



## Myths of Growth Revisited

Chuck Adams

We hear it all the time, so let's talk about some of the MYTHS of Growth. The four biggest growth myths are about taxes, jobs, economic prosperity and housing. For a much more detailed discussion of these issues, the book "Better, Not Bigger" by Eugene planning consultant Eben Fodor is an excellent resource. Now for the myths:

### MYTH #1 - Growth provides needed tax revenues

In reality, growth tends to RAISE local taxes (see back page). Not only do taxpayers not get new or better government services for their increased taxes, they often experience a decline in the level of services provided. We have all heard that tired old refrain, "the more growth we have, the greater the tax revenue we will have to work with." While true in its strictest sense, that statement fails to mention that the costs of that new growth are often far in excess of the amount of new tax revenue such growth brings in.

Ex-governor Kitzhaber's own Task Force on Growth stated, "growth actually exacerbates government revenue problems, it does not relieve them."

### MYTH #2 - We have to grow to provide jobs for people in the community

Communities cannot GROW their way out of local unemployment problems because creating more local jobs attracts more non-local people. While local folks may indeed fill some of the jobs, there are now more people in the community requiring yet more jobs. Even when the unemployment rate stays the same, there are more people without jobs because the population of the community has increased.

In comparing the fastest growing U.S. cities with the slowest growing, there are no significant differences in the unemployment rates between the two. So much for growth being the solution to unemployment.

### MYTH #3 - If we limit growth, the cost of housing will dramatically increase

Several studies have shown that communities with strict growth controls do not experience any higher cost of housing than communities with no growth controls. It is true that any community with strict growth controls must have a serious commitment to affordable housing. One way to achieve that is to use a portion of the tax savings

## Alternatives to Growth Oregon

*AGO strives to leave succeeding generations of Oregonians a more economically prosperous, environmentally healthy, and socially just State by encouraging progress toward a sustainable society, and discouraging growth focused on increased population and consumption.*

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that the community realizes from no longer subsidizing growth to purchase such housing.

### MYTH #4 - Growth is inevitable—We can't put a fence around our community so we have to keep growing.

Of course we cannot build walls or fences around our com-

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## Meet Richard Reid, AGO's new outreach director

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Richard began his work as Outreach Director in October 2003 following several months serving as AGO's lobbyist. Richard successfully worked with a coalition of education, public service and environmental organizations to advance legislation to expand allowable system development charges. For the past ten years, Richard has worked with various labor and environmental organizations in grassroots organizing, petition drives, and campaigns.

He is a teacher by profession and worked his way through college. He helped lead petition campaigns in Salem to raise impact fees and to give Salem taxpayers the right to vote on annexations. These campaigns put the issue of "Growth, who pays? Who benefits?" squarely on the front page. He helped found CityWatch, now the oldest local government oversight group in Oregon. He is currently Co-Chair of Citizens for Livable Communities ([www.orclc.org](http://www.orclc.org)) a monthly community forum of activists and organizations seeking a better future for communities.

Richard says, "I am extremely pleased to join AGO and have the opportunity to apply my practical grassroots organizing experience and help Oregonians campaign for alternatives to growth. We know that we can help make communities 'better, not bigger' because it's being accomplished wherever citizens take the initiative to make it happen."

## ED Column: Imagine

*Chuck Adams*

In late October I had the honor of being asked to become executive director of AGO to replace our outgoing executive director Sarah Sameh. While I greatly miss Sarah, her energy, acumen, kindness, enthusiasm and energy, I am more excited than ever about our work here at AGO. This transition has been planned for some time and given our close working relationship it has been accomplished in a seamless manner. AGO continues to work on the programs that Sarah and I targeted over the past 18 months: documenting the costs of growth to communities; and researching and helping to bring about viable economic alternatives to our current growth model which depends upon unending growth for prosperity. I intend to continue AGO's efforts, even accelerate them in these areas.

My long experience in the private sector (20 years, with the final 15 as CFO or COO of several small corporations) has convinced me that the shortest path to meaningful societal change lies in fundamentally altering the way we conduct business and commerce. With that in mind, I'd like you to imagine an Oregon with a "new economy."



Some of you may remember the old John Lennon song "Imagine." It was a song about creating a better world. Not just for some, but for everyone. I'm not a songwriter, but for the next few moments I am going to ask you to use your imagination. Read through this story and then...close your eyes and imagine Oregon.

Let's start off with the basics. Imagine an Oregon where everyone who wanted to was working. And not just going through the motions of earning a living, but working as an integral and respected part of a business or organization. Such work would be challenging, rewarding and would contribute to a sense of community. Not coincidentally, such work would also provide job security, at least a living wage and quite likely, some ownership or profit sharing in the venture.

