Putting Smart Growth to Work in Rural Communities
ACKNOWLEDGMENTS

This report was developed under Cooperative Agreement No. PI-83233801 awarded by the U.S. Environmental Protection Agency. However, the views expressed in this document are solely those of ICMA and EPA does not endorse any products or commercial services mentioned in this publication.

The report was written by Nadejda Mishkovsky, an independent consultant; Matthew Dalbey and Stephanie Bertaina of EPA; and Anna Read and Tad McGalliard of ICMA. The report was designed by Will Kemp and edited by Kathryn Lindemuth. ICMA would also like to thank EPA project manager Danielle Arigoni.

For more information on this report and ICMA and EPA’s smart growth work contact:
Anna Read
Email: aread@icma.org
Phone: (202) 962-3641
Or visit http://www.epa.gov/smartgrowth
Introduction

Communities across the country want to get the most out of future growth and development. Residents and leaders from all types of communities—from urban to suburban to rural—want to achieve the best possible economic, social, environmental, and public health outcomes. This desire is particularly evident in rural communities that may be experiencing changes in their traditional landscapes and ways of life. In communities with less diverse economies, the choices between “what was” and “what could be” are critical. The reverberations of simple decisions or even of inaction can be relatively dramatic.

Rural economies may be booming, in decline, or simply in flux—this status shapes priorities and frames the local debate. In communities facing growth pressures, there is often a struggle to maintain farm-land or natural landscapes, small-town traditions, and rural character while still benefiting from development. Growth can bring traffic congestion and conflicts between the natural resources economy and residential lifestyles not dependent upon working lands. Where local economies are struggling to stay afloat, however, the focus is more often on development strategies that will attract public and private investments.

This publication is designed to provide rural decision-makers with a resource for balancing competing goals while creating more vibrant, sustainable communities. It is intended to show how smart growth approaches can be adapted and applied in the rural context, particularly in times of change. Following a brief discussion of key issues facing different types of rural communities and how smart growth is perceived in rural environments, the majority of this publication addresses how to put smart growth into practice in rural communities. This third section of this publication is framed around three key goals, which can help a community pursue its vision for accommodating and attracting sensible growth in the future, while maintaining and enhancing its rural character and quality of life.

The three goals are:

1. **Support the rural landscape** by creating an economic climate that enhances the viability of working lands and conserves natural lands;

2. **Help existing places thrive** by taking care of assets and investments such as downtowns, Main Streets, existing infrastructure, and places that the community values; and

3. **Create great new places** by building vibrant, enduring neighborhoods and communities that people, especially young people, don’t want to leave.

Strategies and policy tools (some commonplace, some cutting edge) supporting each of these three goals will provide some practical direction for rural communities that want to ensure that economic opportunity and growth meet the needs of new and current residents and businesses without fundamentally altering the community character. While the process of strategically defining growth in a rural community is certain to be challenging and require time, patience, and subtlety—as is the case elsewhere—it is also likely to yield the most desirable community outcomes.
What Is Rural?

*Rural* can be a difficult word to define. It depends on whom you ask and where you are—a rural community in a relatively high-population state can look dramatically different from a rural community in a less populous state. The U.S. Department of Agriculture (USDA) Economic Research Service (ERS) defines rural areas as nonmetropolitan counties. Of the nation’s 3,142 counties, nearly two-thirds are rural. By this definition, rural communities in the United States comprise 17 percent of the population (49 million people) and about 75 percent of the total land area. These descriptions, however, do not address the interaction between land and place that is so integral to understanding rural development patterns or the challenges associated with growth and development facing rural communities.

From a land use and development perspective, rural America includes towns and small cities as well as working lands, farms, prairies, forests, and rangelands. Historically, rural land has been used primarily for the production and extraction of resources. Towns grew as part of or adjacent to these working lands to provide a place where agricultural or natural resources could be traded for value-added goods or shipped elsewhere (not surprisingly, many towns were located along rail spurs and river ports or at major crossroads). Supported by main commercial streets and relatively dense, walkable neighborhoods, valuable infrastructure also developed in towns to serve civic, cultural, and social needs of rural communities. But the working lands—farms, prairies, forests, and rangelands—surrounding these towns were the reason for their existence. The environment provided more than attractive vistas—it was integral to the social and economic life of the town.

Trends Challenging Rural America Today

The land-based economy and its accompanying way of life in rural communities have been affected by a number of outside forces. While many of these changes have been gradual, others have been more immediate. As these communities continue to change, rural identities may be altered and communities may lose the opportunity to set their own agendas. By understanding the challenges that their communities are facing and thinking strategically about future growth and development, rural decision-makers can direct growth in a way that benefits the community while preserving its rural heritage and traditions.

As these photos illustrate, *rural* can mean many different things. Rural communities, whether they are small towns and cities, working lands, or tourist-based economies, are characterized by an interaction between land and place. Smart growth strategies can be used to maintain the defining characteristics of rural communities as they grow and change.
Many of the challenges described below are regional in nature and require regional solutions. And yet land use decisions are made at the local level. When appropriate, local governments should cooperate across boundaries to develop collaborative, regional solutions to the challenges facing their individual communities.

**Fewer farms and fewer farmers**

Since the end of World War II, farm consolidation and the transition of agricultural land into non-agricultural uses have been a challenge for many rural communities. Farmland has been converted into residential or commercial uses, and small family farms have been replaced by large corporate farms. These changes have reduced the amount of open land, and technological advancements have further reduced the need for labor on remaining working lands—a particular challenge for resource-dependent communities. With fewer farms and fewer farming families, the skills, traditions, and culture built around the rural economy are less likely to contribute to a rural community’s sense of place. The 2007 Census of Agriculture found that 65 percent of principal farm operators report working off-farm, and nearly 55 percent report something other than farming as their primary occupation.\(^3\)
Loss of forest land
Conversion of forest land in rural communities is also changing the character of those communities. The U.S. Forest Service estimates that between 1982 and 1997, 10.3 million acres of forest land were converted to development. By 2050, an additional 23 million acres of forest land may be lost. This trend indicates a decline in the ecological health of rural communities, but it also means that the forestry-based economy of some rural communities may be in jeopardy and that the landscapes that have defined many communities are changing. Many rural communities are concerned that these changes may have a negative impact on tourism and their residents’ quality of life.

