

LIVABLE COMMUNITIES

A Blueprint for the Future



Artist's rendering of the future on Quinnipiac Street. Image: Lazarus & Sargeant Architects

Unightly even on a sparkling day, the moribund intersection of Quinnipiac and North Cherry Streets in Wallingford, Connecticut's town center could use more than a makeover. There is little commerce, little foot traffic, few amenities. It is, in short, emblematic of many town centers across New England. The shops have moved to malls, the shoppers have followed, there are few housing options, and little public transit.

But there are possibilities. A train station is only several hundred yards away. New Haven is less than 20 miles to the south, Hartford about that far to the north. And most important, there is demand for workforce housing in a state that has little and has produced even less in the last decade.

Those possibilities need a link to probability, and U.S. Senator Christopher J. Dodd has offered one to all the Wallingfords across the country that want to resuscitate neighborhoods using a smart-growth formula that more and more people seem to appreciate—business leaders, municipal officials, cabinet secretaries, governors, and members of Congress.

The Livable Communities Act, introduced in fall 2009, builds on the smart-growth efforts of the past and promises to put meat on the bones of an expanding,

coordinated, community development centered policy initiative emanating not only from Washington but from statehouses nationwide.

The Proposal

The Livable Communities legislation is based on a proven formula. First give localities—either municipalities or counties or regions—government grants to plan ways to marry housing creation with transit and energy-efficient designs in walkable locations, and they will grab the opportunity. Then offer grants to help them complete the projects, and they will do that, too.

Why? Because they not only need expanded housing options for municipal workers, families, elderly residents, and others, but they also recognize the back-to-the-future potential of old-fashioned community development, the kind that enables people to walk to work, live above the store, and travel by train or bus rather than gas-guzzler.

Developments from Portland, Oregon, to Charlotte, North Carolina, have reduced traffic congestion and auto emissions while expanding housing affordability. Homes are located near public transit, where density is more easily accepted, and residents also

enjoy smaller, more affordable units and lower heating costs.

Housing is key. As Senator Dodd noted in July 2009 at a hearing of the Senate Banking Committee, "We must improve and expand bus and rail service, providing new choices for families who would no longer have to drive to work and creating space on the road for those who do. And we need to build more and better housing options near transit stations." Department of Housing and Urban Development (HUD) Secretary Shaun Donovan, Department of Transportation (DOT) Secretary Ray LaHood, and Environmental Protection Agency (EPA) Administrator Lisa Jackson attended the hearing and supported the thrust of the legislation. It seemed uniquely promising for a marriage of priorities that three cabinet-level officials who are seldom at the same hearings were all present.

Why Now?

There are many reasons why diverse constituencies are coming together now. Consider the following factors:

- **Growing concern about global warming** and high energy costs, and the realization that lowering both can make housing more affordable. The average

family spends 32 percent of its income on housing and 19 percent on transportation. According to a 2007 study published by Reconnecting America, auto-dependent families spend 25 percent on transportation, whereas families in transit-rich areas spend only 9 percent on transportation. Similarly, the average suburban family uses 240 million BTUs annually for housing and transportation; a family in energy-efficient suburban housing uses 164 million BTUs; and one in an urban, energy-efficient, multifamily home uses only 62 million.

- **The desire to increase population in responsible-growth locations,** expand the tax base, and provide labor for business growth. Connecticut, among other states, has suffered an outmigration of 25-to-34-year-old workers, making it difficult for businesses and government to find the skills needed. To attract young adults back to home after college, to support commercial growth in town centers, and to boost property tax revenues, states and municipalities are creating a range of housing options that haven't been built in recent years.
- **The need to stimulate the economy.** States in the Northeast and Midwest, in particular, have experienced anemic growth in population and economic activity, which has contributed to fiscal weakness. There is evidence that construction can stimulate an economy—1.2 to 3.1 jobs are estimated to be created per housing unit constructed. An expanded economy can also help to boost local and state tax revenues.
- **State initiatives paving the way.** Connecticut's HOMEConnecticut program and the 40R zoning law in Massachusetts provide localities with incentives to zone for housing density—and, thus, affordability—in town centers, near transit and other smart-growth locations. Meanwhile, states such as North Carolina, New Jersey, and California have passed statutes requiring either affordable housing or a plan for affordable housing at all new stations and transit facilities. States are clearly interested, and Livable Communities could help.
- **Federal support.** As a precursor to the Livable Communities Act, HUD, DOT, and EPA have already begun cooperating on the Partnership for Sustainable Communities, a program funded at \$150 million in the HUD appropriations bill. It will offer planning grants

