SMART GROWTH:
Caveats from a Skeptic

"Yes, … but what about …"

"Show me the data!"

Douglas Moran

Neighborhood Leader

(Barron Park, Palo Alto)

Smart Growth: Definition

1. Create range of housing opportunities and choices
2. Create walkable neighborhoods
3. Encourage community and stakeholder collaboration
4. Foster distinctive, attractive communities with a strong sense of place
5. Make development decisions predictable, fair and cost effective
6. Mixed land use
7. Preserve open space, farmland, natural beauty and critical environmental areas
8. Provide a variety of transportation choices
9. Strengthen and direct development towards existing communities
10. Take advantage of compact building design

http://www.smartgrowth.org

Smart Growth (for me)

- Efficiency, cost-effectiveness
  - Cost: Resources, livability, sense-of-community, wastes generated, …
    - Economics:
      - Human behavior (will *not* should)
      - Tradeoffs (competing priorities/goals)
  - Under-utilized infrastructure: increase use
  - Leverage existing infrastructure
    - Fallacy: infinitely extensible, no inflection points ("The straw that broke the camel's back")
- Instance: "walkable neighborhoods"
- Planning: the probable, not the possible

Usurpers

- Development to maximize profits (“wisdom of markets”)
- Unrestricted Growth (“Growth is good”)
  - No concerns about sustainability
- Increased Housing (as primary goal)
- Densification

Palo Alto Examples:

- Hyatt Rickey’s: non-walkable, irrelevant transit
- S. El Camino: replace walkable destinations, irrel transit
- Alma Plaza: replace walkable, non-transit
- 195 Page Mill: partially walkable, irrelevant transit

Protect the Central Valley?

- Problem: people tolerating long commute for larger, less expensive housing
- Current "solution": shift housing supply to smaller, more expensive units

- Housing is not fungible
  - PA 2-bdrm apt ≠ Tracy 4/5-bdrm house
  - Value: price, size, amenities, commute, …
  - Fallacy: non-availability of housing units
  - SG #1: "Create range of housing opportunities and choices"
    - Actual: Reduce availability of competing values in Bay Area
- Central Valley no longer bedroom communities

Who Benefits?

- Supply **AND** Demand
  - Increasing supply can be counterproductive
    - Increased jobs negates
    - Already built-out: increase via reducing value
- Densification reduces affordable housing
  - Experience (here and elsewhere)
  - Existing housing stock is more affordable
- Developers prefer densification: subsidized infrastructure
  - Greenfield development: 100% true cost
  - PA: limited to 1/3 of “calculated cost”
    - Controversial assumptions: under-estimated?
- Existing residents pay subsidies
  - Often lower-income: cannot afford new units

Long Commutes?

- From 2000 Census
- Fallacy: Treating exceptional as norm
  - Commute of 80-130 miles RT:
  - Livermore: 40 mi
  - Gilroy: 48 mi
  - Tracy: 66 mi

Place of Residence	Total Workers	% Total Workers	
TOTAL	78,091		
Palo Alto + SU	11,670	14.9%	
Adjacent Cities	12,685	16.2%	
Santa Clara-Belmont (other)	15,815	20.3%	
San Jose,Campbell,Milpitas	15,625	20.0%	
San Mateo Cty (other)	5,765	7.4%	
Alameda Cty - South	4,085	5.2%	84.1%
San Francisco	3,690	4.7%	
Alameda Cty - Hayward north	2,325	3.0%	
Santa Cruz County	1,310	1.7%	
Santa Clara Cty (other)	1,295	1.7%	95.1%
Alameda Cty - East	735	0.9%	
Contra Costa County	932	1.2%	
Sonoma County	348	0.4%	
San Joaquin County	333	0.4%	
SoCal Counties (SLO south)	241	0.3%	
Marin County	233	0.3%	
San Benito County	189	0.2%	
Merced County	149	0.2%	
Stanislaus County	148	0.2%	
Monterey County	114	0.1%	
Other Counties	404	0.5%	

Housing and Commutes

- Fallacy: Housing near jobs reduces commutes
  - Palo Alto: 6.6% @home + 29.5% local
  - Reality: jobs move, two-bodies, schools, …
- Transit-Oriented Development (TOD):
  - Observed yield: 3-9% of households
  - Commutes: 91-98% non-transit; treated as irrelevant
- Jobs-Housing Balance: Misapplied
  - Regional, not small city (PA: 4 miles across)
  - Jobs concentration GOOD: critical mass for transit
    - Caltrain: PA Usage: 61% inbound
    - Shuttles are practical (cost and speed)

Encouraging Transit Use

- Transit Usage
  1. Necessity: no car
  2. Preferable: speed, price, stress, …
- Increased congestion as forcing function?
  - Speed tolerance: 1.4-1.6 x auto commute
  - Example: if transit is currently 4 x
    - 2.5 x trip time to reach 1.6 x threshold
  - Cost of this increased congestion?
    - Pollution
    - Wasted time, political support

Mixed-Use Development: Attractive Theory, Difficult Details

Example: Cal-Ventura PTOD (Fry's *et al)*

- Conflicting goals
  - Affordable housing
    - Residents: low disposable income
  - Residents to support retail
  - High-end retail (restaurants, boutiques) to generate sales tax revenue:
    - Customers: high disposable income and free time
- Conflicting economics
  - Parking constraints favor office over retail
- Unrealistic Goals: increase Caltrain usage
  - Outbound workers: 1.75% total: SF 37% (200); San Jose 22%; Redwood City 7%; Mt View, Santa Clara 6.5%; PA 5.6%
  - Mismatch of housing type to jobs at transit destinations
- "Hope is not a strategy"

Excessive Densification Can Threaten Greenbelt, Farms

- Urban wildlife appreciation: political support
  - High-density developments have negligible habitat
    - Playgrounds
    - Landscaping: sterile, small patches
  - More than pigeons, starlings, rats and attack squirrels
- Demand for suburban lifestyle
  - Substantial; politically influential
  - If reduced opportunity within current urban boundaries: increased pressure to open up the greenbelt and farmland

Summary

- Pyramid Scheme? - unsustainable growth
  - Normal Growth Criteria: Organic population growth + standard-of-living increase
  - Claim: Local economy requires substantial job increases
  - Thus, substantial pop increases (via immigration)
    - Highly skilled thru unskilled; Domestic and International
  - ABAG: Palo Alto should grow 1/3 by 2030 (to 80,000)
    - Unfunded state mandate: unaffordable
- Complex Economics / Devil in the details
  - Not isolated programs: interactions & tradeoffs
  - Invalid assumptions, unacknowledged conflicts
    - Densification: not affordable housing, not ++transit usage
    - Infrastructure overload
- Analysis - not ideology, slogans, anecdotes

Transit Alternatives: Personal Example

- Commute: via El Camino
  - Work: Menlo Park, 4.5 miles, 2.5 blocks from bus
  - Home: Barron Park, halfway into neighborhood
- Timings: door-to-door
  - Auto: 12 min (normal) - 25 min (peak evening hour)
  - Bike: 35 min (1.4-2.9x)
  - Bus (#22): 50-60 min (2.0-5.0x)
  - Walking: 75-80 min