Rapid growth at metropolitan edges
Across the country, the highest rates of population growth have been occurring at the edges of metropolitan areas, where suburban and rural areas meet. In the mid-1990s, three-quarters of all new residential development was built at or beyond the urban edge. Nearly all of this development occurred on lots that are one acre or larger. Such development, which consumes 1.2 million acres of prime farmland every year, may appear somewhat rural from the road but actually undermines the viability of a resource-based economy. Low-density and single-use development patterns also result in additional population growth and increasing demands for services, often in places where it is inefficient to provide them. Edge communities, due to their rapidly growing populations, may face infrastructure challenges and find it difficult to provide new infrastructure and services at a rate that keeps up with population growth. Higher population growth and commutes to non-farm jobs increase traffic congestion along rural routes. As growth occurs in some regional areas, tensions often develop between the “new” and “old” residents. Edge communities, which border both urban and rural areas, and resource-dependent communities may see nuisance lawsuits, which are common, due to newcomers’ concerns about the noise, odor, dust, etc., that occur with normal operation of working lands.

Shrinking population in other areas
While some areas struggle to keep up with growth, other regions have the opposite problem. According to the USDA, one in four rural counties saw a drop in population between 1990 and 2000, primarily due to declining farm employment, remoteness from metropolitan areas, and a lack of amenities like a vibrant Main Street or natural features. Communities with declining populations or a contracting economy face a combination of problems: unemployment and poverty, increasing demands for social services with fewer dollars to pay for them, an aging workforce, vacant properties, and loss of historic structures. Attempts to compete with other jurisdictions for large economic development projects, such as new manufacturing plants, office parks, or regional big box retailers, may come at the expense of local businesses and the community ties they aim to support.
Access to jobs and services and a lack of transportation options

Commutes to distant employment centers require a greater percentage of the family budget to be spent on transportation and reduce take-home pay. This trend particularly impacts low-income families. More and longer auto travel to services outside the community increases the demand for highway expansions and the viability of highway-oriented retail development, thereby reducing demand for Main Street goods and services. Long commutes have environmental and social costs as well, increasing air and water pollution and reducing leisure and family time.

One of the challenges facing rural communities today is finding ways to provide convenient, cost-efficient access to jobs, shops, services, education, and health care. Land use trends have separated many of these uses, making access dependent on automobiles. Of course, transportation challenges differ based on the type of rural community. For example, gateway communities must focus on bringing tourists to destinations, while resource-dependent communities need to ensure efficient transportation of goods to markets. Approaches that combine transportation planning with better land development policies can help communities support these high-priority economic issues while also enhancing quality of life for residents.

Limited planning capacity

While many rural communities view any growth as an indicator of success and a healthy economy, others are realizing that the conventional development pattern of dispersed development disconnected from traditional town centers can also pose challenges for communities to meet their fiscal, social, and environmental aims and, increasingly, public health goals. As services, products, and amenities formerly found in compact, walkable places relocate to spread-out sites across the landscape, they require more costly infrastructure that adds to the strain on local finances, degrades the environment, and leads to more car-dependent communities.

Many small, rural communities face challenges of local government staffing. Limited staff size and experience can mean inadequate attention to time-consuming but important issues, such as a community visioning process, comprehensive planning, regional collaboration, and skill development to create and implement growth and development policies that support community goals and needs. The result is often haphazard development that supports individual landowner and developer interests but does little to conserve valuable resources or channel new investment in the most efficient manner for the community as a whole.

Rapid growth on the edges of metropolitan areas can undermine the viability of rural resource-based economies, and rapid population growth may result in traffic congestion, strained services, and tension between the “new” and “old” residents.
Understanding Rural Smart Growth

Smart growth approaches to development benefit the community, the environment, the economy, and public health. Rural communities hoping to implement smart growth approaches must strategically facilitate community decision making and policies and make the most of their natural features and amenities, recognizing that no community has endless resources. If rural communities are to meet the broad challenge of maintaining rural character while also supporting economic growth and opportunity, they require a set of tools that can be adjusted to reflect the diversity of rural communities and that can apply to both expanding and contracting economies. This publication is designed to provide this set of tools.

A rural community that uses smart growth approaches has a vibrant downtown, with historical buildings that have been preserved, a walkable Main Street or two, and compact neighborhoods surrounding the downtown. It is a place with a small-town feel and sense of community that develop when you know your neighbors. Residents gather in town for important events, to shop, and to participate in civic activities. The local economy—whether it is built on resource extraction, tourism, or new economic opportunities that have evolved in rural America—celebrates, protects, and supports the use of the land. Local businesses are encouraged to flourish, particularly those that support the community’s rural identity. Housing options support a variety of financial and lifestyle choices, whether old or newly constructed, in town or the countryside, in modest apartment buildings or single-family homes. Underutilized lots in already developed areas are reused whenever possible, especially before using valuable undeveloped property for new construction, to control infrastructure costs, to preserve pristine land, and to provide more options for transportation. The community has articulated its joint vision for the future in policy documents so that developers and the broader stakeholder community alike have some predictability. With such a vision in mind, it becomes clear that smart growth strategies enable the entire community to benefit from its local rural heritage and resources, just as all can share jointly in its development and conservation.

THE TEN PRINCIPLES OF SMART GROWTH

Since the mid-1990s, the Smart Growth Network, a network of non-governmental organizations representing diverse interests, has been identifying best practices, policies, and strategies that help communities get the results they want from growth. The framework for these findings is a set of ten Smart Growth Principles (see below), which apply to a range of communities, from urban to rural, and were developed based on the experiences of communities around the country. See the Smart Growth Network Website for a discussion of these principles: http://www.smartgrowth.org.

- Mix land uses.
- Take advantage of compact design.
- Create a range of housing opportunities and choices.
- Create walkable communities.
- Foster distinctive, attractive communities with a strong sense of place.
- Preserve open space, farmland, natural beauty, and critical environmental areas.
- Strengthen and direct development toward existing communities.
- Provide a variety of transportation options.
- Make development decisions predictable, fair, and cost-effective.
- Encourage community and stakeholder collaboration in development decisions.
Smart growth approaches to development can help achieve the vision of vibrant, thriving rural communities outlined in the paragraph above. One way to structure a rural smart growth approach is to use the following three goals as a framework for future growth in rural communities:

1. **Support the rural landscape** by creating an economic climate that enhances the viability of working lands and conserves natural lands;

2. **Help existing places thrive** by taking care of assets and investments such as downtowns, Main Streets, existing infrastructure, and places that the community values; and

3. **Create great new places** by building vibrant, enduring neighborhoods and communities that people, especially young people, don’t want to leave.

In areas experiencing rapid growth, the three goals for new development provide a framework for ensuring that the rural quality of life is supported. Decision makers and planners can use them to help shape proposed developments to ensure that they correspond with the public’s vision for growth and the benefits they wish to see flow from it.