Imagine an Oregon where we pay less in taxes yet receive more government services. Imagine an Oregon where we all have more time for the things most important to us personally, things like extra time for family and friends, community service and other volunteer activities, hobbies, new learning and experiences, camping, hiking, reading, music and on and on...

Imagine an Oregon where the emphasis, from the highest level of government down to the newest citizen on the state rolls, is on BETTER, NOT BIGGER..... QUALITY, NOT QUANTITY. And imagine that this maxim holds whether the issue is regarding a specific development, a business, a community, the statewide population or our level of consumption.

An "Economically Independent Oregon" would feature a stable economy—one much less prone to economic downturns specifically because of its focus on local communities. Such an economy would be

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much easier to manage from both a business and a government perspective.

Government would be less expensive and more efficient as planners were able to accurately forecast expenditures for public infrastructure, which would largely consist of maintenance and qualitative improvement of existing facilities and services.

Business would realize a dramatic improvement in its ability to predict factors such as size and quality of labor force, number of jobs needed, and amount of product to be produced. This would increase efficiency and profitability while simultaneously allowing businesses to move into closed loop cycles where all inputs are utilized and the waste or by-products of one company become the inputs or raw materials of another company. While material and energy efficiencies would be maximized, waste would be virtually eliminated as the costs of such waste were included as part of the cost of a firm's products.

Imagine an Oregon where businesses are truly committed to local communities and are primarily owned and operated by local community members. Where development refers to improvements in quality—for the community, for the individuals in that community, and for the surrounding natural environment. Where individuals and businesses are located and interact together on a daily basis, in a manner that harmonizes all of our actions with our natural environment. This “new economy” would improve rather than impair the functioning of natural systems, enrich rather than impoverish Oregon's rich natural heritage of biological and geographical diversity.

Can it happen overnight? Of course not! But if we decide to take charge of our future, such a vision can come to fruition. If we talk to each other we can decide what we want Oregon to be. And if we are willing to work together and insist that our elected leaders fulfill our mandate, then we can have the Oregon of our dreams.

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## Myths of Growth

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munities, nor should we. But we can utilize a wide range of responsible policies and regulations to influence whether or not people and businesses choose to locate in our community. We can also set limits to the rate of growth and even cap the ultimate size of our community.

Future editions of our newsletter will discuss and debunk other myths of growth.

## AGO Out and About

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### Nov. 13 BALLE event

On November 13 AGO co-sponsored an event with the Business Alliance for Local Living Economies (BALLE) Portland chapter. The program focused on building a local economy, small scale manufacturing and local substitution of imports in key areas. The featured speakers were Michael Shuman, a long time activist in developing local economies and author of "Going Local" and Dr. Tom Johnson, member of the faculty of the business school at Portland State University.

### Nov. 14 Progressive Leadership Reception

With the Oregon League of Conservation Voters and 1000 Friends of Oregon, AGO co-sponsored an open house for elected progressive officials from around the state to discuss ongoing and upcoming issues.

### Nov. 15 Engage Oregon

AGO joined some 200 enthusiastic attendees at the Engage Oregon conference sponsored by the Bus Project, November 13-16. Richard Reid, AGO's Outreach Director, manned the AGO table and made sure that attendees learned more about AGO's leadership in the pro-community movement. He met some very interesting activists, some of whom are AGO members. Topics included engaging rural Oregonians in growth decisions, funding education, and protecting basic rights and the environment.

## Chapter News

### Corvallis

The Corvallis Chapter of AGO is focusing much of its attention on promoting long-term, systemic changes in the local economy that will help bring about a community—and a larger society—that is less dependent on unsustainable growth. The first step is to take such a broad, amorphous goal and come up with concrete actions that will further it. One such action landed in our laps a couple of months ago, when Home Depot and Lowe's sent in applications to build huge big-box stores in Corvallis. Our chapter, represented by Nancy Staus and Bob Devine, joined a community coalition, the Corvallis Action Project (CAP), to oppose those applications. Nancy in particular is to be commended for putting in many long hours working on all aspects of this effort. Two other chapter members, Heidi Van Zee and Alex Derr, sent in testimony urging the planning commission to reject the applications and testified at the hearing. Our chapter also helped arrange a well-attended (perhaps 80 people) forum on the subject of big-box stores. The state AGO office also deserves our thanks for providing some money for advertising the forum. The planning commission meeting was packed with people opposed to Home Depot and Lowe's and our chances of success look good. As this goes to press the campaign continues.

