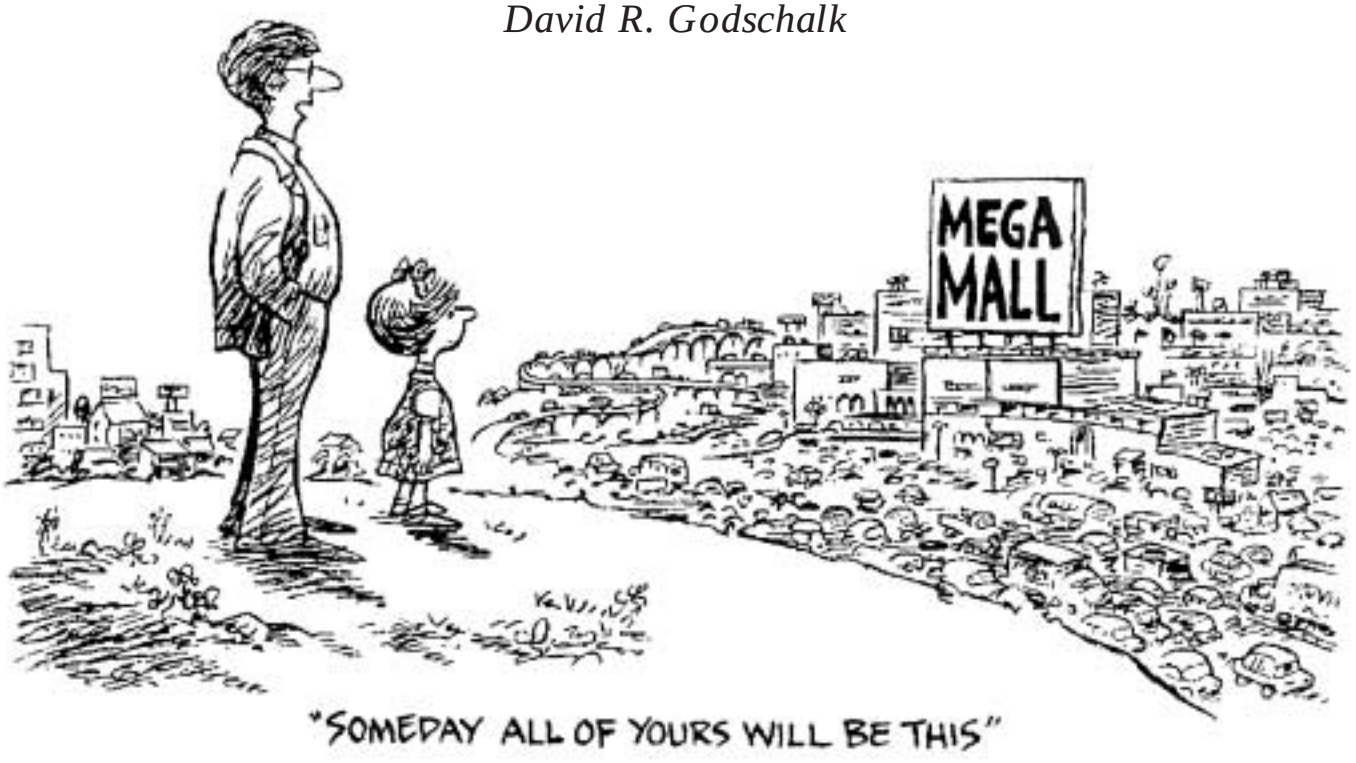

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The challenge to us who see the great value in good land use planning is to strip it of its jargon and make it simpler, to help people understand that land use planning is an integral part of making communities livable, along with quality schools, protection against crime, and other factors. This challenge falls first and foremost to the states, who are the obvious level of government to provide leadership.

— Howard Dean, governor of Vermont[1]

Grow Smart, Stop Sprawl!

After some forty years of gradual progress, the state smart growth movement picked up steam in the 1990s. Thirteen states now have adopted laws to encourage their local governments to guide development according to smart growth precepts. At least another fifteen states have initiated studies of smart growth potential.[2] A national Growing Smart effort is writing new model laws for states interested in reforming their growth management legislation.[3]

What is all the fuss about? What does "smart growth" mean? The International City/County Managers Association has described it as a connection between development and quality of life; the leveraging of new growth to improve the community; the restoration of center cities and older suburbs; and a method of preserving open space and other environmental amenities.[4] Currently these are "hot button" issues as communities find that their traditional ways of managing development cannot cope with the problems brought on by today's growth.

This article reviews the spectrum of state smart growth programs in order to provide North Carolinians with a sense of the possibilities in this state. The review is timely, for the North Carolina Commission to Address Smart Growth, Growth Management, and Development Issues is scheduled to make recommendations to the legislature in January 2001.