For communities that are not growing, leaders can use the goals to articulate a vision for the future and to prioritize. The framework can help communities more clearly distinguish the existing resources that are valuable for preservation or enhancement and build upon them, targeting their efforts toward attracting investment in various sectors of the economy that will support the community’s chosen direction. Smart growth approaches are not a guarantee for success in declining rural communities, but they articulate alternative approaches to attracting the large corporation or big factory complex, which is often the primary economic development strategy and can be at odds with rural character.

### Goals, Strategies, and Policy Tools for Rural Smart Growth

The first step for a community wanting to improve its growth pattern is to assess the current environmental, economic, and social conditions. How is the community connected to other communities in the region? What are the community’s best assets? Its key challenges? Then, residents, leaders, and other stakeholders can decide what the community’s long-term vision is—what kind of place it should be. Defining the community’s vision for the future involves identifying the community’s highest priorities, most valuable resources, significant aspects of its identity, and so on. Once there is some agreement on the end goal, the community can determine the approaches needed to help it realize that vision. The rest of this publication provides a toolbox of strategies and policy tools designed to assist communities in implementing their vision for the future.

The three goals described in the previous section can help create a framework for implementing smart growth principles in rural communities. They are intended not only to help communities implement smart growth approaches within their individual communities but also to help them take a regional approach, partnering with other communities to support better outcomes across the region.

Following each goal are descriptions of strategies and policy tools that support it. Many rural municipalities already have these policy tools at their disposal, such as comprehensive planning, zoning authority, and tax policy. In some cases, the solution to achieving better outcomes from development may be simply identifying and removing the regulatory obstacles that have prevented the construction of compact, mixed-use developments or hindered reinvestment in existing commercial centers. In other communities, the greatest challenge may lie in employing these tools effectively, given the resources and technical expertise available and the realities of the current economic situation.
Miner County, South Dakota, created a clear vision that has helped direct the community’s approach to development. Instead of spending limited resources trying to attract a major corporation to locate a plant or a store, citizens concentrated on building upon their towns’ existing assets; instead of trying to attract new residents, Miner County aimed to create good jobs for the people still there.

By 1995, Miner County’s population had declined to 3,000, from its peak of 8,500 in the 1920s and 1930s. Many small towns on the Northern Plains were disappearing altogether, and Howard—Miner’s county seat—was at risk. Miner County’s development strategy began at the local high school that had created a Rural Resource Center with funding from the Annenburg Rural Challenge, which focuses on connecting schools with their communities. Students involved in Future Business Leaders of America (FBLA) conducted a community cash-flow study, which found that half of the county’s residents shopped outside the county and that if all residents spent just 10 percent more of their disposable income inside the county, it would add more than $7 million to the local economy. In the year after the survey, Miner County’s taxable sales increased by more than 40 percent.

The success of the study prompted Randy Parry, a former business and economics teacher and the executive director of Miner County Community Revitalization, to form a committee to bring residents together to renew the county’s economy and settlements. Using grant money and volunteer labor, participants in the center pulled tree stumps from the downtown of one town and restored houses in another. They arranged seminars for farmers on emerging markets for deer, elk, and organic beef and converted a slaughterhouse that had been vacant for 30 years into a processing location for local organic beef. The center and the town of Howard bought wind turbines from a local machine shop, which has since become Energy Maintenance Services of Gary, South Dakota, lowering local electricity rates.

Miner County is still struggling to maintain its population and economic viability, but it has improved local quality of life, established a revolving loan fund for local business, and acquired cell phone service. The county is making the most of its past to build a sustainable future.


---

**GOALS, STRATEGIES, AND POLICY TOOLS FOR RURAL SMART GROWTH**

<table>
<thead>
<tr>
<th>Goal 1</th>
<th>Goal 2</th>
<th>Goal 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Support the Rural Landscape</strong></td>
<td><strong>Help Existing Places Thrive</strong></td>
<td><strong>Create Great New Places</strong></td>
</tr>
<tr>
<td><em>Create an economic climate that enhances the viability of working lands and conserves natural lands.</em></td>
<td><em>Take care of assets and investments such as downtowns, Main Streets, existing infrastructure, and places that the community values.</em></td>
<td><em>Build vibrant, enduring neighborhoods and communities that people, especially young people, don’t want to leave.</em></td>
</tr>
<tr>
<td>1.a. Ensure the viability of the resource economy in the region</td>
<td>2.a. Invest public and private funds in existing places</td>
<td>3.a. Update strategic and policy documents to accommodate new growth through compact and contiguous development</td>
</tr>
<tr>
<td>1.b. Cultivate economic development strategies that rely on traditional rural landscapes</td>
<td>2.b. Encourage private sector investment</td>
<td>3.b. Reform policies to make it easy for developers to build compact, walkable, mixed-use places</td>
</tr>
<tr>
<td>1.c. Promote rural products in urban areas and support other urban-rural links</td>
<td>2.c. Build on past community investments</td>
<td>3.c. Recognize and reward developers that build great places using smart growth and green building approaches</td>
</tr>
<tr>
<td>1.d. Link rural land preservation strategies to great neighborhoods</td>
<td>2.d. Foster economic development in existing downtowns</td>
<td></td>
</tr>
</tbody>
</table>
Create an economic climate that enhances the viability of working lands and conserves natural lands.

Rural towns and villages are integrally linked with their surrounding landscapes. As such, smart growth in rural areas requires that communities preserve the landscapes that community members say they value. These include farmland, rangelands, forests, and natural areas—the elements that are part of the sense of place for rural communities. These uniquely rural resources are best protected when there is a supportive economic climate that values working lands and a development climate that promotes the conservation of the natural landscape.

Land development and population growth are signs of economic progress in many communities, but these indicators are often at odds with the working farms, natural landscapes, and scenic vistas that characterize rural areas and define their sense of place. When the agriculture-, forest-, and amenity-driven economies are encouraged to prosper, there is less pressure to convert land to developed uses in a haphazard manner. With strategic and early planning, a community can prioritize which land is most important to conserve and which land can accommodate the projected need for future growth.

**Strategy 1.a. Ensure the viability of the resource economy in the region**

**Use value taxation**

Use value taxation (often called *current use value taxation* or *preferential assessment*) is a voluntary approach that allows land to be assessed at its current use value (as agriculture or forest land, for instance), rather than at its highest market value, which may include the value of the land based on its current use plus the underlying development rights that have not been exercised by the property owner. Use value taxation is used in some form in every state except Michigan. Washington state, facing significant urban-growth pressure that has led to approximately 75 percent of its active agricultural land having fair-market values greater than the agricultural value (which, statewide, averages at 28 percent of the fair-market value), adopted a current use value taxation policy.

