



A S S O C I A T E D
E Q U I P M E N T
D I S T R I B U T O R S

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The Honorable Mel Martinez
Department of Housing and Urban Development
451 7th Street, S.W.
Washington, D.C. 20410

VIA FACSIMILE: (202) 619-8365

Dear Secretary Martinez:

This letter is written on behalf of the Associated Equipment Distributors to express our members' concerns about the *Legislative Guidebook*¹ developed by the American Planning Association with support from the Department of Housing and Urban Development that is currently under review by your office.

It is our position that the process by which the *Guidebook* was developed did not provide sufficient opportunity for comment by those with a direct interest in the outcome of the work and differing views from those contained in the final product. Additionally, the concepts and methodologies contained in the *Guidebook* are flawed and would lead state and local governments to adopt policies that severely restrict economic growth, undermine personal mobility, and limit individual choices about how and where to work, travel, and live.

We therefore urge you to exercise your authority under the HUD/APA contract to reject and disapprove the proposed *Guidebook* and ask that you work with other members of the general public to develop a more balanced and less centralized approach to community growth issues.

Discussion

The Associated Equipment Distributors represents companies engaged in the sale, rental, leasing, and servicing of construction, agricultural, mining, and forestry equipment. The average AED member has 50 employees and \$5 million in annual sales. While most of our member businesses are family-owned, the association's membership also includes several large, publicly-traded companies. We also count as associate members all of the major equipment manufacturing companies and the finance companies that provide services to our industry.

¹ American Planning Association, *Growing Smart Legislative Guidebook: Model Statutes for Planning and the Management of Change*, American Planning Association (2001)
<<http://www.planning.org/plnginfo/GROWSMAR/guidebk.html>>.

Over the last several years, AED has become increasingly concerned about efforts by the radical environmental movement to undermine the authority of local governmental units over growth and planning issues and manipulate the federal government to promote the anti-growth, anti-road "Smart Growth" agenda. While we hesitate to generalize, this philosophy essentially opposes the dispersal of our population into suburban and rural areas and seeks to use government compulsion to confine development within high-density growth boundaries.

The previous administration initiated numerous programs to promote this sort of so-called "Smart Growth." Perhaps the most brazen of these was the Transportation Partners Program, through which the Environmental Protection Agency provided direct financial support from the public coffers to environmental groups working to block road projects at the local level. AED was instrumental in bringing the Transportation Partners Program to the attention of lawmakers on Capitol Hill and in the program's eventual termination.

Despite the outcome of the 2000 presidential election, there are still a number of bureaucrats in federal agencies and departments who share the radical environmentalist view that new road construction and any new development outside specified urban growth rings are inherently evil. We are concerned that this philosophy underlies the *Legislative Guidebook*.

Planning is and should remain a state and local issue, not a federal one. The APA legislative package subverts the principles of local control and freedom of choice to which Americans in general and the Bush administration in particular are committed. Moreover, the "Smart Growth" policies contemplated by the Growing Smarter program would actually reduce urban livability by increasing congestion, pollution, housing, and other costs. Its programs would defeat quality growth and development.

The Growing Smarter legislative package was developed by the American Planning Association as a part of its continuing commitment to the idea that Americans would be better off if their lives were coordinated for them by centralized planners employed by federal, state, and regional governments. This is a dubious proposition at best and a view that is certainly not shared by our members.

We are concerned in particular about the fact that the *Guidebook* fails to address alternative viewpoints or even to recognize that they exist. The *Guidebook* purports to take a balanced approach to growth and states that "There is no single 'one-size-fits-all' model for planning statutes."² However, the book fails to consider whether restrictive state planning statutes are in and of themselves good or necessary. Thus, the *Guidebook* is the planning equivalent of a statement that "all Americans should be required to wear red shirts on Tuesdays, but we recognize that not all red shirts will fit all Americans."

Douglas Porter, of the Urban Land Institute, put it most bluntly when he noted there is a "gap between the daily mode of living desired by most Americans and the mode that most city planners believe is most appropriate." Most Americans "generally want a house on a large lot" and to drive

² *Guidebook, supra*, Introduction <<http://www.planning.org/plnginfo/GROWSMAR/images/intro.pdf>>.

"cars to work, shopping, recreation, and every other aspect of their daily lives," says Porter. But planners disparagingly refer to such lifestyles as "sprawl" and want to discourage them.³

The difficulty for planners, Porter notes, is that local governments tend to give the voters what they want, including low-density zoning and highways. The American Planning Association, while not as explicit, is apparently of the view that the solution is to create state planning laws and regional governments that can impose planners' ideas on people without being easily subjected to voter approval.