Smart growth initiatives have grown from, and are the latest version of, state growth management programs. Recognizing the critical link between state goals and local government land-use plans, these programs typically include four elements:[5]

- Enactment of state legislation establishing the program
- Preparation of comprehensive plans by local governments
- Review of local plans by a state agency
- Provision of state incentives and disincentives to encourage local compliance

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Statewide growth management can be distinguished from substate growth management. Created in 1974, North Carolina's Coastal Area Management program applies only to the 20 coastal counties and thus is an example of a substate regional program. The Portland (Ore.) Metropolitan Service District, created in 1979, and the Georgia Regional Transportation Authority, created in 1999, are examples of substate metropolitan programs. This article focuses on statewide programs, looking first at their evolution and then at the tools and the techniques that they employ.

A Brief History of State Growth Management

"Growth management" can be defined as a planned government program designed to influence the amount, type, location, design, rate, or cost of private and public development in order to achieve public interest goals. Among the goals sought by growth management programs are efficient transportation systems, livable communities, conservation of natural resources, and orderly urban growth. Without planning, many governments fail to achieve these goals.

First appearing in 1975, the term "growth management" originally was synonymous with rigid growth control, especially no growth or slow growth. Now, however, it refers to a commitment to balance protection of land, air, and water with urban development. According to John DeGrove,

> *[g]rowth management is not pro-growth, nor is it anti-growth. It is deeply committed to a responsible "fit" between development and the infrastructure needed to support the impacts of development, including such things as roads, schools, water, sewer, drainage, solid waste, and parks and recreation. Thus growth management is closely linked to, and necessary for, the achievement of "quality of life[,]". . . a powerful, if somewhat elusive, framework. . . .*[6]

To manage growth, governments use their constitutional and statutory powers—the powers to make and implement plans, to regulate land use and development, to spend funds on public improvements and facilities, to tax according to public needs, and to acquire land for

Web Sites for State Smart Growth Plans

Delaware *(Office of State Planning Coordination):* www.state.de.us/planning/index.htm

Florida *(Department of Community Affairs):* www.dca.state.fl.us

Georgia *(Department of Community Affairs):* www.dca.state.ga.us/

Hawaii *(Office of Planning):* www.hawaii.gov/dbedt/op.html

Maine *(Land Use Regulation Commission):* www.state.me.us/doc/lurc/lurch

Maryland *(Office of Planning):* www.op.state.md.us/smartgrowth/

New Jersey *(Office of State Planning):* www.state.nj.us/osp/ospplan2.htm

Oregon *(Department of Land Conservation and Development):* www.lcd.state.or.us/

Pennsylvania *(Governor's Center for Local Government Services, Department of Community and Economic Development):* www.dced.state.pa.us

Rhode Island *(State Planning Council):* www.planning.state.ri.us/

Tennessee *(Tennessee Advisory Commission on Intergovernmental Relations):* www.ips.utk.edu/growthpolicy/

Vermont *(Department of Housing and Community Affairs):* www.state.vt.us/dca/housing

Washington *(Department of Community, Trade and Economic Development):* www.cted.wa.gov/info/lgd/growth/index.html

A Glossary of Selected Growth Management Terms

This glossary presents general descriptions of growth management terms, including various smart growth tools. For a more complete discussion of tools, see the article on page 29.

***Adequate public facilities ordinance*—**a requirement that infrastructure (roads, schools, etc.) be available to serve new development as the need arises; sometimes called "concurrency."

***Cross-acceptance*—**a negotiated process by which jurisdictions reach agreement on the location and the nature of planned development; its purpose is to ensure consistency among the comprehensive plans and the growth management programs of individual local governments within a region.

***Fair-share housing*—**a program for equitable and balanced distribution of low- and moderate-income housing among the jurisdictions within a region.

***Greenprints*—**regional plans for preserving critical ecological systems, open space, and natural resources.

***Impact fees or taxes*—**assessments levied on new development to help pay for construction of parks and the infrastructure (schools, roads, and other public facilities) needed to serve the new population; impact taxes differ from fees in that they allow assessments to be proportional to the size of the new house or business.

***Infill development*—**new construction on vacant or underdeveloped land within an existing built-up urban area, rather than in "greenfields" beyond the urban fringe.

***Infrastructure*—**water and sewer lines, roads, urban transit lines, schools, and other public facilities needed to support urban areas.

***Sprawl*—**uncontrolled low-density development in rural areas, not adjacent to existing development and infrastructure.