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Tools &amp; Policies</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.a. Ensure the viability of the resource economy in the region</td>
<td>- Use value taxation</td>
</tr>
<tr>
<td></td>
<td>- Tax credits for conservation</td>
</tr>
<tr>
<td></td>
<td>- Right to farm policies</td>
</tr>
<tr>
<td>1.b. Cultivate economic development strategies that rely on traditional rural landscapes</td>
<td>- Purchase of development rights</td>
</tr>
<tr>
<td></td>
<td>- Conservation easements</td>
</tr>
<tr>
<td>1.c. Promote rural products in urban areas and support other urban-rural links</td>
<td>- Direct marketing to consumers</td>
</tr>
<tr>
<td></td>
<td>- Government purchase of local products</td>
</tr>
<tr>
<td>1.d. Link rural land preservation strategies to great neighborhoods</td>
<td>- Transfer of development rights</td>
</tr>
<tr>
<td></td>
<td>- Priority funding areas</td>
</tr>
</tbody>
</table>

GOAL 1: SUPPORT THE RURAL LANDSCAPE
Because farmers or foresters face a lower tax burden when they are taxing at current use, working the land remains more economically viable for the landowner. Currently, Washington has more than 11 million acres enrolled in current use value taxation.\(^\text{10}\)

**Tax credits for conservation**

Tax incentives for donating conservation easements can motivate a landowner to remain on the land. Federal, state, and local governments can grant tax credits for land donation or conservation easements. Colorado has a tax credit system in place that provides the donor of a conservation easement a state income-tax credit of one-half the dollar value of the land under easement, up to an annual maximum of $375,000.\(^\text{11}\)

**Right to farm policies**

Nuisance lawsuits, based on complaints from neighbors or strict local policies, seek to curtail normal farming activities. Right to farm ordinances and laws protect farmers, ranchers, and foresters by preventing these lawsuits from succeeding in court. In response to an increase in the non-agricultural population and new tensions that were arising and threatening local agriculture, Larimer County, Colorado, established a Right to Farm and Ranch policy in 1998. State and county laws protect the rights of farmers, stating that as long as farms and ranches are operating within regulations, they cannot be considered nuisances.\(^\text{12}\)

**Renewable energy development**\(^\text{13}\)

Renewable energy development on rural lands provides an opportunity for farmers, ranchers, and foresters to increase the profits from their land, giving them an additional economic incentive to keep working lands working. The 2007 Census of Agriculture found 23,451 farms generated energy on-site.\(^\text{14}\) Here are some of the approaches they are using:

1. Some lands are suitable for wind energy development, and landowners may be able to capitalize on the opportunity to enter the energy market while still maintaining the traditional use of the land. Federal investment tax credits for wind farm development, including the Production Tax Credit, can provide an economic incentive to landowners.

2. Biomass production from trees, crops, or livestock manure, which can be processed by a methane digester to generate electricity for the farm or for sale to the grid, provides another avenue for generating additional revenue from the land.

3. Production of solar energy on solar farms has potential for rural use in many parts of the country as well.

Oregon has established Rural Renewable Energy Development (RRED) zones to encourage the development of renewable energy resources in non-metropolitan areas. Energy companies developing renewable capacity in RRED zones receive a property-tax exemption (as assessed on all new infrastructure and property improvements) for three to five years.

**Value-added farm and forest products processing**

By processing raw food and fiber into value-added products, landowners can supplement their income beyond simply selling the raw materials. Value-added forestry products include furniture, flooring, construc-
Developing renewable energy capacity on rural lands can help farmers, ranchers, and foresters increase their profit margins, which provides incentive to keep the land in productive use.

Oregon has worked to protect its agricultural and resource lands with statewide planning goals and special zoning designations, which limit growth on working lands.

Ecosystem services markets

Rural lands provide valuable ecosystem services, including sequestering carbon, filtering and storing a clean water supply, maintaining a habitat that supports biodiversity, and mitigating natural hazards, such as floods and fire. Markets are emerging for these ecosystem services. In an ecosystem service market, the landowner sells ecosystem service credits to a bank, which in turn sells them to a buyer that has exceeded limits in carbon emissions, water pollutants, or biodiversity loss, based on a cap and trade system. Ecosystem services markets allow landowners to capture the value of the ecological benefits their land provides to the public. One of the best examples of this approach is in New York’s Catskill Mountains: New York City provides payment for ecosystem services in order to protect its drinking water supply, ensuring that the land in the watershed will not be developed.
Strategy 1.b. Cultivate economic development strategies that rely on rural landscapes

Purchase of development rights
Purchase of development rights (PDR) is a voluntary program in which a land trust or other agency buys the development rights to a parcel from the landowner. The landowner is free to turn down the offer or try to negotiate a higher price. Once an agreement is made, a permanent deed restriction is placed on the property restricting the type of activities that may take place on the land in perpetuity. In this way, a legally binding guarantee is achieved to ensure that the parcel will remain agricultural land, forest land, rangeland, or as open space forever. This is because the agency involved retires the development rights upon purchase. This strategy has become increasingly popular, particularly in the West: Montana, Utah, and Arizona have all established programs with state funding.17 (See also: Transfer of development rights, Strategy 1.d.)

Conservation easements
For any land whose conservation is in the public interest, a conservation easement (or conservation restriction) is a legal agreement between a landowner and a land trust or government agency that permanently limits uses of the land in order to protect its conservation values. This tool allows the landowner to continue to own and use the land and to sell it or pass it on to heirs. There are tax advantages to landowners for donating conservation easements, including both immediate property tax and inheritance tax benefits. Conservation easements have been successful in many rural areas, including along the Bois Brule River in Wisconsin, where more than 90 percent of the riparian habitat on privately held land along the upper river is protected under easements.18 (See also: Tax credits for conservation easements, Strategy 1.a.)

SUPPORTING AGRITOURISM AND CONSERVATION EASEMENTS IN VERMONT

Communities looking to protect rural landscapes while cultivating economic development have a number of resources in Vermont. The state has not only an active land trust but also an established agritourism industry, which emphasizes the state’s agricultural landscapes and heritage. The Vermont Land Trust (VLT), which has been active since 1977, has worked to place 483,283 acres, or 8 percent of all privately held land in the state, under conservation easements. This includes 650 farms, most of which are dairy farms, reflecting the traditional agricultural heritage of the state.1 In addition, VLT has joined with other land trusts and affordable housing trusts to create the Vermont Housing and Conservation Trust, which helps ensure that affordable housing remains available in Vermont’s rural communities.