The Growing Smarter legislation is based on this philosophy. Under this legislation, local governments would be required to write plans that follow state goals⁴ and regional plans⁵ even if the residents of the local areas do not agree with those goals.

The American Planning Association argues that certain issues are regional or statewide in scope and cannot be dealt with locally. But state and regional land uses and transportation are simply too complicated for *anyone* to understand and plan at the level of detail contemplated by the American Planning Association. Even if someone could comprehend all of the problems faced by a metropolitan area today, no one can predict the future. Yet the Growing Smarter model assumes that planners can predict the future. The model that your agency is considering recommending would create a "state futures commission" that would "prepare a state strategic futures plan."⁶

States and regions that have prepared such plans typically try to plan for 20, 30, or even 50 years into the future. Imagine writing a plan for 2002 twenty years ago, when no one had ever heard of the Internet; or 30 ago, when no one had ever heard of personal computers; or 50 years ago, when no one had ever heard of interstate freeways and today's commercial jet service was still a pipedream.

Any plans written 20 to 50 years ago for today would necessarily be wrong. However, the APA would have cities and states lock themselves into inefficient, and potentially disastrous, extreme-long-term policies and programs.

Since planners can neither predict the future nor deal with all of the details of a region or state, they rely on something else to guide their planning. They rely on fads. During the 1950s and 1960s, planning fads included urban renewal and public housing projects. These often had disastrous consequences for American cities. Today, the fad is Smart Growth and urban growth rings, which require populations to live in high-density areas if they wish to receive basic government services such as sewer and water lines or education funding. This fad too will have disastrous consequences for Americans.

³ Douglas Porter, *Regional Governance of Metropolitan Form: The Missing Link in Relating Land Use and Transportation*, Transportation, Urban Form, and the Environment, 63-80 (Transportation Research Board, 1991).

⁴ Guidebook, *supra*, Chapter 4 <<http://www.planning.org/plnginfo/GROWSMAR/images/chap4.pdf>>.

⁵ Guidebook, *supra*, Chapter 6 <<http://www.planning.org/plnginfo/GROWSMAR/images/chap6.pdf>>.

⁶ Guidebook, *supra*, Chapter 4, Section 4-201(7), <<http://www.planning.org/plnginfo/GROWSMAR/images/chap4.pdf>>.

Portland, Oregon is often cited as a model Smart Growth community. The Portland metropolitan area includes three counties, all of which wrote land-use plans in the late 1970s in response to statewide goals, just as is contemplated by the Growing Smarter legislation. Clackamas County ended up with a surplus of residential areas and a shortage of industrial areas. Washington County has adequate industrial areas but a shortage of residential land.

State and regional planning agencies and regulations have prevented Washington County from adding residential land and Clackamas County from adding industrial land. Now the region is locating hundreds of thousands of new residents in Clackamas County, from which many face lengthy commutes over an inadequate and congested transportation network to new jobs in Washington County.

Portland illustrates many other unfortunate side effects of regional planning:

- Increased traffic congestion - Portland's Metro predicts a quadrupling of the amount of time Portlanders waste in traffic in the next twenty years.⁷
- Unaffordable housing - In just twelve years Portland has gone from being one of the nation's most affordable to one of the ten least affordable housing markets (as measured by the National Association of Home Builders' Housing Opportunity Index).
- Serious watershed problems - Portland planners were recently shocked to learn that their plans for compact development were incompatible with National Marine Fisheries Service guidelines for recovering endangered salmon.⁸

These problems are a direct result of the complexity of urban areas and the inability of planners to understand that complexity and predict future needs and concerns.

- Portland planners emphasized transit even though their own predictions show that at least 88 percent of all travel will be by automobile. The result is increased congestion.
- Portland planners emphasized urban-growth limits even when those limits led to a skyrocketing of land prices and unaffordable housing.
- Portland planners never considered the effects of their plans on salmon, much less on people.

Significant portions of the Growing Smarter legislation are specifically directed at transforming the lifestyles of unwilling Americans. For example, Section 7-302, "transit-oriented developments," is aimed at "reducing dependence on the automobile caused by dispersed, low-density development."

⁷ Metro, 2000 Regional Transportation Plan, 3-18 (2001).