***Transfer of development rights (TDR)*—**a program that permits landowners in development-restricted areas ("sending areas") to sell their development rights to owners in specified "re-

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ceiving areas"; TDR is based on separating land and its associated development potential so that, for instance, property owners in rural agricultural areas can continue to farm while making money from a one-time sale of their development rights to developers seeking to add density to their urban projects.

***Tax-base sharing*—**redistribution of a portion of revenue resulting from growth in the property tax base of individual jurisdictions to a taxing district in which multiple jurisdictions share in regional economic development; the purpose is to spread the benefits of growth equitably throughout a region.

***Tax-increment financing*—**in special districts, dedication of a portion of tax revenue attributable to new development to retiring bonds for the improvements that stimulated the new development; the purpose is to revitalize existing urban areas by facilitating new projects.

***Urban growth boundary*—**a perimeter drawn around a locality's designated urban growth or "urban transition" area, sized to contain sufficient land for the development projected to occur in the locality during the planning period, usually twenty years; within the urban growth boundary, public services and infrastructure are provided by the local government, while outside the urban growth boundary, rural uses are permitted and public services and infrastructure are not provided.

***Use permits*—**zoning permits issued for "special" or "conditional" uses (as opposed to uses "allowed by right") that must be reviewed and approved by a public body and may have to meet extra requirements or standards.

***Zoning and subdivision regulations*—**regulations controlling the use, placement, spacing, and size of lots and buildings within specified districts (zoning) and regulations controlling the conversion of land into building lots, including provision of supporting infrastructure (subdivision); newer forms of these regulations encourage mixed uses, street patterns, and architectural design features to support walkable neighborhoods, sometimes termed "new urbanist" or "neotraditional" development.

LAURA MUELLER / THE CHARLOTTE OBSERVER

A window's vertical and horizontal strips frame a familiar sight of sprawl.

public purposes. Under North Carolina statewide enabling acts, local governments are granted the traditional growth management powers, such as planning and zoning. But they must get permission from the legislature through special local acts to use some advanced or contemporary techniques of growth management, such as "impact fees" and "transfer of development rights" (for a glossary of these and other growth management terms, see page 13).

State growth management began as a reform movement during the last half of the twentieth century. Previously, states simply delegated land-use planning and growth management to their local governments. However, increasingly serious environmental degradation, urban sprawl, inadequate infrastructure, lack of affordable housing, and other quality-of-life issues motivated a number of states to assert a new role and to look for innovative solutions to local and regional growth problems.

The original enabling statutes for local planning, drafted in the 1920s, are no longer adequate for the challenges of the 21st century. Those statutes did not envision a state or regional planning role, and urban sprawl and environmental pollution were not seen as problems at the time. Effects of development now spill over jurisdictional boundaries, calling for broader intergovernmental planning. Deteriorating air and water quality demands systematic assessment of environmental impacts. The original view of land as a commodity to be bought and sold has expanded to include the resource value of land. Citizens have become more active in planning, and the legal environment for management of development has become more complex. In response, the Growing Smart program of the American Planning Association is drafting new model statutes for the planning and management of change, as a resource for states looking to adopt smart growth legislation.[7]

Some skeptics have charged that smart growth is simply a repackaging of traditional growth management issues and techniques, similar to the recent advocacy of "sustainable development"—the balancing of environment, economy, and equity advocated by the World Commission on Environment and Development.[8] Although smart growth is similar to earlier growth management approaches proposed by city and regional planners, there is an important difference. Now the broader public has begun to understand how suburban sprawl results in "disinvestment," a diversion or withdrawal of investment from the city to the outlying areas, contributing to slowed growth in productivity, inadequate schools, ineffective public safety, congested roads, and environmental pollution. Understanding the connection be-

WASHINGTON STATE'S GROWTH MANAGEMENT PROGRAM

Washington has 39 counties, 12 of which are located in nine metropolitan statistical areas (MSAs). During the 1980s the three MSAs east of the Cascade Mountains grew slowly, less than 10 percent, while the six in the west grew 20 percent or more.

A home-rule state, Washington grants its cities and counties considerable autonomy in decision making. The challenge for the drafters of its Growth Management Act was to manage the sprawl resulting from its rapid growth in the west, while supporting the needs of the slower-growing east. The resulting act included both incentives (funding for planning and local flexibility in meeting state goals) and sanctions (loss of funding for noncompliance).

The act specified three aims: (1) to guide local governments in preparing and implementing comprehensive plans, (2) to integrate growth management with environmental regulations, and (3) to strengthen regional coordination and planning. It set fourteen policy goals: adequate public facilities to support growth, reduced sprawl, efficient multimodal transportation, affordable housing, economic development, protected property rights, timely permits, open space, environmental protection, quality of life, and more.