The Vermont Farms! Association, which has 75 member farms, was formed in 1998 to promote agritourism in the state. It advertises an “out-of-the-mainstream” vacation experience, and member farms offer farm stays and group tours. Vermont Farms! hosts events throughout the year, including Sheep and Wool Week and farmhouse kitchen visits (during which traditional recipes are provided).2 It is estimated that Vermont’s growing agritourism industry resulted in an increase of $10 million in farm incomes between 2003 and 2005, and half of all participating farms report making more than $20,000 per year from their agritourism businesses (and half of those report making more than $70,000).3 In 2003, Vermont’s governor declared September 15 Vermont Agritourism Day, illustrating the importance of agritourism to sustaining Vermont’s rural communities.

Fee simple acquisition
State or local governments can purchase land outright to conserve particularly important land. Nonprofit land trusts can also purchase land to manage for ecological, cultural, or social reasons. The Arizona Land and Water Trust uses fee simple acquisition, along with voluntary conservation easements, to protect fragile and culturally important landscapes in southern Arizona.19

Agritourism and ecotourism
Agritourism activities include farm visits and overnight stays at farm bed-and-breakfast operations. This may include the chance to help with farming and ranching tasks. Ecotourism targets an ecoconscious segment of the population that wants to engage in nature-related tourism on conservation lands while reducing the ecological footprint of their visit. Rural landowners can earn revenues from tourism activities on their land, including traditional recreational activities such as hunting, fishing, and observing wildlife. Tourists are attracted to agritourism and ecotourism activities because they want to experience an intact rural landscape that is characterized by a meaningful sense of place. Oklahoma has capitalized on this interest in agritourism and ecotourism by forming the statewide Oklahoma Agritourism Association, which has more than 400 member farms and ranches that offer tours, pick-your-own events, and overnight stays.20 While agritourism and ecotourism can help protect the rural landscape, they are not viable when the character of the rural landscape is compromised.

Strategy 1.c. Promote rural products in urban areas and support other urban-rural links

Direct marketing to consumers
Landowners can increase their profits by directly marketing their farm, ranch, or forestry products to consumers or markets. Community Supported Agriculture (CSA), for example, facilitates a creative partnership whereby, in exchange for purchasing shares during planting, CSA programs provide shareholders with regular, farm-fresh produce during the growing season. Shareholders often reside in urban centers. Farmers’ markets, on the other hand, provide a venue for local farmers and artisans gather to sell their

Ithaca, New York, is often described as “centrally isolated” in upstate New York. A metropolitan area of 100,000 people, surrounded by farmland and state parks, Ithaca provides an ideal market for local agricultural products as well as local arts and crafts. The city has an active “buy local” movement and supports the Ithaca Farmers’ Market (IFM), which has a permanent pavilion for its 150 vendors, all of whom come from small towns and rural communities within a 30-mile radius of the city.1 Along with the larger weekend market, the IFM sets up in downtown Ithaca twice a week and at a community center on Sunday afternoons. In addition to the variety of locations and times, which makes the market accessible, the vast majority of IFM vendors accept food stamps. IFM is incredibly successful, generating around $4 million in revenue per year. In addition to IFM, there are 29 CSAs within a 60-mile radius of Ithaca and 41 within a 100-mile radius.2 Through CSAs and the farmers’ market, Ithaca has created strong urban-rural connections that support the surrounding rural landscape and benefit the city. Ithaca has also adopted a local currency—“Ithaca Hours”—which can be used at the farmers’ market and a number of local businesses. Ithaca Hours help ensure that money stays local and promote investment in the local economy.3

3 Ithaca Hours. “What are Ithaca Hours?” http://www.ithacahours.org/about.php
products to the community and have grown tremendously in popularity and economic impact in recent years. Beyond benefits to the farmers, who gain access to new consumers, the markets can also foster economic revitalization in the neighborhoods in which they are held. The Downtown Lawrence Farmers’ Market in Lawrence, Kansas—the oldest farmers’ market in the state—draws residents to the downtown area three days a week to buy farm-fresh produce, meat, and eggs, as well as local crafts, supporting both local agriculture and local businesses.

Government purchase of local products
Increasingly, state and local governments are contracting with regional farmers to supply food for public institutions such as schools, prisons, and government offices. Governments can also purchase locally produced forest products (like fiber and biofuels) from area foresters. For example, in late 2008, Snohomish County, Washington, leaders dedicated a new facility to store, dry, and crush locally grown seeds that will be refined into biodiesel and used to power county vehicles. The investment creates a new cash crop for farmers and a renewable energy source for the local government.

“Buy local” campaigns
Many local and state governments assist their agricultural regions by holding annual festivals and helping to promote their products as a unified brand. “Buy local” campaigns, ranging from “Alaska Grown” to “Something Special From Wisconsin” to “Fresh From Florida,” increase the share of the market dedicated to local products and remind consumers of the value of rural lands. Nonprofit and government entities may provide marketing help, supportive legal guidelines, financial support, and organizational assistance to ensure the success of these efforts. Many restaurants and stores have also increasingly begun to buy locally available food and other natural resource-based products.

Strategy 1.d. Link rural land preservation strategies to great neighborhoods
Transfer of development rights
Transfer of development rights (TDR) refers to a method for protecting one area of undeveloped land (the “sending area”) by transferring the rights to develop it to another area (the “receiving area”). Twenty-six states currently have legislation enabling TDR, and twelve more have TDR programs, although they do not have state-level enabling legislation. Developers who purchase TDR bonuses are allowed to build at higher densities, while their dollars fund the local government purchase of selected rural conservation easements elsewhere, in order to protect farms, forests, or ranches. In 2007, there were 99 TDR programs across the country. Montgomery County, Maryland, has a particularly successful TDR program, which it began in 1980. In the decade before the program was implemented, the county was losing 3,500 acres of land per year to sprawling suburban development. Now, using a combination of agricultural zoning and TDR, more than 50,000 acres are protected. In all, Montgomery County has a total of 90,000 acres of protected agricultural land. Like purchase of development rights, described in 1.b. above, transfer of development rights rely on conservation easements.

Priority funding areas
Priority funding areas (PFAs) identify geographic areas that qualify for financial or other assistance, such as infrastructure or accelerated project approval. Typically designated at the state level and supported by local decisions, PFAs create incentives for development to take place in particular areas, including those where infrastructure exists already, while removing incentives for growth pressure in undeveloped areas. Connecticut identifies PFAs as regional centers, growth and redevelopment areas, and distressed municipalities. The state specifically requires that state agencies “cooperate with municipalities to ensure that programs and activities in rural areas sustain village character.”

