

SMART GROWTH FOR NEW YORK STATE

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I would like to thank Claude Shostal, Bob Yaro, and the rest of the membership of the Regional Plan Association for the kind invitation to speak to you this morning.

I'm honored and not a little humbled to be here. The ideas advanced by the Regional Plan Association have had a profound effect on my city for many years. Earlier this century, for example, RPA's first planning director, Thomas Adams was part of a team that put together Rochester's first city plan. Those of you who are into the history of planning may appreciate that Clarence Stein and Benton MacKaye, both founders of RPA, also worked extensively in Rochester - Stein on housing issues and MacKaye on the expansion Rochester park system, which was originally designed by Frederick Law Olmstead. Today, as discussion turns to Smart Growth, we're rediscovering some of the older ideas of people like Olmstead and Adams. And we're finding bold new ideas in RPA's Third Regional Plan. We also look with admiration to New Jersey, particularly the strong political leadership of Governor Whitman and the grassroots activism of groups like New Jersey Future,

In other words, for over 70 years, the efforts of the Regional Plan Association—and the efforts of many others it inspires—have guided discussion in Rochester and throughout the country about the ways our communities relate to each other.

I'm on the advisory boards of both the U.S. Conference of Mayors and the Joint Center for Sustainable Communities. Over the past few years, I've had the good fortune of traveling around the country and talking to a wide range of corporate, political, and civic leaders. The most surprising thing I find in these conversations is how much people focus on regional collaboration. I think these conversations are emblematic of a bubbling movement that is going on throughout the country in metropolitan coalitions. We've known for a long time about Portland and the urban growth boundary. We've known for a long time about Minneapolis-St. Paul and regional tax-base sharing. But what we're beginning to see is a broad and deep regional conversation that has not happened in this country for the past 30 years.

There are a number of explanations why the regional conversation has been re-engaged. There's a growing notion that metropolitan economies are the competitive units in the new economy. There is increasing evidence that urban and suburban economies are interdependent and their destinies intertwined. There is intense fiscal pressure on local governments, which is causing a move toward cost-sharing and joint ventures. And welfare reform has unveiled the spatial mismatch between where jobs are being generated and where so many of our workers live.

But I think the most important factor driving this national discussion is that we are experiencing explosive sprawl at the urban fringe where farmland once reigned, matched by abandonment and decline elsewhere—not just in central cities, but in older suburbs as well. We are experiencing this same type of growth pattern in metropolitan areas around the country, irrespective of size or population growth.

Sprawl has enormous consequences for the people who have been left behind in the central cities and older suburbs. The number of people living in neighborhoods of high poverty has doubled nationally since 1970, and this is a highly racialized phenomenon. And for those living in the new suburbs or at the suburban fringe, sprawl causes traffic congestion, a loss of open space, increased costs of highways and infrastructure,

increased personal costs, and a disconnection of a sense of community. For all of us, sprawl causes a decline in, the economic competitiveness of the region in which we live.

I come from the “other” New York—the Upstate region—or, what’s left of the state beyond the ten-county New York City metropolitan area. Upstate encompasses 52 counties and 6.9 million people. The major Upstate cities of Rochester, Albany, Syracuse, and Buffalo defy the likes of most other American metropolises. Our cities’ streets are clean and lined with trees. Our homes and small businesses are well-kept. Parks and ponds dot the landscape, even in some of the cities’ most industrial areas. And, of course, our children are above-average. Upstate cities were built to be lived in.

New homes, schools, and offices are being built, however—not around parks or town squares—but around high-speed thoroughfares designed to move lots of traffic farther out.

I feel compelled to give a little travelogue about Upstate whenever I speak in New York City. I remember the famous New Yorker magazine cover by Steinberg which shows a map of the world according to New Yorkers. New York City begins in the foreground and stretches to the horizon like the Emerald City. Everything beyond is depicted very sketchily as strange and unknown lands. The location of Upstate New York is noted with a line of nearly-imperceptible type out beyond China.