Washington's growth management program reflects the state's situation. As amended through 1995, the Growth Management Act requires preparation and implementation of comprehensive plans only by counties with populations of 50,000 or more and 17 percent growth every ten years, or counties of any size with 20 percent growth every ten years. As of last year, 91 percent of the cities and 76 percent of the counties required to adopt comprehensive plans had done so.

The comprehensive plans must designate "urban growth areas"—locations where the next twenty years of projected population growth and supporting infrastructure are to be located. Tools provided to local governments include cluster development, planned-unit development, infill development, mixed land uses, new towns, urban reserves (areas outside the urban growth boundary where development may occur after the twenty-year planning period), and transfer and purchase of development rights.*

All local governments, not just the fast-growing ones, are required to adopt ordinances protecting critical areas and classifying resource lands. Critical areas include (1) wetlands, (2) aquifer recharge areas, (3) fish and wildlife conservation areas, (4) frequently flooded areas, and (5) geologically hazardous areas.

The Washington Department of Trade and Economic and Community Development delivers technical assistance, issues substantive and procedural guidelines, and allocates state funds for local planning but does not have the power to approve plans. Compliance with local planning mandates is delegated to three substate regional Growth Management Hearing Boards created to accommodate the geographic diversity of the state. If a plan is found in noncompliance, state funding to the local government may be reduced.

Washington's act has made planning an integral part of local government decision making in much of the state, and it has reduced political impediments to growth management, through directed state funding and state-provided growth projections. It has concentrated urban growth within designated areas, reducing the rate of increase in vehicle miles traveled and increasing efficiency in supplying public facilities, while encouraging economic development through better planning and permit review. At the same time, it has allowed local governments relatively wide latitude to develop goals and policies for managing growth, and it has encouraged intracounty planning coordination.

*For a more complete discussion of the Washington state growth management tools and their application, *see* JERRY WEITZ, SPRAWL BUSTING: STATE PROGRAMS TO GUIDE GROWTH (Chicago: Planners Press, 1999).

tween paying for sprawl at the edge and disinvesting at the center has mobilized new coalitions of officials in older suburbs, corporate and religious leaders, and advocates for poor urban minorities in support of smart growth reforms.[9] The result is a new set of circumstances, particularly in terms of political salience.

Although the history of statewide growth management is complex, its chronology can be generalized into three phases. In the initial phase, during the 1960s and 1970s, concern about environmental problems led to a so-called quiet revolution in land use, with first Hawaii, then Vermont, Florida, and Oregon enacting programs. The second phase, focusing on comprehensive planning and growth management to deal with lagging provision of infrastructure, occurred from 1985 to 1991, when Florida and Vermont overhauled their existing programs and New Jersey, Maine, Rhode Island, Georgia, and Washington enacted new legislation. Smart growth, the phase starting in 1992, saw new programs developed in Maryland, Delaware, Tennessee, and Pennsylvania[10] that built on the previous programs and, especially in Maryland, added strong state-funding incentives to combat sprawl. (For a chronology of the relevant state legislation, see Timeline, page 18; for Web sites for state smart growth plans, see page 13.)

Currently, state growth management initiatives are flourishing. At least half of the state-of-the-state addresses by governors in the past year discussed smart growth.[11] Gubernatorial support is growing in Arizona, Colorado, Georgia, Illinois, Minnesota, North Carolina, Utah, and Wisconsin, and legislative interest has been expressed in California, Colorado, Hawaii, Iowa, Kentucky, Nevada, New Mexico, Ohio, and Oklahoma.

Maryland's Smart Growth Program

Maryland's Smart Growth Areas Act of 1997 is designed to attack the problem of suburban sprawl and to protect cities and counties for tomorrow. It builds on the visions established in the Economic Growth, Resource Protection, and Planning Act of 1992:

- Concentration of development in suitable areas
- Protection of sensitive areas
- Direction of rural growth to existing population centers and protection of resource areas

Priority Funding Areas

The Smart Growth Act requires the state to target funding for growth-related projects, such as highways, sewer and water construction, economic development assistance, and state office facilities, to Priority Funding Areas (PFAs).* These are locally certified areas that are already developed or in which growth is planned, infrastructure is to be provided, and the land area is of adequate capacity and size to satisfy development demand. By investing funds only in these areas, the state will save taxpayer dollars, protect open space from sprawl, and preserve its heritage.

