

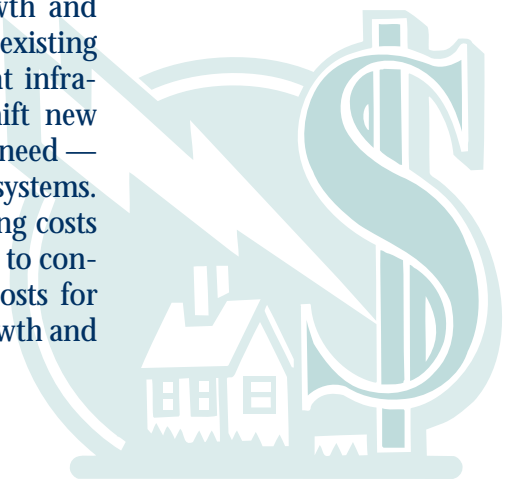
Executive Summary

■ THE MANAGEMENT CHALLENGE OF SMART GROWTH

As a local government manager, you work hard to make your community a better place. Every day your organization faces new public demands and budgetary constraints, and you are under the constant pressure of media scrutiny. Through it all, you are expected to attract, and find ways to accommodate, new growth and development for your community. Where others may see only the short-term economic opportunities and social benefits of growth, your job demands that you also consider the costs and long-term impacts. For unstructured or poorly planned development, those costs and impacts may include unanticipated capital expenditures for public infrastructure, increased operation and maintenance costs for existing public facilities, and long term environmental impacts.

One way to accommodate the budgetary demands of new growth and development is to find new ways to manage existing government operations so that they cost less, work more efficiently and make better use of limited financial resources. You may feel that every dollar you spend is already stretched to its limits, but even the most skilled and experienced managers can benefit from fresh approaches and new ideas. Challenge and encourage everyone, from department heads to clerks and maintenance workers, to take stock of their operations. Do they really use resources as efficiently as possible? Can anything more be done to streamline procedures? You may be surprised at the opportunities for savings you can identify.

Another way to accommodate the fiscal demands of new growth and development is to promote “smart growth.” Smart growth utilizes existing infrastructure more efficiently, reducing the need to expand that infrastructure. Working with developers and local businesses to shift new growth away from undeveloped areas, for example, minimizes the need — and the capital costs — for new roads, water lines, and sewer systems. Encouraging the use of public transit reduces traffic flow, lowering costs for road construction and maintenance. And providing incentives to conserve water and reduce waste not only lowers your operating costs for public services, but also reduces the environmental impacts of growth and development.



This Smart Investments Guide is designed to provide you with concrete examples of tools and practices that will enable you to use resources more efficiently in existing operations, and to promote smart growth for the future. Its goal is to ensure that your community can continue to grow and prosper without having to choose between increased taxes or decreased public services and a reduced quality of life. To assist you in making Smart Investments, the guide provides numerous examples of communities that have pioneered these ideas and seen them work. By drawing on these success stories, you will be able to design a Smart Investments plan to promote smart growth and fiscal stability in your community.

■ SMART INVESTMENTS: THE TOOLS FOR SMART GROWTH

Smart Energy Efficiency Investments. One of the easiest ways to help your budget and show people the advantages of Smart growth is to improve the energy efficiency of public facilities. Some local governments have achieved energy cost savings by starting with simple no-cost or low-cost measures. Directing public employees to turn off unneeded lights and turn down thermostats during off hours produces savings that can be used to finance additional conservation measures. A variety of other flexible financing mechanisms allow local governments to reap savings by replacing standard lighting, heating and air conditioning equipment with energy efficient models, often with no capital outlay. Installing computerized control systems to minimize energy consumption in water distribution and wastewater treatment, while requiring larger initial investments, can yield substantial savings that often repay those investments within a few years.