Upstate may be different in lots of ways from the Tri-State New York-New Jersey- Connecticut Region, but we share many of the same growth-related problems. And we are talking about the same solutions. In fact, Rochester and Upstate New York may offer insights to the Tri- State Region about the impact of sprawl. Since 1970, the overall population of the central counties of the Albany, Buffalo, Rochester, and Syracuse metropolitan areas declined by 1.5%. Yet the built land area increased nearly 80%. Sometimes it’s hard to factor out the costs of sprawl in an area where the population is growing- How do we determine which costs are necessary to serve a growing population and which are excessive? Upstate’s situation of sprawl without population growth makes it a good place to examine the impact of sprawl. Monroe County, where Rochester is located, is a particularly good example. Since 1970, the county’s population increased by 0.3% from 713,000 to 716,000—it was virtually unchanged—yet the built land area increased by 76%.¹

Without a doubt, sprawl is extremely expensive. It stands to reason that the more infrastructure we build, the more we have to service and maintain. In Monroe County we’ve built 300 miles of new roads in just the last ten years to connect new developments in outer areas.² Annual highway maintenance expenses for towns in the county increased 40% over the past ten years.³ Annual special district taxes—such as sewer, water, and lighting districts—increased 50%.⁴ Annual school transportation expenses are up 100% in ten years with only an 8% increase in students.⁵ It just costs more, on a per-unit basis, to serve people who are more widely dispersed.

Monroe County residents now drive over 2 million more miles *per day* than just ten years ago,⁶ or 3000 more miles per family per year. At fifty cents per mile, that’s \$1500 per family per year. At 40 miles per hour, that’s an extra week per family per year spent in the car. If a politician said, “I’m going to support a policy that costs you \$1500 a year and takes a week of your free time,” he or she would never win an election. Yet, that’s exactly what we do when we encourage sprawl.

Over the past 5 years, we’ve built over 2 million square feet of new retail space in the outer areas of Monroe County and abandoned over 2 million square feet of retail space in the inner areas.⁷ Every major commercial street from the city core outwards is littered with abandoned carcasses of big-box stores, and also with the shells of the shops these stores put out of business before they, in turn, were forced to close by bigger superstores. Nobody considers reusing the vacant spaces. There are no incentives to do so. We also lost over 114,000 acres of farmland since 1973.⁸ And as Will Rogers said about farmland, “They just don’t

make it anymore.” To make a long story short, the total annual tax burden in Monroe County increased 70%, or over \$500 million in the past ten years, from about \$760 million to nearly \$1.3 billion per year.⁹

Between 1993 and 1998, taxpayers in Monroe County paid over \$2 billion more in local taxes than in the five-year period of 1983-1988—with no increase in population or level of services to account for it.¹⁰ This \$2 billion local tax increase occurred during a period of low inflation, falling welfare costs, stable wages, reduced state and federal mandates, reduced regulations, and a booming national economy. The \$2 billion local tax increase occurred in a county that has perhaps the highest level of city-county cooperation in the Northeast. We’ve consolidated parks, libraries, and scores of other services, The City of Rochester has a widely recognized TQM program which produces additional savings through efficiency and productivity gains. Both the City of Rochester and the County of Monroe are rewarded with high bond ratings for their sound internal fiscal management. Yet, without comprehensive region land use planning, sprawl is putting a financial stranglehold on our communities which undermines all our good efforts.

Monroe County is by no means unique in New York State. The annual current operating expenditures of local governments in the state outside New York City increased over 80%, from \$20 billion to \$36.5 billion, between 1986 and 1996, the most recent year for which we have data.¹¹ Monroe County’s 26% annual increase in daily-vehicle-miles traveled over the past ten years is at the statewide average for metropolitan counties outside New York City.¹² Nor is our rate of farmland consumption unique. The farmland surrounding Rochester, Buffalo, and Syracuse is the 11th most threatened agricultural area in the entire country in terms of acres converted to other uses, according to the American Farmland Trust. The Eastern New York Upland which includes a significant portion of the Tri-State Region ranks 10th. Long Island ranks 18th. The Connecticut Valley is 19th out of the top 20 most threatened agricultural areas in the nation in terms of acres lost.¹³

Our countryside is steadily degraded by the! haphazard construction of homes, office parks, and big-box stores. Meanwhile, the poor are trapped in the city, away from jobs. The concentration of poverty breeds hatred, crime, and dependency.