Counties must prepare plans that designate PFAs on the basis of criteria relating to land use, water and sewer service, and residential density. PFAs are designated according to analyses of the capacity of the land to satisfy demand for development at densities consistent with comprehensive plans. Types of areas eligible for PFA designation include the following:

- Areas zoned for industry and employment
- Existing communities with sewer service
- Existing communities with water service
- Areas beyond the periphery of developed portions of an existing community when they receive sewer service
- Areas other than existing communities, within a designated growth area
- Rural villages designated in the county comprehensive plan

Rural Legacy Program

The Rural Legacy Program provides funding and focus to identify and protect the most valuable farmland and natural resources before they are lost to development. It seeks to preserve rural greenbelts through purchase of easements and development rights from landowners. The goal is to preserve 200,000 acres by the year 2011.

Other Programs

Other Maryland smart growth programs include a Voluntary Cleanup and Brownfields Program, a Job Creation Tax Credit, A Live Near Your Work Program, a Neighborhood Partnership (tax credit) Program, a Smart Growth/Smart Ideas Homeownership Initiative, a Smart Transit Program, and more.

*Smart Growth: Designating Priority Funding Areas (Managing Maryland's Growth: Models and Guidelines Series) (Baltimore: Md. Office of Planning, 1997).

Some of these states already have growth management statutes in place but are interested in updating them to include newer principles of smart growth, such as directing state financial grants to urban growth areas designated in local plans, and coordinating land-use and transportation plans.

Types of State Growth Management Programs

State growth management programs are typically packages of requirements and incentives, or "carrots and sticks," designed to coordinate the growth management efforts of a state and its localities. No single magic formula works for every state because of differences in political institutions, traditions, economic conditions, and tolerance for new forms of governance. However, most programs require local and regional planning and state oversight of the consistency of the plans with overall state goals and standards.

As Vermont Governor Dean notes, certain elements are crucial to success:[12]

- *Consistency* of local and regional plans with state goals, achieved through mandates or incentives
- *Clarity of program objectives and procedures* so that citizens and public officials alike are clear about the purposes and the processes of growth management
- *Inclusion of natural resources, economic development, and affordable housing,* the three elements necessary to ensure the stakeholder coalitions needed to pass the legislation
- *Dedicated funding,* to carry out the planning and implementation necessary to make programs work
- *Political leadership* from the governor and the legislature to pass and implement the new law
- *Consensus building* among the concerned stakeholders about goals and techniques, before introducing a growth management bill in the legislature

Agreement on goals is not difficult. Who can argue against preserving natural resources, supporting existing communities and neighborhoods, targeting development to areas with existing infrastructure, and discouraging sprawl (the goals of Maryland's 1997 Smart Growth Areas Act)? Even at the more detailed level of principles, there is wide agreement on the benefits of smart growth among such disparate groups as public officials, environmentalists, and developers. For example, the published position statements on smart growth of both the American Planning Association (APA) and the National Association of Home Builders (NAHB) highlight the importance of managing growth to protect natural resources and open space, and using land more efficiently.[13]

The rub comes in how to achieve the goals. Should the state mandate that

Table 1. **State Growth Management Tools**

		CARROTS	STICKS	
State	**Unique Elements**	**Incentives**	**Requirements**	**Penalties**
Delaware		Investment-strategy map and policy	Land-use issues of greater than local concern reviewed by state agencies	
Florida	Concurrency of infrastructure and development; required capital improvement programs	Planning assistance grants	Mandatory local plans and implementation	Loss of eligibility for state grants; state court action
Georgia	Bottom-up approach	Grant eligibility	Regional plans required (local plans optional)	Loss of grant eligibility and impact fee authority
Hawaii	Statewide land classification system		County planning for urban districts; state review of land-use district boundaries	
Maine	Designation of growth and rural areas	State grants for local planning	Mandatory town planning and growth management; regional review of local plans	
Maryland	Priority Funding Areas (PFAs)	Growth-related funding directed to PFAs	Local comprehensive plans that designate PFAs	Loss of eligibility for state grants
New Jersey	Cross-acceptance (consensus building)	Local participation in state planning process; grants consistent with state goals	State plan required (local plans recommended)	Access to state funding
Oregon	Integration of transportation and growth management; use of urban growth boundaries (UGBs) to contain sprawl	Planning assistance grants	Consistency with statewide goals; designation of UGBs and critical lands; ordinances consistent with plans	Loss of eligibility for grants; enforcement orders
Pennsylvania	Bottom-up approach; city-county joint planning	Planning grants and tools: multimunicipal transfer of development rights, tax and revenue sharing, impact fees, designated growth areas, Traditional Neighborhood Development	Mandatory county plans, which must be updated every 10 years (municipal plans optional)	
Rhode Island		State agency consistency with adopted local plans	Required local plans consistent with state plan; adoption of zoning consistent with plans	State adoption of local plan if locality fails to adopt one
Tennessee	Solution to annexation conflicts	Priority for state grants for approved plans	Joint city-county growth plans required, along with 20-year UGBs	Loss of eligibility for state and federal grants
Vermont	Regional review of local plans	Funding for planning from property transfer tax; authorization for towns with approved plans to levy impact fees	Optional local plans but must be consistent with state goals	
Washington	Horizontal, vertical, and internal consistency; Growth Management Hearing Boards	Priority for grants given to high-growth areas; state agency consistency with local plans; authorization for impact fees	Local plans and UGBs required for fast-growing cities and counties	Forfeiture of revenue sources

