

Conducting a Smart Growth Audit

By Jerry Weitz, AICP

A community's comprehensive plan, policies, zoning ordinance, and other implementation devices serve, in Randall Arendt's terms, as a "genetic DNA," programming a city or county for a certain type of growth in the future. Many local jurisdictions are surprised to discover that their DNA code, their growth policies and regulations, contain the genetic building blocks for sprawl rather than smart growth.

What is your city or county's DNA made up of—smart or sprawl? A smart growth audit can help local governments answer this question by assessing growth policies and implementation measures in a systematic manner.

An audit, as typically used in a financial context, is a formal examination of an organization's accounts or financial situation. But where the financial auditor focuses on accounts and balances, the smart growth auditor conducts a systematic inquiry to evaluate existing plans, policies, and practices. Where the financial auditor uses generally accepted accounting principles (GAAP) as benchmarks for evaluation, the smart growth auditor uses generally (or locally) accepted principles of smart growth. Both types of auditors produce a final report with findings and recommendations on how existing practices equate with, or depart from, the accepted principles.

The ultimate goal of the smart growth audit is to change existing plans, policies, and practices so that they promote accepted principles of smart growth. Even though the smart growth audit may result in a "final report" or product, the smart growth audit must be viewed as a "means to an end," rather than an "end" itself. That is, producing a report is not the final desired outcome—what a government does with the findings of a smart growth audit is much more important than producing the audit report itself.

An auditor also seeks to identify consistencies and inconsistencies between stated intentions, accepted principles, and actual practices. The financial auditor examines whether budgeted revenues and expenditures match actual revenues and expenditures, and whether such revenues and expenditures are reflected correctly in their appropriate accounts. The smart growth auditor also is concerned with consistencies and inconsistencies. A smart growth auditor examines whether:

- adopted plans and policies encourage and facilitate smart growth;
- adopted plans and policies are consistent with one another with regard to smart growth (i.e., internal consistency);
- implementation measures (development regulations, programs, and budgets) are consistent with adopted plans and policies for smart growth (i.e., implementation consistency); and

- development regulations, programs, and budgets are consistent with one another with regard to smart growth (i.e., internal consistency).

A smart growth audit differs from a financial audit in another important respect. Whereas the financial auditor can safely assume that governments are required to follow generally accepted accounting principles, the smart growth auditor cannot assume that governments have embraced generally accepted (or locally adopted) principles of smart growth. Therefore, the smart growth auditor must first investigate the extent to which local plans and policies embrace accepted smart growth principles, and then evaluate implementation measures and their effects.

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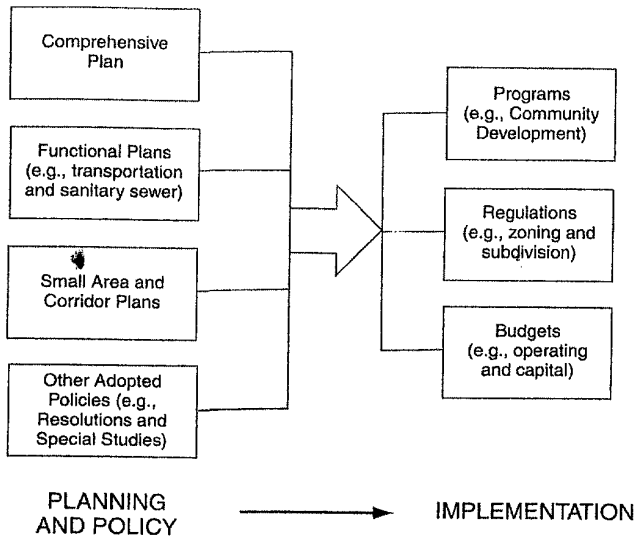
The Seven Steps of the Audit

A smart growth audit is conducted in seven steps. A recommended procedure and scope of a comprehensive smart growth audit is shown in Figure 2.

Step 1: Define smart growth in the context of your own community. What principles of smart growth are appropriate and acceptable in your community? This step involves defining smart growth, selecting from a list of smart growth principles, and achieving local consensus on such definitions and principles. In both Charlotte-Mecklenburg and Durham, North Carolina, smart growth audits started with definitions of smart growth and lists of smart growth topics and principles. In each case, various stakeholders debated and proposed definitions and principles, and the local governing body reconciled conflicting views and selected the most appropriate definition and principles. To create a working definition, the Charlotte-Mecklenburg auditors chose to blend the smart growth principles from the APA's *Growing Smart Legislative Guidebook* and the National Association of Home Builders 1999 "Statement of Policy on Smart Growth."