“Buy local” campaigns have become a popular way to market locally grown products and remind consumers of the importance of supporting rural lands.
Agricultural, ranching, or forestry zoning

In agricultural, ranching, or forestry zoning, primary industry uses are allowed, but other uses, including residential development, are prohibited or very restricted. This type of rural land zoning has been applied to millions of acres of farm, ranching, and forest lands across the country. States and/or local governments can develop conservation zoning measures to ensure that productive farms, forests, and ranches are conserved. Oregon, Washington, and California provide examples of state-based conservation measures, and Pennsylvania and Wisconsin illustrate locally based rural land zoning. Oregon’s Exclusive Farm Use (EFU) zoning designation has been particularly successful. Data indicates that, despite growth pressure, Oregon is losing large farms at half the national rate and midsize farms at a rate four times lower than the national average.

Rural home clustering

While at times controversial, cluster development can be an alternative to large lot, dispersed subdivision development. The basic premise is that a developer can build the same number of units on smaller lots (or more units if there is a density bonus system) while preserving a percentage of the developable land for agriculture or as natural land. One method of cluster development is known as a conservation subdivision. The implementation of a conservation subdivision typically occurs through open space zoning or an overlay district such as a cluster or planned unit development ordinance. The conservation subdivision has many compelling environmental and fiscal advantages, like reducing infrastructure costs and making it cheaper to provide community services (e.g., police and fire protection) while also limiting loss and

Transfer of development rights policies and priority funding areas protect undeveloped land while promoting increased density and development in existing neighborhoods and downtowns, as illustrated by these examples from Montgomery County, Maryland.

Maryland established Priority Funding Areas (PFA) as a part of its 1997 smart growth legislation, and the state’s experience illustrates both the potential and limitations of PFAs, which offer important lessons for states looking to integrate PFAs into their planning legislation. Maryland counties established PFAs that reflected 20 years of development capacity, and since their creation, the state has seen more urban growth and greater investment in water and sewer infrastructure inside PFAs than outside of them, and more job creation tax credits have been made available within PFAs. PFAs have also created a framework for communication between state agencies and local government. However, Maryland’s PFA program has weaknesses that have limited its success. The criteria used to establish PFAs vary from county to county, and the Maryland Department of Planning does not have the authority to redraw PFAs that are deemed too big. As a result, counties with a more flexible approach to establishing PFAs have seen greater success with the program. Additionally, PFAs have not become well integrated into the local land-use planning process, and state agencies have not established clear processes or systems for spatially allocating funds or for periodically reviewing and updating PFAs.

Putting Smart Growth to Work in Rural Communities

King County, Washington, home to Seattle, has adopted a number of policies that help preserve rural land in unincorporated areas of the county while developing great neighborhoods in the incorporated areas. In 1999, the county adopted a TDR policy. It now administers both a TDR Exchange and a TDR Bank. The TDR Bank began with $1.5 million in funds to protect rural lands and an additional $500,000 to develop “urban amenities” in neighborhoods accepting a transfer. At the time of the transfer, the rural land is placed under a conservation easement. Since 2000, King County’s TDR program has protected 137,500 acres.

In addition to TDR, King County has four specific zoning designations for working lands and rural communities: agriculture zone, forest zone, mineral zone, and rural area zone. Together, these zoning designations help protect King County’s working lands and the character of rural communities while minimizing the conflict between them as well as between the growing Seattle metropolitan area and the rural landscape.

Finally, King County promotes rural home clustering through its green building guidelines. The guidelines state that homes should be clustered to minimize their environmental impact and disruption of the landscape. In order to facilitate rural home clustering within rural area and urban reserve zones, King County offers a critical areas designation, which allows landowners and developers to define critical areas near the project site and to use Build Green™ grants for community and multifamily developments as well as for single-family homes.

King County’s TDR program, zoning designations, and green building program have helped create great neighborhoods, both urban and rural, while maintaining the integrity and viability of the rural landscape.

2 King County Solid Waste Division. “Green Building for Rural Residents.” http://your.kingcounty.gov/solidwaste/greenbuilding/residential/rural.asp

fragmentation of wildlife habitat. However, cluster development will be effective only if it is coordinated with other development and conservation priorities in the region. Implemented poorly, clustering works at cross-purposes with smart growth approaches. For instance, lack of coordination and planning can result in conservation subdivisions further fragmenting valuable natural resource land as well as an increasing need for residents to drive if services, amenities, and jobs are not located nearby. Cluster development has become popular in a number of states, notably Massachusetts, where towns like Mashpee, on upper Cape Cod, have revised zoning codes to require that at least 50 percent of new development sites be preserved as open space.
Take care of assets and investments such as downtowns, infrastructure, and places that the community values.

All communities can benefit from building on and enhancing previous investments—whether that is a once vibrant but now underutilized Main Street, an existing street grid that could once again provide the framework for a walkable neighborhood, or historic buildings and iconic rural architecture such as barns and bridges that are worth preserving and possibly reusing. Development that leverages future economic value out of these prior investments can be the foundation for helping existing places thrive.

Public investments can maintain existing infrastructure and buildings to extend their useful life while also supporting appropriate new growth that is targeted in places to make the best use of existing infrastructure. Formally articulating the relationship between these resources and other community goals can further help residents and investors understand the value of these unique resources. In the absence of a community strategy to support existing places, infrastructure dollars may be inadvertently allocated to support development that encourages historic property demolition or speeds up the conversion of working lands from rural uses to those that support large-scale residential or commercial uses.

Creating a policy structure to take care of existing assets and investments can help preserve, reuse, and position historic buildings to anchor new investment. It can also help redevelop brownfields and vacant properties to accommodate growth as well as allow existing businesses to receive the support they need to retain workers and expand to meet new needs.

**Strategy 2.a. Invest public and private funds in existing places**

**Fix-it-first**

Communities can employ a “fix-it-first” approach to infrastructure spending in order to help existing places thrive. A fix-it-first approach means that communities will prioritize public funding to repair, restore, and conduct preventive maintenance on existing infrastructure, including buildings, roads, and water and sewer lines, before building new infrastructure. This approach can encourage and attract development in areas that are already served by existing infrastructure, making existing communities more vibrant and saving on future maintenance costs. This approach can also...
help preserve historic infrastructure, such as bridges, that may have historic or economic development value.