Timeline: Evolution of Statewide Growth Management

Phase 1: Quiet Revolution in Land-Use Control

Hawaii 1961	Hawaiian Land Use Law
Vermont 1970	Environmental Control Act (Act 250)
Florida 1972	Environmental Land and Water Management Act
Oregon 1973	Land Conservation and Development Act

Phase 2: Comprehensive Planning and Growth Management

Florida 1985	Local Government Comprehensive Planning and Land Development Regulation Act
New Jersey 1985	State Planning Act
Maine 1988	Comprehensive Planning and Land Use Regulation Act
Rhode Island 1988	Comprehensive Planning and Land Use Regulation Act
Vermont 1988	Growth Management Act (Act 200)
Georgia 1989	Coordinated Planning Legislation
Washington 1990	Growth Management Act I
Washington 1991	Growth Management Act II
New Jersey 1992	State Development and Redevelopment Plan

Phase 3: Smart Growth

Maryland 1992	Economic Growth, Resource Protection, and Planning Act
Delaware 1995	Shaping Delaware's Future Act
Delaware 1996	Land Use and Planning Act
Maryland 1997	Smart Growth Areas Act
Tennessee 1998	Annexation Reform Act
Pennsylvania 1999	Growing Greener Act
Pennsylvania 2000	Growing Smarter Acts

Sources: Scott Bollens, *State Growth Management: Intergovernmental Frameworks and Policy Objectives,* 58 Journal of the American Planning Association 454; Patricia Salkin, *Smart Growth at Century's End: The State of the States*, 31 Urban Lawyer 601 (1999); Jerry Weitz, Sprawl Busting: State Programs to Guide Growth (Chicago: Planners Press, 1999).

local government units establish urban growth boundaries to contain their twenty-year population expansion, as in Oregon? Or should it direct funding for infrastructure to areas designated for urban growth in required local plans, as in Maryland? Should local planning be voluntary, as in Georgia, or mandatory, as in Florida? Should growth management be bottom-up and decentralized, as in Washington, or top-down and centralized, as in Hawaii?

Preferred implementation tools coincide with stakeholders' perspectives on protecting their freedom to make decisions on the basis of their own interests. Thus, local governments favor bottom-up, incentive-based programs such as impact fees to help pay for new schools, which maximize their decision-making freedom and provide them with new authority to meet their needs. Regional agencies prefer programs that increase their clout to coordinate local plans and to provide regionwide transportation facilities and open space. State agencies tend to advocate top-down, mandatory programs that help them overcome local reluctance to meet statewide goals. Developers like programs that provide infrastructure to support growth, along with clear and predictable development-review procedures but without defined "urban growth boundaries." Environmentalists opt for programs that stress protection of natural resources and mandatory local planning. The trick is to design programs that can be effective while satisfying the needs of enough stakeholders to ensure passage by the legislature.

Historically, perhaps the most significant change in implementation approaches is the switch from relying primarily on the regulatory police power to relying heavily on the power of the purse—that is, the switch from sticks to carrots. Early programs such as those in phase 1 stressed mandatory local planning implemented by police power regulations—the traditional zoning and subdivision ordinances, along with urban growth boundaries. In phase 2, programs still used planning mandates and regulations, but some also emphasized interjurisdictional coordination. For example, New Jersey created a process of negotiated "cross-acceptance" to achieve

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Creeping traffic at morning and evening rush hour gives witness to America's reliance on the automobile.

consistency between state and local growth plans, and Washington created Growth Management Hearing Boards to ensure that the local plans required in fast-growing areas were consistent with one another and with state plans (see page 15). In phase 3, smart growth programs like Maryland's put the power of the purse up front, using funding incentives targeted to areas of planned growth to lure reluctant local governments into preparing required plans (see page 16). (For a summary of the states' approaches to implementation, see Table 1, page 17.)