Step 2: Decide whether to conduct an audit. The formal decision to commit time and resources to a smart growth audit should be made by the local governing body, in consultation with planners, citizens, the planning commission, and any other development-related advisory boards and commissions with a stake in long-range planning, development processing, and community building. A formal decision by the local governing body is necessary, of course, when the audit requires additional spending, or if it is to be adopted as part of a plan, program, or budget.

FIGURE 1
RELATIONSHIPS OF PLANS, POLICIES
PROGRAMS, AND REGULATIONS



Smart growth audits are initiated as part of the community's preparation for the revision of the comprehensive plan or development regulations (i.e., the zoning ordinance). In some instances, the need for an audit will be born out of a comprehensive plan revision, in which case the local government should include the task in its "short-term work program" (i.e., the implementation component of the local comprehensive plan). Certain administrators with appropriate staff, budget, and authority may choose, without governing body approval, to complete various smart growth auditing tasks and then use the results to inform the planning and implementation processes.

Step 3: Determine the scope and content of the audit. The scope and content of a smart growth audit might differ considerably from community to community. A comprehensive approach, such as the one shown in Figure 2, is recommended.

Local governments should develop a list of all the plans, policies, programs, and regulations that will be included (see Figure 1 for a general framework). If a comprehensive audit cannot be undertaken, each jurisdiction should pay special attention to those policies and regulations that have the strongest influence on shaping growth in the community.

Step 4. Select an auditor and decide who will review the audit. Planning staffs in metropolitan areas may have the resources and expertise to conduct a smart growth audit. Using a systematic procedure such as the one described in this article, most planners and perhaps some stakeholder groups are quite capable of reviewing the content of plans and regulations and making determinations of consistency. However, because there are complex interdependencies among various plans and regulations, careful attention and systematic evaluation is needed. There is also some "science" to the analysis of content (i.e., techniques of content analysis) with which local staff members may not have experience.

Even if the local staff or one or more community organizations are capable of conducting an audit, there are advantages to using a consultant. An outside expert might be selected to conduct the audit, simply because local staff may be less likely to see the limitations of the policies they work with every day. An outside consultant can bring smart growth expertise not available on staff and can quickly organize the audit and see it to successful completion without interruptions. Outside expertise from consultants sometimes lends an extra measure of credibility to the evaluation process. The consultant should have the proper qualifications, the ability and experience to conduct a neutral, objective evaluation, and some familiarity with the needs of the city or county being audited.

The local government also needs to decide who will review and comment on the audit. The local planning agency should assign a project manager, whether or not a consultant is used. Regardless of who prepares the audit, experience shows it is useful to establish an independent review team or panel. Alternatively, the planning commission might be assigned review responsibilities in smaller local jurisdictions. If a review team is assembled, it should include planners, academics with skills in program evaluation, and representatives of the design, land development, and building construction professions who have appropriate backgrounds and interests in smart growth. Environmental health and civil engineering professionals are also appropriate for inclusion on the review team. The review team might be used simply to review and comment on the final product. However, such a panel might be called upon to assist in reviewing plans and regulations—a labor-intensive task—and to help the consultant explain to a broader public how policies and regulations encourage or discourage smart growth (Avin and Holden 2000).

Step 5. Choose criteria or develop a checklist for evaluation. This step involves developing a set of criteria or a checklist against which existing growth policies can be compared. These criteria should relate directly to the smart growth definitions or principles agreed upon in advance by the community. Such a checklist would include items such as efficiency of land consumption, direction of growth, density, urban form, land use, jobs-housing balance, open space, housing, transportation, and several environmental factors. The checklist should provide some commentary (primarily rationales) for selected evaluation criteria, so that itself has some value in the process of educating stakeholders and elected officials on the merits of smart growth.

