Smart Growth Builds Wellness
GrowthSmart Maine Summit | October 23, 2019

Let’s stay in Touch!
@christophercoes
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.....Why I love my hometown of Thomasville, GA
Smart Growth America envisions a country where no matter where you live, or who you are, you can enjoy living in a place that is healthy, prosperous, and resilient.
SGA’s Community of Programs
LOCUS: Responsible Real Estate Developers and Investors

A national coalition of private real estate developers and investors working to meet the country’s pent-up demand for sustainable, equitable, walkable urban places by advocating for local, state, and federal policy change.
Audience Quiz: Have you seen this in your community?
Have you seen this?
Have you seen this?
Have you seen this?
2nd Half of the 20th Century
Built environment’s greenhouse gas emissions & energy usage

73%

- Transportation: 28%
- Industrial (real estate related): 17%
- Commercial: 17%
- Residential: 17%
- Industrial (non-real estate): 11%
- Agriculture
- Other

Locus: Responsible Real-Estate Developers & Investors

GW Business
CO\textsuperscript{2} Per Household; Proxy for energy consumption

Source: Center for Neighborhood Technology, TravelMatters.com
The cumulative cost of extreme weather events and climate-related disasters on our roads, energy, water, sewer and other infrastructure exceeds $1.5 trillion since 1980.

Health Benefits of Smart Growth Communities
States with the lowest levels of biking and walking have, on average, the highest rates of obesity, diabetes, and high blood pressure.
Benefits: Health

Risk of obesity:

Increases 6% for each hour spent in a car.

Decreases 4.8% for each additional kilometer walked.

Impact on Communities of Color

Past Transportation Practices Have Created Disproportionate Health Impacts on Disadvantaged Communities:

• Nationwide, 61% of African American children, 67% of Asian American children, and 69% of Latino children live in areas that exceed air quality standards for ozone, compared with 50.8% of white children.

• Hispanics suffer a pedestrian death rate 62% higher than non-Hispanic whites, and African Americans have an even higher rate at almost 70% compared to non-Hispanic whites.
Communities are now in a ferocious competition over place (and private capital) (whether they know it or not)
Five Tests of Community*

• Popsicle Test – Can you walk home from the store before your popsicle melts?

• Smooch Test – Is the place comfortable, safe, attractive, and intimate, suitable for a date-night stroll?

• Kid Test – Can children safely explore a world beyond their own backyards?

• Seniors Test – Are elder citizens a welcome part of the community? Can they get out and about and get their needs met when driving is no longer an option?

• Commons Test – Does development contribute to the overall community something greater than what it takes in terms of natural and community resources?

*from Choosing Our Community’s Future, A Citizens Guide to Getting the Most Out of Development, Smart Growth America, 2005
Attracting new residents

Young professionals

64% of college-educated 25- to 34-year-olds looked for a job after they chose the city where they wanted to live.

- U.S. Census
Preferences: Transportation

- Baby boomers are walking more and driving less...

Health Impacts

- Traffic Concerns

Rural Seniors hold licenses longer

- Higher rates of automobile accidents
Boomers are a different kind of Senior Citizen (Adulthood III*):

Boomers are downsizing

- Increasing numbers, smaller households
- High demand for active lifestyles and communities
- The number of senior households will grow twice as fast as all others over the next couple decades (A.C. Nelson)
2019 Ranking Walkable Urbanism in America’s Largest Metros
The Old Dichotomy

CITY VS. SUBURBS

If a place isn’t in a city, it’s a suburb (unless it’s rural).
It’s Time for New Lenses

Both of these environments can be found in a city, a suburb, or a rural area.
Land Use in Metro Areas

- **Walkable Urban**
  - Metro Acreage: < 2%

- **Walkup**
  - Metro Acreage: 2-4%

- **Regionally Significant**
  - Metro Acreage: 92-95%

- **Drivable Sub-Urban**
  - Metro Acreage: 1-4%

- **Edge City**
  - Metro Acreage: < 2%

- **Neighborhood**
  - Metro Acreage: 1-4%

- **Bedroom Community**
  - Metro Acreage: 92-95%

LOCUS | Smart Growth Builds Wellness
What is a WalkUP?