This review shows that the perceived differences in state programs may not be as great as many believe. Many early programs were not simply regulatory but combinations of regulations and incentives. Similarly the use of urban growth boundaries has not necessarily disappeared in the more incentive-based programs, such as Maryland's, whose Priority Funding Areas can be seen as a variant on urban growth boundaries. In fact, designating specific spatial-growth areas is a feature of the programs of Hawaii, Oregon, New Jersey, Washington, and Maryland. However, there is a clear progression, as the later programs add to the elements of the earlier ones and adapt the resulting package to their own situations.

One conclusion to be drawn is that an effective statewide smart growth initiative must *combine* incentives and mandates. Each state's particular blend of carrots and sticks will depend on a negotiated consensus among key stakeholders, who must support the passage of new legislation as well as its long-term implementation. Incentives include grants and technical assistance for preparation of local plans, higher local priorities for funding of infrastructure and open space, flexibility in meeting state requirements, mechanisms for intergovernmental coordination and dispute resolution, and assurance that state plans will be consistent with approved local plans. Sticks include mandatory local plans, penalties for noncompliance (such as withholding of state and federal funds), and state preparation of local plans for jurisdictions that fail to adopt required plans.

Alternatives for Smart Growth in North Carolina

Relative to the states leading in growth management, North Carolina is somewhat late in considering smart growth. But it does have some precedents on which to draw. Implementation of the 1974 Coastal Area Management Act has achieved clear successes, though some problems remain unsolved.[14] Experience with the failed 1993 recommendation for a Partnership for Quality Growth, put forth by a legislative study commission on statewide comprehensive planning (see the article on page 21) has shown the necessity of active political leadership if new legislation is to succeed. Meanwhile, the Charlotte-Mecklenburg metropolitan area has forged ahead on its own with a very progressive smart growth initiative that ties together a light-rail transit and busway system and a strong land-use plan, energetically supported by a coalition of business and government leaders (see the article on page 52).[15]

North Carolina also faces obstacles to smart growth. For example, the North Carolina Department of Transportation's policy of providing a four-lane highway within ten miles of 95 percent of the population encourages sprawl. The focus on constructing new highways also drastically limits the state funds available for transit. At present the state allocates only about $50 million in transit funds statewide, about the same as Charlotte raises for transit with its local sales tax. And there is no clear connection between transportation plans and land-use plans.

At the same time, the state is fortunate in being able to review the history of state growth management and select program components that have proven themselves in other states. The state also is fortunate in having a smart growth commission in place to work toward agreement among the stakeholders before legislative proposals are created. Still, the state must make some significant choices about the type and the content of its proposed program.

Given the political culture of North Carolina, some choices are probably foreordained. Rather than choosing either a top-down or a bottom-up approach, the state would be wise to opt for a mix of state oversight and local flexibility. Rather than deciding between regulations and incentives, the state would do well to opt again for a mix, though there is great public relations value in a strategy perceived as based primarily on incentives. Rather than designing a one-size-fits-all type of approach, the state might adopt different approaches for the fast-growth metropolitan regions and the slower-growth rural areas. Rather than specifying all the elements of the program, the state

might create a toolbox of growth management techniques and allow local governments to use the tools that best fit their particular needs and situations.

North Carolina faces two growth problems: too rapid growth in the metropolitan regions and too slow growth in the rural areas and small towns. The fast-growing areas seek to manage their growth; the slower-growing areas want to manage to grow.

Each type calls for a different smart growth strategy. The fast-growing metropolitan regions need mandatory planning and coordinated growth management to bring all the local governments together. The slower-growing rural areas can afford to have voluntary planning and less-formal growth management. In both kinds of places, localities that meet state standards for planning and growth management should receive priority for state funding and be able to take advantage of new statutes that allow innovative land-use, environmental, urban design, tax-incentive, and public facility financing tools.

Fast-growing metropolitan regions need tools to coordinate transportation, infrastructure, and land use across local government boundaries. Existing institutional arrangements are falling short, as evidenced by urban sprawl, traffic congestion, lack of growth-managing capacity, loss of open space, and poor air and water quality. The toolbox for metropolitan regions should include mandatory preparation of local plans and adoption of consistent development regulations. These plans and regulations should be reviewed for consistency by regional agencies and approved through a negotiated cross-acceptance process to resolve differences among local governments. On approval of their plans and development regulations, the regions should be given authority over regionwide priority setting for transportation (including transit and alternative movement systems) and regionwide provision of infrastructure, as well as for regional "fair-share housing" programs and regional "greenprints" for designating and conserving natural systems and open space.

Slow-growing rural regions need tools for economic development, as well as for land-use and environmental planning. Their toolbox should include authority for funding infrastructure, job training, and other economic development activities. But many of them also will want to use new growth management tools to revitalize their downtowns, maintain their agriculture and natural resources, protect their communities from natural hazards, and upgrade their transportation and infrastructure. They will come to realize that creating livable communities is one of their best economic development strategies and that supporting sprawl is impoverishing their established communities.