Smart Water Conservation Investments. As cities grow and expand, local water supplies may dwindle or become polluted. As a result, local governments will often face increased costs to develop or purchase new water supplies, or provide additional treatment for existing supplies. New development may also increase wastewater flows to sewage treatment plants, increasing local costs for plant operation or necessitating capital expenditures for plant expansion. By reducing both water demand and wastewater flows, water conservation measures can help local governments hold down costs at both ends of the pipe. Municipalities profiled in this guide have realized substantial savings through a variety of water conservation ordinances, pricing policies, leak detection programs, plumbing fixture retrofits, or rebates and other financial incentives.

Smart Waste Reduction and Recycling Investments. Waste management and disposal practices affect local government budgets in several ways. First and foremost, because local governments typically provide or contract for disposal of municipal solid waste at landfills, their costs have skyrocketed as landfill tipping fees and waste volumes have increased in recent years. To reduce the amount of waste sent to landfills, and hence the cost of disposal, more than 2,000 communities have implemented unit pricing, curbside recycling, and/or composting programs. These programs

often have the added benefit of generating revenue from the sale of recyclable materials. The stimulation of local recycling markets can also result in lower prices for recycled products that local governments may be purchasing for use in their own operations.

Local governments also incur substantial costs for disposal of construction and demolition waste from public projects. Practices such as salvaging and reusing materials, requiring deconstruction rather than demolition of buildings, and providing waste management education and technical assistance to contractors have saved millions of dollars in costs for new materials and waste disposal.

Smart Transportation Investments. Local governments spend large portions of their budgets on roads, highways and public transit. Many communities are finding that they can reduce road construction and maintenance costs, improve air quality, and increase the utilization of their transit investments through a variety of measures to promote alternatives to automobile commuting. Municipal electric shuttle bus systems, subsidies and economic incentives for carpooling and transit use, flexible work schedules, and telecommuting and videoconferencing have all proven successful in reducing the number of vehicle miles traveled by both public and private sector employees. Light rail systems, while requiring larger and longer term public investments, can also stimulate substantial economic growth by improving businesses' access to customers and employees.

Local governments also spend billions of dollars annually to operate and maintain their vehicle fleets. In many cases, these costs can be reduced through such measures as eliminating nonessential vehicles or buying more fuel-efficient models. Converting or purchasing vehicles to run on alternative fuels such as propane or compressed natural gas is not only saving many communities money, but is also improving air quality.

Smart Development Investments. New commercial and residential development often increases the demand for a variety of public services, but in the absence of tax increases may not generate the revenue needed to offset the associated costs. Some local governments have succeeded in minimizing the impact on their budgets through changes to building codes and zoning ordinances that influence the nature and configuration of new development. As in public facilities, building codes that require water conservation, energy efficiency, and waste reduction in commercial and residential construction can reduce operating costs for local government services. Zoning ordinances can be crafted to promote high-density development near existing infrastructure, encourage mixed use, or charge developers the full cost of infrastructure expansion. All of these measures can help to lower capital and operating costs for public services, conserve open space, and create pedestrian-oriented communities with an enhanced quality of life.



Smart Investments for the Environment. In addition to their financial benefits, all of the Smart Investments described above yield important environmental benefits. Every dollar spent to reduce energy consumption and solid waste generation, or to increase recycling and public transit use, also decreases the consumption of fossil fuels and the depletion of raw materials. Less pollution is produced, air and water quality improves, and public exposure to contaminants decreases. Similarly, water conservation and open space protection not only ensure adequate supplies of clean water and recreational areas for future generations, but also help preserve the integrity of local watersheds, forests, wildlife habitat, and ecosystems.

■ ENSURING PUBLIC SUPPORT

This guide describes the Smart Investments tools you can use to design a more sustainable approach to growth and development, but Smart Investments will do more than just save money and protect the environment. They will help you to continue providing public services that are responsive to your community's changing needs without increasing residents' financial burdens. They will also help preserve your community's fundamental character and quality of life while creating a favorable climate for economic growth and development. All of these goals can be achieved with the broad support and involvement of local government, businesses, and residents. To help you gain that support, the final chapter of the guide profiles public outreach and education programs other communities are already using to ensure community support and involvement for their Smart Investments strategies. By following their examples, you can engage your own community in developing and implementing effective Smart Investments strategies, making it an even better place to live and work in the years to come.