Two Criteria
Walk Score:
• Walk Score ≥ 70
Office & Retail Space:
• Office ≥ 1.4 million square feet and/or
• Retail ≥ 340,000 square feet
What is a WalkUP?

• There are 761 WalkUPs (regionally significant walkable urban places) in the 30 largest U.S. metros.

• WalkUPs occupy a minute portion of a given region’s land mass, but they account for a disproportionate portion of a region’s economic activity and sense of place.
Current Walkable Urbanism

Ranked the share of office, retail, and multi-family occupied square footage that is located within a WalkUP. This ranges from 3% to 37%.

Highest Current Walkable Urbanism Metro Areas:
1. New York City (37%)
2. Denver (35%)
3. Boston (31%)
4. Washington, DC (30%)
5. San Francisco Bay Area (29%)
6. Chicago (29%)
Economic Growth Momentum for Walkable Urbanism

Share of WalkUP absorption: What share of square footage of office & rental multi-family in a metro was built inside WalkUPs?

WalkUPs absorbed an average of 51% of the total metro area absorption of office, retail, and rental multi-family real estate.
Economic Growth Momentum for Walkable Urbanism

Shift in market share: How has the market share of WalkUPs increased in this real estate cycle (2010-2018) relative to the 2010 base year?

WalkUP office & rental multi-family have had market share gains of 130% relative to where they were in 2010. This means that drivable sub-urban real estate is losing market share to walkable urban real estate.
Economic Growth Momentum for Walkable Urbanism

Share of WalkUPs in suburbs: What percentage of WalkUP space is located in the suburbs of a metro area?

Walkable urban places are not exclusively located in central cities, in the top 30 metros an average of 17% of the WalkUP space is located in suburbs.
Investors, buyers, and renters are willing to pay an average of 75 percent more per square foot for walkable urban real estate (office, retail and multi-family housing) compared to drivable sub-urban areas.
Why companies are moving to walkable places

- To attract and retain talented workers
- To build brand identity and company culture
- To support creative collaboration
- To be closer to customers and business partners
- To centralize operations
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Social Benefits of Smart Growth Communities
U.S. HOUSEHOLD SPENDING: Average, Drivable, & Walkable

- **TRANSPORTATION**
  - Average Household: 19%
  - Drivable Sub-Urban: 25%
  - Walkable Urban: 9%

- **HOUSING**
  - Average Household: 48%
  - Drivable Sub-Urban: 43%
  - Walkable Urban: 59%

- **DISPOSABLE**
  - Average Household: 32%
  - Drivable Sub-Urban: 32%
  - Walkable Urban: 32%

*Source: Center for Neighborhood Technology*
Are WalkUPs pricing people out?

• The premiums for walkable urban neighborhoods in the country’s biggest metro areas show that they are in high demand, but are also massively undersupplied. These high price premiums for WalkUPs make it a challenge for everyone to experience the benefits of living in them.

• There are numerous potential economic and social benefits for cities and metro areas that find ways to meet this pent-up demand for walkable places—and perils for communities that continue to subsidize sprawl and fail to do what’s necessary to allow people of all incomes to live in walkable places.
Social Equity Index

• At Smart Growth America we believe that at the heart of the American dream lies the simple hope that each of us can choose to live in a neighborhood that’s affordable, lovable, and in which it’s easy to get around.

• In Foot Traffic Ahead, we created a social equity index that examined three measures of social equity within WalkUPs:
  - Housing costs (80% AMI)
  - Transportation costs (80% AMI)
  - Housing mix (a measure of the split between renters & owners)
Metros with the Highest Social Equity Index Scores in their WalkUPs

1. New York City
2. Washington, DC
3. Baltimore
4. Minneapolis-St. Paul
5. Boston

We found that there were several metro areas with high rent premiums that also scored well on the social equity index.
Thank You!

More information, please visit: locusdevelopers.org

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