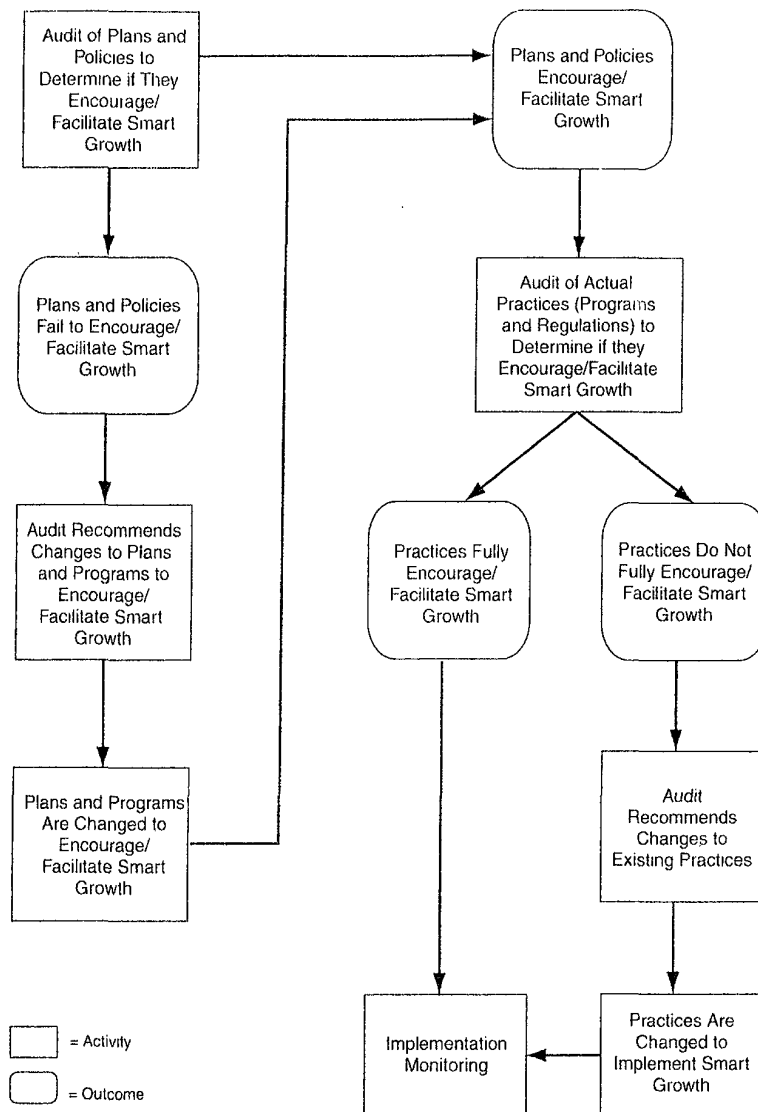
Step 6. Compare the contents of all or selected documents with the evaluation criteria. This step involves assessing all the plans, policies, and implementation measures related to development and determining the extent to which they encourage and facilitate smart growth principles. As noted previously, this step also should assess how the policies work together as a system and note any inconsistencies or gaps. The content analysis and assessment is considered to be the most time-consuming step in the smart growth auditing process (Avin and Holden 2000).

To facilitate this step, the Charlotte-Mecklenburg auditors divided the inquiry into four categories. Although that evaluation framework is not critical, it is representative of the need to initiate some rigor to the evaluation. It may prove useful in some jurisdictions.

- Conceptual completeness (e.g., are the ideas well-defined, sufficiently detailed, and cross-referenced?)
- Analytical adequacy (e.g., is there sufficient up-to-date data to define the extent of the problem?)

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FIGURE 2
SMART GROWTH AUDIT PROCESS:
ACTIVITIES AND OUTCOMES



- Level of implementation (e.g., is the element clearly embodied and implemented in codes or other tools?)
- Institutional readiness (e.g., is an agency identified for implementation?) (LDR International et al. 1999).

Avin and Holden (2000) suggest that during this step of the audit, the auditors should produce a synopsis of the findings for each document so that others can quickly grasp their significance for smart growth. The synopses in Charlotte-Mecklenburg included the title, date, and author; a summary of the document's main points; the document's relationship to smart growth; and the ideas or responses generated. Reviews were typically summarized in two or three pages. An "ideas and questions" section always appeared on a separate page and was used as an in-house tool for clarification and frank comments only (Avin and Holden 2000).