Local governments need tools for designating their planned urban growth areas, conserving their open spaces, revitalizing their central business districts and older residential areas, paying for adequate public facilities and transportation, and creating walkable neighborhoods. Their toolbox should include authority for transfer of development rights, impact fees or taxes, local-option taxes for transit, "adequate public facilities ordinances," and "tax-increment financing."[16]

It still is too early to say what form of smart growth alternative North Carolina will choose. Informed study and debate are needed to develop a consensus on what the state should do to ensure a desirable future. It will not be easy to overcome a long history of permissive zoning, fragmented provision of infrastructure, and balkanized local governments, concerned more with protecting their individual political domains than with coordinating regional growth. Clearly, though, if the state does not adopt a bold smart growth strategy, future generations of North Carolinians will look back sadly on this time as one of lost opportunity.

Notes

1. Howard Dean, *Growth Management Plans,* in LAND USE IN AMERICA 136 (Henry L. Diamond & Patrick Noonan eds., Washington, D.C.: Island Press, 1996).

2. Patricia Salkin, *Smart Growth at Century's End: The State of the States,* 31 URBAN LAWYER 601 (1999); JOEL HIRSCHHORN, GROWING PAINS: QUALITYOF LIFE IN THE NEW ECONOMY (Washington, D.C.: Nat'l Governors Ass'n, 2000).

3. AMERICAN PLANNING ASSOCIATION, GROWING SMART LEGISLATIVE GUIDEBOOK: MODEL STATUTES FOR PLANNING AND THE MANAGEMENT OF CHANGE (Washington, D.C.: APA, 1998).

4. INTERNATIONAL CITY/COUNTY MANAGEMENT ASSOCIATION, WHY SMART GROWTH: A PRIMER (Washington, D.C.: ICMA, 1998).

5. Dennis Gale, *Eight State-Sponsored Growth Management Programs: A Comparative Analysis,* 58 JOURNAL OF THE AMERICAN PLANNING ASSOCIATION 425 (1992).

6. JOHN DE GROVE, PLANNING AND GROWTH MANAGEMENT IN THE STATES 1 (Cambridge, Mass.: Lincoln Institute of Land Policy, 1992).

7. AMERICAN PLANNING ASSOCIATION, GROWING SMART LEGISLATIVE GUIDEBOOK.

8. WORLD COMMISSION ON ENVIRONMENT AND DEVELOPMENT (THE BRUNDTLAND COMMISSION), OUR COMMON FUTURE (Oxford, Eng.: Oxford University Press, 1987).

9. Henry Richmond, *Metropolitan Land-Use Reform: The Promise and Challenge of Majority Consensus,* in REFLECTIONS ON REGIONALISM (Bruce Katz ed., Washington, D.C.: Brookings Institution Press, 2000).

10. North Carolina's program designers might take note of Pennsylvania's ideas for city-county coordination, a planning toolbox, and implementation funding. The state's two Growing Smarter land-use bills emphasize joint county and municipality planning and implementation, through cooperative agreements and consistent ordinances. They provide new planning tools, including designated twenty-year growth areas, targeted infrastructure, transfer of development rights, and tax and revenue sharing. The state budget provides $3.6 million for local land-use planning and assistance, on top of some $650 million to implement Pennsylvania's Growing Greener initiative.

11. Patricia Salkin, Smart Growth: The State of the States, Presentation at the national conference of the American Planning Association (Apr. 16, 2000).

12. Dean, *Growth Management Plans,* at 144.

13. Uri Avin & David Holden, *Does Your Growth Smart?,* PLANNING, January 2000, at 26. For a list of APA and NAHB principles used in the Charlotte smart growth audit, see the article on page 52.

14. David R. Godschalk, *Progress Report on* Charting a Course for Our Coast: *Not All Smooth Sailing,* CAROLINA PLANNING, Winter 2000, at 7.

15. *See* CHARLOTTE-MECKLENBURG PLANNING COMM'N, 2025 LAND USE-TRANSIT PLAN (Charlotte, N.C.: the Commission, 1998), and CENTERS & CORRIDORS SOURCEBOOK: A USER GUIDE TO THE LONG-TERM GROWTH OF CHARLOTTE-MECKLENBURG (Charlotte, N.C.: the Commission, 1998).

16. For examples of applications of these tools, *see* ARTHUR NELSON & JAMES DUNCAN, GROWTH MANAGEMENT PRINCIPLES AND PRACTICES (Chicago: Planners Press, 1995).