⁸ *Fight Sprawl, Kill Salmon*, Willamette Week, Oct. 22, 2001.
<<http://www.wweek.com/flatfiles/News2107.html>>

This raises important technical questions. First, does auto driving and low-density development really create all of the problems that planners claim? Many experts disagree with planners' assertions that transit is better than driving. Writing in the Spring 2000 issue of *Access* magazine, University of California economist Mark DeLucchi estimates that total subsidies and social costs per passenger mile of the automobile are little more than a tenth of transit subsidies alone.

Other experts, including UCLA's real estate and planning professors Peter Gordon and Harry Richardson, argue that so-called "sprawl" actually reduces congestion and other environmental problems and allows Americans to achieve higher incomes at lower costs.⁹

A few planners and most Smart Growth advocates say that Americans need to drive less to protect air quality. Yet emission controls continue to reduce total automotive emissions despite increases in driving. Air pollution is as much a function of congestion and concentration as it is of miles driven. Since Growing Smarter plans for compact development lead to more congestion and concentration of toxic pollutants than are found in typical low-density suburbs, they make air pollution worse, not better. Such one-sided views should not be recommended by HUD; broader, more diverse viewpoints are needed.

The second major question is whether transit-oriented development and other Smart Growth ideas actually reduce the amount of driving Americans do. Portland's experience indicates that the answer is "no." Metro planners predict that even after building several new light-rail lines and dozens of transit-oriented developments per capita driving in Portland will increase.

This confirms data indicating that across more than 300 U.S. metropolitan areas there is little relationship between population density and per capita driving. According to the Federal Highway Administration's recently published Highway Statistics 2000, many high-density metro areas, including Los Angeles, Fort Lauderdale, and San Jose, have per capita driving levels well above average. Conversely, residents of many low-density metro areas, including Buffalo and Ithaca, New York, and Pueblo, Colorado drive less than average.

Beyond these technical questions is the more fundamental question of whether the federal government should play any role in state and local planning. The various states have adopted a wide variety of approaches to urban and regional planning, ranging from the highly centralized systems in Minnesota and the Pacific Northwest to the highly decentralized systems of Texas and the Southwestern states. By many measures, including traffic congestion, housing affordability, and watershed management, the decentralized systems have proven to be better.

If the Bush administration were to endorse any system, it should be a decentralized program that allows local control instead of centralized state or regional control. Quality Growth can be fostered through the development of models that put forward many different options. The federal government should allow states to continue to experiment with a full range of alternatives.

⁹ Peter Gordon and Harry Richardson, *Congestion Trends in Metropolitan Areas, Curbing Gridlock: Peak-Period Fees to Relieve Traffic Congestion*, 2:1-31 (National Research Council, 1994).

A defining characteristic of the Bush administration is its commitment to the principles of the free market and independent entrepreneurship, and to the belief that healthy competition will ultimately result in greater efficiency, higher productivity, and the best innovations. Those concepts should be applied to community planning as much as to the economy. At a basic level, states, cities, and communities are competitors. Those that provide the highest quality of life, the least congested and most efficient transportation systems, and the best economic opportunities will ultimately attract the nation's best workers and companies and will prosper.

Governmental units at all levels therefore have an interest in experimenting with various growth options with the ultimate goal of finding a system or plan that works the best in that particular area. The federal government should no more mandate a system of planning for states and localities than it should mandate that businesses conduct research, manage their affairs, or market their products in a certain way.

The United States is the most productive nation in the world because Americans have the freedom to live, work, and move where and how they want. Highways and automobiles play an indispensable role in American mobility, moving us more than 80 percent of the miles we travel. Low-density suburbs have attracted half of all Americans as well as increasing numbers of employers.

Conclusions

The *Legislative Guidebook* currently under review by your office is flawed in two ways. First, the process by which it was developed failed to take into account the differing viewpoints about the growth issue and the document therefore mirrors only one, narrow perspective. Secondly, the ideas that were incorporated into the *Guidebook* reflect the faddish "Smart Growth" philosophy that threatens to restrict personal mobility, increase housing costs, and undermine the efficiency of our transportation systems.

For these reasons, we urge you to use your authority under the HUD/APA contract to reject the *Guidebook* and to work with us and other groups with an expressed interest in these issues to develop a more balanced and less centralized approach to the growth challenges facing our communities around the nation.

Thank you for your consideration of our comments.

Sincerely,

/signed/

Anthony J. Obadal¹⁰
Washington Counsel

¹⁰ Christian A. Klein, AED associate Washington counsel, and Randal O'Toole, senior economist at the Thoreau Institute, assisted with the preparation of this letter.