Step 7. Implement the recommendations of the smart growth audit and monitor progress. It has already been established that

implementing the recommendations that flow from the audit is the most important step in the process. The recommendations of the smart growth audit should be accepted formally by local elected officials and integrated systematically into the local government's short-term work program of the comprehensive plan. This task may be as simple as describing what regulations to adopt or amend and determining when to adopt them, who is responsible, and what the estimated cost will be. On the other hand, a comprehensive smart growth audit may suggest numerous tasks that require more than just the planning staff to implement. For instance, before changing its permitting processes, a local government might consult with a development review committee comprised of developers and builders and other city or county departments. In such a case, implementation of that task alone might require more than a year to complete. Local planning departments that prepare annual updates of work programs should also insert detailed provisions for implementing the smart growth audit.

In considering whether recommendations of the audit can be implemented, the following questions might be asked (see Mazmanian and Sabatier 1989):

- Do the audit's recommendations provide clear and consistent (measurable) objectives?
- Is the extent of change modest and reasonable to accomplish?
- Are adequate resources allocated to implementation?
- Is a single agency responsible for overall implementation, and does it have the skill and commitment to implement the recommendations of the audit?
- In cases where more than one agency is responsible for implementation, are the appropriate mechanisms in place to coordinate their actions?
- How might socioeconomic conditions and future technologies affect implementation?

Depending on local circumstances, carrying out the recommendations of a smart growth audit might involve a dynamic, iterative process of implementation and then reformulation, then back to implementation again. This is why implementation and monitoring are shown as one unified step in the process rather than distinct tasks. For instance, a city might find that its incentives for infill development are not working and that different actions need to be substituted. It therefore goes back to the "drawing board" and tries again.

RESOURCES

- Ammons, David N. 2001. *Municipal Benchmarks: Assessing Local Performance and Establishing Community Standards*. Second Edition. Thousand Oaks, Calif.: Sage.
- Avin, Uri P., and David R. Holden. Does Your Growth Smart? *Planning*, 26-29. January 2000.
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- Oregon Progress Board. 1994. *Oregon Benchmarks: Standards for Measuring Statewide Progress and Institutional Performance: Report to the 1995 Legislature*. Salem, Ore.: Oregon Progress Board.
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- Weitz, Jerry, and Terry Moore. 1998. Development Inside Urban Growth Boundaries: Oregon's Empirical Evidence of Contiguous Urban Form. *Journal of the American Planning Association* 64, 4: 424-440.

Implementation must be well under way before progress can be monitored. Smart growth proponents should be realistic in establishing expectations for success. It is essential that an inventory of baseline conditions be compiled so that changes from the existing conditions (i.e., progress toward smart growth principles) can be measured over time.

During the last decade, policy implementation specialists have developed a technique known as "benchmarking" which can be used to measure progress. To date, most of the benchmarks have been developed to measure the quality and adequacy of municipal facilities and services (Ammons 2001, Oregon Progress Board 1994, Hatry et al 1992). These sources might be consulted for ideas, and perhaps they can be adapted for use in smart growth monitoring programs.

Measuring progress may be as simple as "checking off" whether certain regulations have been adopted. When regulations themselves are the desired outcome, they will probably need to be revisited soon enough to see if the purposes and intentions of the regulations are being achieved. On the other hand, measuring smart growth principles such as "compact" growth can be challenging.

There is much less literature on measuring the effectiveness of growth management programs. Moreover, literature on monitoring the implementation of smart growth principles is virtually nonexistent. There has been some research completed in the area of growth management performance standards (Porter 1996), operational measures of contiguous development patterns (Weitz 2000, Weitz and Moore 1998), and "measures of excessive urbanizable land conversion" (Weitz 1999, pp. 301-302). To use measures of concentrated and contiguous spatial development patterns, local governments probably need a geographic information system that keeps track of the geographic array of new building permits issued over time.

Monitoring certain smart growth principles such as "compact growth" is a new frontier where researchers have not gone before. More on-the-ground results from smart growth plans and development controls need to take place before we can fully monitor progress.

Editor's note: An extended version of this article will be published as a PAS Report in late 2002. It will include a detailed table comparing smart growth and conventional development, a detailed smart growth audit checklist, and numerous examples from cities and counties that have conducted such as audit in recent years.

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