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URBAN PLANNING: CCAP study finds 'smart growth' patterns raise property values *(Wednesday, January 19, 2011)*

Joey Peters, E&E reporter

A report released today from the Center for Clean Air Policy seeks to encourage "smart growth" by recommending principles for developers to follow.

The recommendations include expanding development in areas that already have big infrastructures, making neighborhoods more walkable, providing them with more transportation choices and involving communities in development planning processes.

The traditional way to build land and increase property value is to add roads, gas stations and highways, said Steve Winkelman, the transportation program director at CCAP. This led to massive growth in the suburbs and exurbs in the past half-century.

Economically speaking, it worked.

"This is what the market wanted in the '60s and '70s," said Christopher Leinberger, a real estate developer who contributed to the study. "We in real estate gave it to them. We developed it, and Wall Street financed it."

More suburban development meant more driving. And it meant more sprawl.

Miles driven grow faster than income

From 1969 to 2001, total driving, or vehicle miles traveled (VMT), in the United States rose 70 percent. But this doesn't contrast with household incomes, the majority of which have only gone up by 18 percent.

Leinberger blames the real estate meltdown on the inability to adapt to this reality.

"The recession was caused by sprawl," he said. "It's an economic fact that we overbuilt drivable suburban communities."

Like empty calories that lack healthy nutrients, the CCAP report dubs travel that doesn't contribute to household economy "empty miles."

"Why is it better for anyone but OPEC to drive 10 miles to get a gallon of milk?" Leinberger said.

'Walkable' neighborhoods see rising property values

One of the biggest goals for smart growth is to cut personal driving by expanding transportation options. Leinberger points to the Washington, D.C., metro area as the leading example of smart growth in the country. Seventy percent of this growth occurs in the suburbs, he said. Arlington County in suburban Virginia has 11 Metrorail stops, 10 of which Leinberger calls "walkable" because of their proximity to shops, grocery stores and restaurants.

And the more walkable a property's surrounding area is, the greater its worth. A square foot of office space in a highly walkable area like downtown Washington, D.C., has a higher property value than the same amount of office space in a less walkable city like Dallas, said Chuck Kooshian, a senior policy analyst at CCAP.

"Twenty years ago, that relationship did not exist," Kooshian said.

Other cities pointed to as models of smart growth include San Francisco, Portland and Seattle. Salt Lake City, Denver, and Boise, Idaho, are all on the rise, according to the study's authors. And since so much of smart growth is urban, it doesn't hurt that the vast majority of people in their 20s and early 30s want to live in urban areas.

But local building ordinances often stand in the way of this type of growth and take time to change. Also, most of this growth currently relies on local and state initiatives. The federal government still spends 80 percent of its transportation budget on roads, Lienberger said, adding that the vast majority of the federal stimulus money went to rural roads.

ABOUT CLIMATEWIRE

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