

EXECUTIVE SUMMARY

The evaluation of the effectiveness of smart growth policies in the United States focused on four states with well-established statewide smart growth programs (Florida, Maryland, New Jersey, and Oregon) and four other states (Colorado, Indiana, Texas, and Virginia) that demonstrate a range of other land management approaches (Ingram et al. 2009). The evaluation was objectives-based and examined the extent to which five specific smart growth objectives were achieved, based on measurable and comparable performance indicators primarily during the decade from 1990 to 2000:

- promote compact development;
- protect natural resources and environmental quality;
- provide and promote a variety of transportation options;
- supply affordable housing; and
- create net positive fiscal impacts.

No state did well on all performance measures, although individual states succeeded in one or more of their priority policy areas. Maryland was successful in protecting natural resources through its land preservation programs and state funding for the purchase of farmland conservation easements. New Jersey policies that responded to state supreme court decisions led to an affordable housing approach that slowed house price escalation and encouraged rental and multifamily housing production. Oregon's commitment to establishing urban growth boundaries was able to reduce development on farmland in the Willamette Valley. The state also performed well in reducing traffic congestion growth by encouraging commuters to use transit and by systematically planning for bicyclists and pedestrians.

At the same time, some smart growth states failed to achieve objectives in policy areas that were not given high priority during the study period, such as providing affordable housing in Oregon and Maryland, and managing the spatial structure of urban growth in Florida.

The message is clear: achieving smart growth is possible, but states must remain focused on their key policy goals. No single approach is right for all states. The most successful states use a variety of regulatory controls, market incentives, and institutional policies to achieve their objectives. For example, Colorado has no statewide smart growth program, but it outperformed some states with such policies by supporting local government actions to pursue effective land use planning within a regional context.

This report offers three sets of recommendations.

Program Structure and Transparency

- The design of smart growth programs and supporting regulations and incentives should be guided by a vision of sustainable and desirable development outcomes.
- Any top-down or bottom-up smart growth policies must be coordinated at the regional level to be able to achieve their desired objectives.
- Policy makers must articulate the means of achieving smart growth objectives and specify implementation mechanisms, rather than just declare objectives.

Functional Linkages for Policy Design

- The design of growth management policies should take account of interactions among policies and coordination across relevant agencies.
- Smart growth policies should make use of economic incentives, such as pricing and tax policies that have shown promise in other countries.
- Smart growth programs need to consider the income distribution consequences of their policies.

Sustainability and Monitoring of Programs

- Credible commitment from different levels of government is crucial for the successful implementation of smart growth programs.
- Improvements in measurement and collection of data, particularly related to environmental quality and public finance, are needed to better monitor program performance.
- More evidence is needed about the nature of interactions among smart growth policies—particularly those related to land use, transportation, and housing affordability.
- Clearer definition of performance indicators and measurement of their attainment would facilitate the evaluation of smart growth programs and contribute to their technical and political sustainability.

Although this evaluation of smart growth programs concentrates primarily on statewide performance during the 1990s, the findings and recommendations will be useful for formulating growth management policies in today's context of high energy costs, historic housing market volatility, and increasing pressures to reduce greenhouse gas emissions. Many smart growth objectives are precisely the outcomes posited to address these current challenges facing state and local policy makers.