In the vast New York-New Jersey-Connecticut metropolitan area, land has been developed at a rate four times greater than that of population growth since the 1960s. Within the region, unemployment is above 10% for urban counties and below 3% in many suburban counties. In spite of the economic revival of the 1990s, New York City is still 300,000 jobs below its peak in 1969. Suburban jobs in the Tri-State Region are growing at twice the rate of urban jobs.¹⁴ In other words, the dynamics of sprawl which I described for Rochester and Monroe County are representative of what is happening in cities and counties throughout the Tri-State Region. So are the high costs.

Upstate’s cities are America’s original company towns, all once dominated by a single industry, like Kodak in Rochester—though less and less as time goes on. Our homegrown businesses like stability and good manners, so it’s not surprising that—unlike our weather—Upstate’s political climate tends towards the genteel. I can’t recall in living memory a politician in Upstate who got in the face of a jaywalker or a hot dog seller. Really, it’s the business climate that dictates the political atmosphere in Upstate New York. And corporate CEOs are telling mayors and county executives that they find it hard to recruit and retain skilled workers, not only because our taxes are too high, but also because our metropolitan areas are not vibrant enough. Business leaders need an efficient metropolitan form that can support and often drive the economy’s transition to the global market.

Mayors, in response, are trying to reposition their communities, Many of the nation’s best-loved cities and towns have certain features in common, regardless of size. One is the ability to get around without a car. Another is the round-the-clock activity that comes from putting homes next to schools, and offices near restaurants and parks. Smart Growth aims to encourage both elements in established communities. It

encourages much more coordinated planning among cities, towns, and the counties in which they reside. If done right, Smart Growth saves taxpayers the high costs of sprawl, preserves the environment, allows developers to make a profit, and requires no new bureaucracy.

The phrase ‘Smart Growth’ probably means something a little different to each of us. We’ve heard Smart Growth described as cross-acceptance of a state plan in New Jersey... as state incentives to direct development in Maryland... as reformed tax policy to discourage intermunicipal competition for businesses in Wisconsin... as coordinated regional infrastructure plans in South Carolina... as urban growth boundaries in Tennessee... and, in many other ways. We’re also aware that over 100 communities nationwide voted in the last election to grow smarter. And, of course, Vice-President Gore recently proposed a national-Smart Growth initiative,

In a former life, I was a political science professor. I’m still an academic at heart. I still enjoy looking for root causes and underlying principals. I often wonder why this debate is occurring at this particular time in our nation’s history? Why is the Smart Growth movement in its various forms so widespread?. And why is Smart Growth so important for New York State?

What is happening, I think, is that the logic of global competitiveness, which has transformed business decisions for years, is finally beginning to, make an impression on state and local governance. And this is happening in a very significant way. We’re seeing a profound convergence in the planning priorities of both businesses and the states and localities where they operate. What now constitutes a good business climate has the same criteria as what constitutes a good quality of life.

Quality of life, in turn, is being redefined as baby boomers approach retirement and Generation Xers come of age. Today, in addition to jobs and a few company-paid benefits, local residents want more open space near where they live, more usable green space, more transportation choice, more downtown housing, and more of a sense of community in their neighborhoods. At the same time, of course, there is increasing pressure on state and local governments to lower costs and out taxes.

The political response to global pressures and changing lifestyles is regionalism. Regionalism, to my mind, is governance which places less emphasis on geographical boundaries and more emphasis on the services provided to citizens across those boundaries. An efficient region, for example, can coordinate infrastructure investments to direct and accelerate desired. growth. And, of course, a regional footprint is imperative to attract global investment. Efficient regions, which command the pooled resources of many localities, can be more aggressive in the global marketplace than any individual municipality,

Regionalism is not metropolitan government—which is a terrifying term in this state outside New York City, among politicians with a feudal mindset intent on perpetuating their little fiefdoms. Rather, regionalism means that municipalities still remain distinct, but develop the capacity to come together as one to effectively meet challenges from other globally-competitive regions.

Today, the world’s highest growth rates are reported in regions of limited size. This is something we often overlook in the United States, but is common knowledge elsewhere. The European Economic Union, for example, offers incentives for outstanding economic performance, not just to member nations, but also to regions like Emilia-Romagna in Italy and Catalonia in Spain. Political and economic power in Asia, Australia, and Latin America is largely vested in regions. The emerging economic powerhouses in the U.S. and Canada are not cities, or even counties, but regions like Metro Toronto and the 23-county region surrounding Charlotte, North Carolina. To make a long story short, we live in a world of regions. This is not theory. This is the world we live in.

