

Smart Growth Saves Money for Local Governments

by Jaimie Ross

The recently released study by SmartGrowth America, *Building Better Budgets*, makes the case that local governments can realize substantial cost savings using smart growth principles. “Whether by saving money on upfront infrastructure; reducing the cost of ongoing services like fire, police and ambulance; or by generating greater tax revenues in years to come, community after community has found that smart growth development would benefit their overall financial health.” (Smart Growth America. (2013) *Building Better Budgets*: <http://bit.ly/16g6wZ7>) The report finds that improved strategies for land use and development can help local governments maintain and improve their fiscal solvency.

Building Better Budgets provides the foundation for the critical next step: implementation at the local, county or municipal, level. Excellent broad-based national survey work such as this report, which so eloquently makes the case for smart growth in terms that should appeal to our revenue starved local governments, too often remains an academic exercise. To turn this work into action, local governments need to take the next step: adoption of well drafted ordinances and policies, followed by well-executed implementation.

In Florida, every local government has the legal responsibility to provide for the housing of its entire current and anticipated populations, even residents that have the greatest cost burden, such as special needs populations (Section 163.3177 (6) (f), Florida Statutes). Financing and planning are the two predominant tools for making housing affordable. Financial subsidy to finance affordable housing from federal and state level funding sources falls short. With a scarcity of funds for affordable housing, local governments make the wise choice to use planning tools to meet the housing needs in their communities.

When it comes to affordable housing, there are a great many smart growth tools for local government to implement to yield substantial fiscal savings. A good starting place is to tweak local zoning codes to permit : development above

surface parking and rooftops; a mix of uses on a single parcel, including residential and commercial to create live/work space; co-location of residential opportunities, where there are employment opportunities and ensure that the services, such as grocery stores, are developed to support residential uses in otherwise commercial areas; reduce the dependence on the automobile and increase the ridership on whatever transit exists in the community.



Three smart growth tools for affordable housing that offer additional substantial financial benefit to local governments include **accessory dwelling units, inclusionary housing policies, and community land trusts.**

Accessory dwelling units can be made a permissible use in all residentially zoned areas. Florida encourages the use of accessory dwelling units by local governments in all residentially zoned areas in Section 163.31771 Florida Statute, which provides that each accessory dwelling unit will apply toward satisfying the affordable housing component of the housing element in the local government’s comprehensive plan. The legislature also supports the use of inclusionary housing policies by expressly providing an exception to the price and rent control statutes which otherwise govern local action in Section 166.0415 and Section 125.01055 for land use mechanisms for inclusionary housing ordinances. And the Florida Legislature made specific accommodation in support of the community land trust model in Section 193.018, Florida Statutes by providing direction to government property appraisers so that the resale restriction on these properties would be factored into the assessment. Land use tools such as these will stretch and leverage your housing finance dollars so much farther, helping local government to meet the housing needs of its residents while saving money. [HNN](#)

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