**Historic Preservation and the Main Street Four-Point Approach®**

Communities can revitalize older, traditional business districts by encouraging historic preservation. Well-preserved private homes, examples of rural traditions such as barns, or important downtown structures enable both residents and visitors to feel a sense of place. Federal and state tax credit programs facilitate diverse preservation efforts. The Main Street Four-Point Approach of the National Trust for Historic Preservation provides a useful framework for redevelopment efforts, specifically in older downtowns. This approach focuses on strategically combining historic preservation efforts with marketing the businesses in historic downtown areas as a way to generate additional economic investment. The strategy embraces distinctive architecture, fosters a pedestrian-friendly environment, promotes local business ownership, and creates a sense of community. El Dorado, Arkansas, winner of the 2009 Great American Main Street Award, found that the Main Street approach created jobs, resulted in more locally owned small businesses, drew residents from throughout the county as well as tourists to the revitalized downtown, and gave the community a renewed sense of place.

**Parks and natural resource areas as destinations**

Parks and other natural resource areas, such as wildlife refuges and conservation areas, have many economic, ecological, and social benefits. Parks improve residents’ physical and psychological health, strengthen communities, and make neighborhoods more attractive and vibrant places to live, work, and play. They increase citizens’ frequency of exercise and can increase neighboring property values. Investing in existing parks can make them destinations, drawing residents and visitors alike to help the towns around them thrive. Many rural communities have local or state parks that can serve as community assets. Other rural communities serve as gateways to larger natural resource amenities, such as National Parks or National Forests. Whether a local, downtown park or a national treasure, parks are destinations that should be highlighted and built upon. The Finger Lakes region in
central New York state has highlighted its parks as destinations, drawing visitors to local, state, and National Parks to see scenic gorges and waterfalls and helping to build the tourist economy, which supports small bed-and-breakfasts, cafés, restaurants, and local craft stores throughout the region.

Street and streetscape improvements

Street retrofits and streetscape improvements in business districts can make downtowns more appealing to residents and visitors and can help attract more patrons to local businesses. Ensuring that streets support multiple modes of transportation, including walking, cycling, and transit, can enhance town centers by making them more accessible to all populations while also limiting or slowing automobile traffic. Streetscape improvements include street paving, side-
Putting Smart Growth to Work in Rural Communities

Strategy 2.b. Encourage private sector investment

Infill development incentives
Current policies and regulations may inadvertently create incentives to build on greenfields by making infill and redevelopment more costly than developing on the outskirts of an existing town. To remedy this situation, communities should review their land use policies and regulations to ensure that there are incentives for infill and brownfield development and disincentives for greenfield development. Examples include faster project approval and reduced impact fees.

Overcoming barriers to infill
Existing codes and ordinances may make it difficult to accomplish infill development and brownfield redevelopment. Where infrastructure already exists, communities may need to revise their existing policies or adopt new ones that enable infill development to occur. The Land-of-Sky Regional Council in North Carolina, with a grant from the EPA, evaluated existing policies in the four-county region and examined how to overcome barriers to infill.37 Cities and counties in the region have been removing these barriers, facilitating brownfield redevelopment, and creating new amenities on underused and abandoned sites. This kind of project often generates excitement, which can jump-start additional private-sector investment.

Redevelopment readiness certification
Communities can send a message to potential investors that they are ready for reinvestment by demonstrating redevelopment readiness. The concept of redevelopment readiness certification is that a community has taken steps to ensure that it is ready for new development and can attract and retain businesses.

Targeted new development
By targeting new development into existing growth areas or downtown corridors, where infrastructure already exists, communities can ensure that private investment generates the maximum benefit for the community while avoiding the expense of providing new infrastructure that is required for greenfield development. Strategically designating existing areas to receive new development in a comprehensive plan (and ensuring that local ordinances support that plan) can save taxpayers money and provides predictability to developers looking for an appropriate place to build.

Walk improvements, street lighting, directional signs, trees and planters, street furniture, and trash receptacles that can improve the appearance of a downtown corridor or Main Street and thereby attract more people. State Departments of Transportation (DOTs), metropolitan planning organizations, and regional planning commissions often have funding available for streetscape improvements.3 In New Jersey, NJDOT has awarded between $750,000 and $3 million (depending on legislative appropriations) to jurisdictions that have participated in the New Jersey State Development and Redevelopment Plan. The funding is available for projects that enhance pedestrian and bicycle features, make streetscape improvements, and rehabilitate transportation structures. In 2009, the state also announced a Transportation Enhancement grant program through NJDOT, funded through the American Recovery and Reinvestment Act (ARRA), which has $19.5 million available to communities for “non-traditional transportation projects,” including streetscape improvements.35

Investing in Preserving Rural Towns and Landscapes in Kentucky

Kentucky has a long history of preserving its historic and cultural resources. The state’s first preservation organization was founded in 1978. It has evolved into Preservation Kentucky, a statewide organization focused on providing educational opportunities related to preserving historic and cultural resources. Preservation Kentucky now administers the Rural Heritage Development Initiative (RHDI), a pilot program of the National Trust for Historic Preservation.

RHDI, which is funded through a grant by the W.K. Kellogg Foundation and matching funds from private donors and county governments, focuses on five goals in eight central Kentucky counties. The program works to “create a regional approach to implementing historic preservation and economic development” strategies, including developing the heritage tourism industry, developing local businesses that reinvigorate Main Streets and reflect the unique culture and heritage of the region, and preserving farmland and historic farms while developing new local markets for farm products. By investing both public and private funds, Preservation Kentucky has helped the state’s rural communities thrive.1

nity has formally taken the necessary steps to ensure that private investment in redevelopment will not be hindered by existing zoning regulations or other land use policies. First put into place by the Michigan Suburbs Alliance in 2005, the state-funded program consists of an eight-step process that included community visioning, training for public officials, evaluation and streamlining of development regulations and tools, marketing, and plan review processes. While not yet widely in use, this model is flexible enough to be applied in diverse areas in need of investment, including in rural communities.

**Split-rate tax**

Split-rate or two-rate property tax policies divide the property tax into two parts, focusing one part of the tax rate on building value and improvements and the other part on the value of the land. This type of tax reduces the tax on the building, creating incentives for maintaining and improving properties, and increases the value of land, reducing land speculation and encouraging infill development. While the split-rate tax is a promising strategy for rural areas, very few states allow jurisdictions to adopt it. The two-rate tax has been particularly successful in Pennsylvania, where it has been allowed since 1913. Nearly 20 cities have adopted it, and most saw an increase in building permits issues after adopting the two-rate tax, suggesting that it does, in fact, encourage infill development and lead to the revitalization of downtowns and town centers. Several other states also permit the use of a split-rate tax. In Hawaii, it is allowed in all jurisdictions but has been adopted only in Kauai County. Virginia and Massachusetts allow split-rate taxation in specific jurisdictions.