Smart Growth has emerged as a pragmatic response to the growing weight of economic regions. Smart Growth seeks to create successful regional networks by discouraging the wasteful scattering of resources. There are many varieties of Smart Growth because no two regions are the same. Regionalism is not a cookie-cutter or an homogenizer. We have to translate regionalism to our own regions. Smart Growth is a tool to help us get there. Smart Growth can help us reach the next level of global competitiveness, because it pays attention to the spatial implications of public policy, which we often don't think about in our economic development strategies.

Earlier, I mentioned that Monroe County built 300 miles of new roads over the past ten years to connect developments on the edge, despite virtually no increase in population. Suffolk County also built over 300 miles of new roads during that period to serve a population which grew by 30,000. Erie County built nearly the same amount of roads, and the population decreased by 25,000.¹⁵ In other words, the momentum to spread out intensifies independently of population growth. This is not intentional, of course, but the result of decades of specifically-targeted public policies and individual private investment decisions without any overarching regard for the spatial implications of these actions: Developers, for example, very logically find a piece of property where the traffic works, Bankers seek to minimize risk by funding the standardized over the unique, Federal and state grants fuel the uncoordinated expansion of infrastructure. And at all levels of government, decision-making is fragmented and contradictory with regard to land-use, economic development, transportation, utilities, school, and tax policies.

The state Department of Agriculture, for example, spends millions of tax dollars in Monroe County to preserve farmland. Meanwhile, the Department of Transportation spends other tax millions expanding highways in prime agricultural areas - highways that promote the development of farmland. The City of Rochester receives millions of dollars from the state environmental bond act to restore brownfields, while, at the same time, the Department of Environmental Conservation enforces rules that encourage the development of virgin land instead of older urban areas. Voters in a suburban school district are enticed to build a new school in an outlying greenfield because "the state will pay 80% of the cost." Meanwhile, a school in the heart of an historic village in the same school district will close.

And all of this happens within an environment of layers and layers of local governments competing with each other for property tax base to support the overlapping and redundant services they provide.

Sprawl, in other words, is the antithesis of global forces demanding increased efficiency and quality of life- Sprawl, and the factors which cause sprawl, are about dispersion and pulling apart, rather than pulling together to create the regional networks that are so critical to success in the global economy. Sprawl, of course, has had important benefits for millions of people, Sprawl is a response to American families' desire for larger homes, bigger yards, highly-rated schools, and responsive local governments. I don't want to minimize this. But sprawl is an industrial era response. We didn't foresee the long-term costs. We didn't think in terms of ecosystems. We didn't think there were boundaries to growth - but now we're finding that our road infrastructure and air quality present us with some limits after all. Today we face a radical situation- The costs of sprawl appear to be unsustainable. From businesses with global perspectives to residents with local perspectives, mayors are hearing increasing demands for- efficiency and quality. From every quarter, the need is emerging for some kind of rational order to guide the provision of public services and the use of our environment.

Smart Growth is an alternative to sprawl and an alternative to no-growth. There is a wonderful logic to Smart Growth- Why should we pay for sprawling development that costs 16-40% more than clustered development and doesn't make our lives any easier? More fundamental, I think, Smart Growth is a promising means of building globally-competitive regional networks based on a strong and efficient economy, a protected environment, and livable communities.

Before I close, I would like to emphasize that I'm not an expert on land use or regional planning. I'm simply a mayor of a medium-size city who is trying to provide the highest quality of life for my constituents at the lowest possible cost. The challenges in any American city are formidable. American society—with tacit public policy—uses cities as the dumping ground for all of the nation's unresolved and unwanted socioeconomic problems. As I look at Upstate and as I travel to other areas across the country, it's clear to me that in order to revitalize our cities, towns, villages—and regions—we must stop the outward pressure.

