

## Florida's Growth Management Study Commission Final Report

Randall G. Holcombe

### **Background**

In July 2000, Governor Bush created a Growth Management Study Commission to review Florida's current growth management policies and suggest reforms to improve the process. The Commission delivered its final report in February 2001. Florida's current growth management policies stem from the state's 1985 Growth Management Act, which requires all local governments in the state to draw up comprehensive plans that comply with the Act's provisions. These local comprehensive plans are then reviewed by the state's Department of Community Affairs to make sure they comply with state law. The 1985 Growth Management Act's process of state-wide land use planning was supported by some and criticized by others, but both supporters and critics agree that the Act has had less impact on Florida's development than it intended. Sometimes provisions of the Act could be worked around and avoided; other times the Act's provisions had unintended consequences that made growth-related problems worse; and despite the fact that the Act's impact was less than anticipated, it remains costly to comply with. The Commission's report makes 89 recommendations for change which, if adopted, would constitute a major overhaul of Florida's growth management process. The report can be found at [www.FloridaGrowth.org](http://www.FloridaGrowth.org), and all page references in this Policy Brief are to that report.

### **A Better Growth Management Process**

Overall, the Commission's recommendations would greatly improve Florida's growth management process. One big improvement is that developers would not be held responsible for pre-existing problems. Currently, development may be prohibited if roads around the proposed development are already more congested than the goals set in the local plan. While at first this provision, that tries to prevent development from putting more traffic on already-congested roads, sounds desirable, the unintended effects have been to prevent urban infill – a goal of the growth management process – and to encourage sprawling development by pushing developers into sparsely-populated areas where the roads are less congested. The Commission's recommendations would eliminate these unintended negative consequences of the current law, and not hold developers responsible for the effects of previous development.

The report's recommendations emphasize the protection of private property rights, and propose ideas to streamline the development process and reduce its costs. The report also recommends policies that reduce

the cost to local government of complying with the state's laws. Furthermore, in what are some of the report's most significant recommendations, it would considerably narrow the scope of the state government's involvement in local issues, and make Florida's Department of Community Affairs more of an advisory agency as opposed to a central growth planner. Along these lines, one of the report's recommendations is to change the name of the Department of Community Affairs to the Department of Community Assistance.

### **Not All Recommendations Will Improve Growth Management**

These are some of the desirable features of the Commission's recommendations – and indeed, most of the recommendations would improve Florida's growth management process. However, there are some contradictions and undesirable recommendations as well. An example of a contradiction is the recommendation for "Removal of referendum and super majority requirements of local option taxes" (p. 16), which stands in contrast to the recommendation on the next page that "Local governments shall provide greater opportunities for citizen involvement in the local planning process and in land use decisions." (p. 17) The recommendation for greater opportunities for citizen involvement is a good one, but this recommendation – and the principle of no taxation without representation – would argue in favor of allowing voter approval of new taxes.

Another problematic recommendation is that "Local governments shall ensure the availability of adequate public school facilities when considering the approval of plan amendments and rezonings that increase residential densities." (p. 31) On the surface this sounds good, because everyone wants to have adequate schools, but it is likely to have unintended negative consequences. If it is adhered to literally (and past growth management provisions have been taken very literally), it would transform school boards into one of the major growth management agencies in the state. Do we really want school boards to be thrust into the center of land-use planning decisions? Aside from this administrative problem, there is no reason why the provider of one service should be in a position to hold up development for the service provider's convenience. New residential development will require new grocery stores, new gas stations, and a host of other services in addition to schools, but nobody questions whether the market will provide adequate food, gasoline, and other goods and services. Schools should not be singled out as decisive factors in land-use decisions. Rather, school districts should respond to development by serving new customers, in the same way as do other businesses.

The real problem is the way that government provides schools, and it is counterproductive to try to mitigate the government's problems in supplying education by restricting growth. Issues about the provision of public provision of education are somewhat removed from the topic of this Policy Brief on land use planning, but that same point applies to the process of land use planning more generally. Floridians should not expect land use policy to deal with the problems of supplying public education, and confounding those two issues will harm both the state's education policy and its land use policy.

Another area of the Commission's recommendations that deserves scrutiny is its emphasis on the preservation of agricultural land. The report rightly emphasizes environmental preservation, but whether land is used for agricultural purposes is best left to the market. Supporters of farmland preservation point to the decline in farm acreage in the United States, but agricultural productivity is growing faster than farmland is disappearing, and acreage is going down because not as much land is needed to grow the nation's food supply. Furthermore, agriculture is often at odds with environmental preservation because runoff of fertilizer, animal waste, and pesticides harm Florida's environment.

#### **Should Growth "Pay for Itself"?**

The Commission's report emphasizes the importance of infrastructure cost to new development, and encourages local governments to do a full accounting of the costs and benefits development brings to them to make sure that new growth "pays for itself." This is, of course, reasonable. Yet the way the recommendations are phrased brings with it a danger. The report encourages developing a model "capable of estimating the operating and capital expenses and revenues for new development based on the type, scale, and location of various land uses. Cost should include those associated with impacts directly resulting from new development relating to school facilities and transportation facilities. Costs may also include, and should be limited to, other

infrastructure as currently required by concurrency (water, sewer, storm water and solid waste) and also including telecommunications. Revenues should include all revenues attributable to the new development including impact fees, optional local taxes, ad valorem taxes, gas taxes, sales taxes, and any other taxes and fees generated by the new development." (p. 12)

The problem with this type of accounting is that it makes it appear that the costs and benefits of development are the costs it imposes on government and the revenues government gains from development. Of course government must cover its costs, but the real benefits of development are the uses Floridians gain from it, not the net benefits it provides to government. Development produces new homes and stores for people, and new job opportunities. Those are the real benefits of development – and any revenues development brings to government are secondary. The report goes on to recommend that other economic impacts from development also be assessed, but Floridians should be careful about the presumption that the costs and benefits of development are those imposed on, and received by, government. Government is supposed to serve the people, rather than the other way around.

#### **Conclusion**

Although there are areas that warrant a critical look in the Growth Management Study Commission's report, on balance its recommendations would greatly improve Florida's growth management and land use planning process. The report recommends a stronger recognition of the property rights of Floridians, and suggests real improvements that would lower the costs of growth management borne by private developers, local governments, and the state government. By streamlining the process and placing more responsibility at the local rather than state level, the Commission recognizes the local nature of many land use decisions, and the fact that local decision-making is often more productive than state mandates. The Commission deserves the gratitude of Floridians for a job well-done.

**Randall G. Holcombe** is DeVoe L. Moore Professor of Economics at the Florida State University.

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**DEVUE L. MOORE CENTER**  
150 BELLAMY BUILDING 2220  
THE FLORIDA STATE UNIVERSITY  
Tallahassee, FL 32306-2220  
Telephone: (850) 644-3848 • Fax: (850) 644-0581  
[www.fsu.edu/~policy](http://www.fsu.edu/~policy)