### Jackson County

The Jackson County chapter of AGO works on both action and

education. We lobbied for SB 511 that would have allowed additional systems development charges and are now publicly questioning NOWx2, a regional plan for accommodating twice the present population. We are delighted that the Ashland City Council just voted against their proposed NOWx2 expansion. Education includes letters to editors and local officials, monthly meetings and our newsletter. Meetings have been about system development charges (John McLoughlin), "sustainable" growth (Bill Nevison), the complexities of living simply/ecological footprint (Eileen Adee and Colleen Horner), NOWx2 (John Eads), how local environmental groups are dealing with population pressures (Louis Lichtenstein and Connie Battaile), how to respond to growth advocates (Richard Reid), and a brainstorming session (Ken Gosling). Coming up in January we will be discussing carrying capacity (Andy Kerr). The steering committee includes Frank Hirst, John McClendon, Louis Lichtenstein, Jack Hardesty, Colleen Horner, and Connie Battaile, chair.

### Grants Pass

Grants Pass AGO activists are very busy. They meet weekly and invite city and county staff to address issues of vital concern to Grants Pass and Oregonians. So-called "growth" is occurring faster than city services can be funded. The city has written 40 citations for storm water runoff violations but the city lacks funds to enforce them. Nor are they able to protect riparian

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# Chapters News

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areas or watersheds. The Parks SDC is one of the lowest in the state so funding parks has become impossible.

Recently The Board of County Commissioners decided to stop sending land use notices to neighborhood associations and limit land notices to the county website. This makes it almost impossible to keep up with planning applications. Several annexations are expected to not consider their impacts on fiscal and physical resources.

In just three meetings these AGO activists have hosted: John Renz, DLCD representative and former Josephine County planning director; Martin Seybold, Grants Pass Director of Field Operations; and Mike Walker and Hal Anthony, Hugo Neighborhood Association and Historical Society members.

A special AGO THANK YOU! to Warren Troy, Germaine Cartmell, Mike and Cindy Walker, Sharon

Laskey, Greg Freer, Malcom Drake and all our AGO Grants Pass team.

## Salem

Fortunately AGO's Outreach Director, Richard Reid, lives in Salem and he's contacting AGO members there. Several members have either met or worked with Richard on past campaigns in Salem to raise SDCs and give residents the right to vote on annexations.

Richard's looking forward to establishing regular AGO meetings and assisting in getting AGO included in local pro-community coalitions.

Like many Oregon regions the Mid-Valley is facing a growth crisis triggered by economic and real estate development subsidies.

Richard is determined to make sure that AGO becomes a "major player" in the quest for sensible cost-effective growth.

# BEWARE: SON OF 7

Oregonians in Action is planning to place two "property rights" initiatives on the ballot in November 2004.

Under OIA's Initiative 36, taxpayers would be forced to pay property owners who claimed that zoning or other laws reduced the value of their land by any amount. (OIA is now collecting signatures for this initiative.) Under Initiative 64, governments could not enforce land use laws enacted to protect the environment and the public welfare if landowners withheld permission to enforce such laws on the grounds that they reduced property values by 10% or more.

To counter this dangerous initiative, the Oregon Community Protection Coalition is working to educate Oregonians about the importance of fair and sensible land use planning. For more information, contact Constance Beaumont at [constance@protectoregon.org](mailto:constance@protectoregon.org).

## MEMBERSHIP / CONTRIBUTION FORM

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**Yes, I want to make Oregon better, not bigger and**

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## AGO Update: Monthly Email Newsletter

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In December we sent out our first monthly email newsletter, the AGO Update. Each month we'll do our best to keep you informed about AGO's actions statewide. We'll also have brief reports from AGO members and other information you can use to take action on growth issues locally.

Remember! This is YOUR e-newsletter! While we won't be able to use everything all the time, please contact us about your ideas for content.

If you would like to receive the AGO Update, please email us at [update@AGOoregon.org](mailto:update@AGOoregon.org).

## Bigger Cities Require Higher Taxes

*Warren Troy and Sharon Laskey, AGO Members in Grants Pass, Oregon*

### Proof positive of how growth tends to raise local taxes!

<u>Oregon Cities</u>	<u>Population</u>	<u>Tax Rate</u>
1. Portland	538,180	20.02
2. Eugene	142,380	18.23
3. Salem	141,150	18.81
4. Gresham	92,620	17.32
5. Beaverton	77,990	16.81
6. Hillsboro	74,840	16.39
7. Medford	66,090	15.29
8. Bend	57,750	14.37
9. Springfield	53,910	17.83
10. Corvallis	52,450	16.11



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