Having said that, I'd like to add that it's a tremendously exciting time to be a mayor. Sprawl has left in its wake new spatial coalitions in this country. Mayors and downtown corporate and civic leaders realize they cannot go it alone. They do not have the tax base to meet the challenges they face. Residents and leaders of many older suburbs are concerned about maintaining their quality of life at a cost they can afford. The older suburbs often took worse than the central city. Their financial outlook is tenuous. Environmentalists and farmers are another key component of this coalition as they bemoan the loss of wetlands, farmlands, and open space. Developers are also beginning to respond to changing demographics and family roles, and to new ideas of status. And religious leaders are talking about the moral implications of sprawl.

As all the stakeholders come together, and the tent gets larger, we're gradually shifting the focus of what we call urban policy to a different intellectual foundation, I think we have a good shot at success because the political conversation is up for grabs at the national, state, and local levels. In other words, there is the unprecedented potential to— first, understand the impact of public policies on growth patterns, and, second, once we've done that, begin to rethink our policies and rethink our political coalitions. When we look at the new spatial coalitions around the country, it's clear that they transcend traditional political and ideological boundaries. It's also clear that whoever can claim the support of the emerging spatial coalitions will accrue enormous political capital, as Vice-President Al Gore and New Jersey Governor Christine Todd Whitman have surely realized.

Mayors are in the thick of this emerging spatial order, and I find it terribly exciting.

A bipartisan Smart Growth bill has been introduced into the New York State Legislature by Senator Mary Lou Rath and Assemblyman Sam Hoyt. The bill creates a commission to advise the Governor on Smart Growth policies. The bill also asks the state to provide incentives for municipalities to join together voluntarily to decide where state funding should encourage growth within their regions. On the positive side, the proposed legislation potentially puts a lot more autonomy and creativity in the hands of local governments. On the other hand, anywhere in the country, progress has been made only by the adoption and implementation of comprehensive state and regional plans, which this legislation doesn't provide for. The New York Conference of Mayors has also adopted a complementary Smart Growth resolution worthy of our consideration.

Smart Growth concepts are difficult for politicians. It's one thing, for example, to set educational standards and then legislate charter schools as an alternative to meet those standards. It's much more distasteful politically to define "livable communities" and write legislation that will foster them—especially in a state like New York with hundreds of thousands of government employees, powerful public-sector unions, patronage-hungry politicians, and the stifling parochialism we excuse as home rule. Private sector leadership will be essential to educate politicians—and to give them the kick in the pants they need to move forward in this state.

In closing, I'd like to thank you again for the opportunity to speak here this morning. I don't expect that many people from Upstate New York have the chance to address this group. Once again the Regional Plan Association is in the vanguard.

The key to getting Smart Growth programs with teeth in them for New York State is to rethink our political coalitions to include Upstate advocates, Downstate interests, citizens, developers, environmentalists, politicians, and all the other stakeholders, If we do this right, I think that ultimately we will succeed.

¹ US Bureau of Census, Census of Population; *Urbanized Areas of the United States and Puerto Rico*, 1970-1990.

² Genesee Transportation Council (using NYSDOT data), *Monroe County Lane Mileage*.

³ Clerk of the Monroe County Legislature, *Summary of Town Budgets*, 1988,1998.

⁴ Citizens' Tax League of Rochester and Monroe County, *Total Tax Burden*, 1987-199 7.

⁵ New York State Department of Education.

⁶ NYSDOT, *Daily Vehicle Miles Traveled*, 1986-1996,

⁷ Pyramid Brokerage Company, Inc., *Greater Rochester Retail Market Overview 1998* (supplemented by visual survey).

⁸ Monroe County Agricultural and Farmland Protection Board, *Monroe County Agricultural and Farmland Protection Plan*, 1998.

⁹ Citizens' Tax League of Rochester and Monroe County, *Total Tax Burden*, 1987-1997.

¹⁰ Citizens' - Tax League of Rochester and Monroe County.

¹¹ New York State Statistical. Yearbooks, 1989, 1998, *Current Operating Expenditures Of Local Governments*.

¹² NYSDOT, *Daily Vehicle Miles Traveled*, 1986-1996.

¹³ American Farmland Trust *Farming on the Edge*, 1999.

¹⁴ Regional Plan Association.

¹⁵ New York State Statistical Yearbooks, 199 9, 1998, *Highway Mileage* (supplemented with NYSDOT data).