to municipalities and regions to create developments offering affordable, energy-efficient housing near transit.

Living in a transit-rich neighborhood saves up to 10% of a family's budget.

The Livable Communities bill would take the Partnership for Sustainable Communities a step further by offering regions \$400 million in planning grants over four years, and \$3.75 billion in challenge grants to bring the plans to fruition.¹ It envisions helping counties, regions, or groups of towns to create communities with affordable rentals, condos, townhouses, and starter homes. Constructing those new homes near a bus route or rail station, or in a town center where people can walk to work, their doctors, places of worship, shops, libraries, and the like optimizes the legislation's coordinated goals for transportation, energy, the environment, and housing. Rehabbing an old manufacturing or commercial facility that is currently not on the tax rolls would be icing on the cake.

Wallingford and Beyond

In Wallingford's case, the town is already using the state's HOMEConnecticut program to create a higher-density zone. There will be 370 high-density homes (one-fifth affordable for people at 80 percent of the area median income), shops, and numerous amenities within a few blocks of the train station. The Livable Communities Act could help Wallingford and surrounding towns with that project, marrying it to the proposed Springfield-New Haven commuter rail line, which ultimately would connect Wallingford to Boston and New York. If the Springfield-New Haven route could receive a portion of the \$8 billion high-speed rail funding that President Obama has offered, it could provide a backbone for economic growth, to say nothing of a more livable community in Wallingford.²

"The lack of good transit options costs families more than just inconvenience," Senator Dodd says. "In large part due to congested roadways and the lack of affordable housing and transit options, Connecticut ranks 49th in the country in keeping our young people in state. Meanwhile, living in a transit-rich neighborhood saves money—on average, as much as 10

percent of a family's budget. This is particularly important for those living on fixed incomes or struggling to get by in a tough economy. Improving transportation isn't just about making a daily commute easier. It's about empowering people."

In Connecticut, many people do need economic empowering. Four in 10 households spend more than 30 percent of their income on housing, few by choice. That leaves little for necessities and the discretionary spending that can fuel an economy. The bill could help to strengthen New England in general. The region as a whole is like Connecticut in that the projected aging of the population has threatened to undermine its economic future. According to Connecticut's budget agency, the state's current level of 4.5 workers per 65-or-older resident will fall to 2.6 by 2030 unless demographic trends are reversed. Such a 42 percent reduction in working-age individuals relative to an elderly population in need of services could easily overburden state revenues and lead to a rapid decline in the quality of life.

By providing \$400 million in planning grants over four years, and \$3.75 billion over three years in grants to help get projects done, the bill would offer the crucial carrot not only for housing-transit-environmental coordination, but also for regional cooperation. The home rule traditions of New England—where towns jealously guard their autonomy even if that means inefficient service delivery and higher costs—are well known. But they should bow to planning and development that saves money and provides a housing-transit infrastructure that can help all residents in an era of \$3-plus gasoline, skyrocketing heating oil, and property taxes that the aging population can't afford. Timing is everything, and this moment looks like a very good one to make communities more livable.

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Endnotes

¹ As of this writing, the Department of Housing and Urban Development was working with Congress to come up with a modest appropriation request it could support in the context of budget deficits.

² Wallingford has applied to the state for approval of its Incentive Housing Zone and has had drawings made of what the future might look like. The city believes that the zone's density, once approved, will appeal to developers.