**Strategy 2.c. Build on past community investments**

**Adaptive reuse**

Reusing existing buildings rather than demolishing the old and then building anew preserves historically important buildings and conserves energy and resources. Rehabilitation of existing buildings for public and civic space provides access to tourists as well as local residents who are curious about unique local cultural heritage. Throughout the country, historic rural sites such as barns and mills have been creatively reused in a way that preserves their historic significance while meeting modern needs such as office space, parking, or administrative centers. Federal and state tax credits as well as local policies like flexible building codes can help make such projects financially feasible.

**School rehabilitation**

As communities grow larger and/or older, they face the need for updated educational facilities. Neighborhood schools typically provide historic, sentimental, and even health and safety benefits to neighboring residents, whose children may be able to walk to school. Demolishing old school buildings in favor of...
Putting Smart Growth to Work in Rural Communities

larger facilities outside existing neighborhoods forces staff, parents, and children to drive to school rather than have the option to safely walk or bicycle within the neighborhood. When new schools are required, old school buildings can be rehabilitated to other uses in order to preserve the important historic features of a community and build onto the fabric of the existing town.

Strategy 2.d. Foster economic development in existing downtowns

Local business survey
In order to foster economic development in existing downtowns, it is important to assess the assets and needs of the businesses that are located in the area. Knowing the strengths and weaknesses of the downtown business environment will help communities tailor economic development strategies and investments in ways that will be most useful to those businesses and help the community thrive.

Business recognition program
Communities can create a recognition program to reward businesses that add architectural and economic value to the community. A program could applaud impressive historic renovations or host a creative window display competition. Acknowledging the important economic, cultural, and social roles that local businesses provide offers another incentive for those businesses to remain in the downtown. Other incentives might include recognition plaques or press conferences. Such strategies can create some favorable press about local businesses and promote healthy competition among them for future marketing efforts.

Fostering Economic Development in Downtown Swainsboro, Georgia

Swainsboro, a city with just under 7,000 residents in southeast Georgia—the “City Where Main Streets Meet”—has made downtown revitalization a priority. The city has established a Downtown Development Authority (DDA), whose main objective is “to foster a healthy, thriving economy in downtown Swainsboro.” The DDA has developed a full inventory of downtown businesses, noting that a range of business types is essential to a healthy and balanced local economy.

The city and the DDA have found creative ways to revitalize downtown Swainsboro. The city offered a façade grant program to encourage downtown businesses to make façade improvements (75 percent of businesses have done so) and converted the site of the old courthouse into a public plaza, creating a focal point in the downtown area. In 2009, the DDA, along with the city, the Chamber of Commerce, and the county’s Joint Development Authority (JDA), in conjunction with the local newspaper, radio stations, and several investment and properties firms, launched the Creative Marketplace Competition. The competition is aimed at bringing new businesses downtown, further reducing the vacancy rate and diversifying the downtown business mix. It offers three awards, in the categories of retail, restaurant, and arts/entertainment. Winners receive three months of free rent, subsidized rent for the rest of the first year, $5,000 in start-up money, and free advertising in the local newspaper and on the local radio station. Investing in its downtown has helped Swainsboro remain a vibrant rural community.

Build vibrant, enduring neighborhoods and communities that people, especially young people, don’t want to leave.

Revitalization approaches are limited by the community’s existing built environment. Population projections and a quick scan of the landscape show that many communities need new development, especially those in high-amenity recreation areas and those adjacent to metro areas. For these rural communities, therefore, the challenge is to build new places that both honor and reflect the rural legacy as well as generate economic, environmental, and community benefits for both new and current residents. Great new places are unlikely to be built with conventional codes and policies. For communities that seek to obtain the best outcomes from new development, a new regulatory framework must be put in place. By changing these frameworks, a community can begin to build vibrant, enduring neighborhoods and districts that will provide the opportunities necessary to retain current residents, especially young people, and attract new residents.

**Goal 3: Create great new places**

**Strategy 3.a. Update strategic and policy documents to accommodate new growth through compact and contiguous development**

**Visioning**

Before a community creates or updates its comprehensive plan or makes other important growth and development decisions, it is helpful for the community to undergo a visioning process to articulate a broad vision of itself into the future. The plan’s goals, objectives, and strategies will support its realization. Visioning meetings can be held at places of importance to the community, illustrating the types of places that the community sees as contributing to its identity and sense of place.

**Places worth preserving**

Before deciding where great new places should be located, the community should consider which land and resources are important to conserve for economic, cultural, or ecological reasons. Conducting a green infrastructure assessment may help a community determine where development should and should not occur. By articulating valuable assets or qualities, it is easier for the community to determine locations that should be off-limits to future development.40

---

**GOAL 3: CREATE GREAT NEW PLACES**

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Tools &amp; Policies</th>
</tr>
</thead>
</table>
| 3.a. Update strategic and policy documents to accommodate new growth through compact and contiguous development | • Visioning  
• Places worth preserving  
• Designated growth areas  
• Infrastructure grid and transportation options  
• Distinctive local character |
| 3.b. Reform policies to make it easy for developers to build compact, walkable, mixed-use places | • Policy alignment  
• Walkability  
• Parks and open space  
• Traditional neighborhood development  
• Context-sensitive design  
• Green street design  
• Low-impact development |
| 3.c. Recognize and reward developers that build great places using smart growth and green building approaches | • Smart growth recognition programs  
• Green building |
Putting Smart Growth to Work in Rural Communities

Designated growth areas
Comprehensive plans should clearly identify designated growth areas, including hamlets, town or village centers, and neighborhoods, in order to target new growth into the areas that the community sees as best suited for the development of new places. This strategy also prevents haphazard sprawl onto land that has scenic qualities or is better used as productive, working land. Some of these areas may be designated as receiving areas in a transfer of development rights (TDR) program.

Infrastructure grid and transportation options
Placing infrastructure along a grid is not only efficient—it also allows for easy expansion. Assuming annexation policies support it, extending existing grids of roads, sewer, and water networks to new development land can provide significant cost savings and prevent or limit sprawling growth in the long-term. Good connectivity among roadways enables multiple routes of access and reduces traffic congestion. By considering existing road networks, transit service, and trails networks, the community can make an informed decision about how to utilize existing transportation infrastructure and minimize future automobile traffic and the associated pollution. Updating infrastructure plans to encourage compact development along a grid network can provide communities with significant savings. Horton, a town of just under 2,000 people in northeastern Kansas, has maintained a well-defined street grid and compact town center.

Building on the existing infrastructure grid also makes investing in transit more feasible. Transit options for rural communities differ somewhat from those typically associated with urban areas and can range from demand-responsive service to fixed-route bus systems, varying with the size and structure of the community. Bozeman, Montana, has successfully implemented a fixed-route bus system, Streamline, to serve residents, commuters, and students and faculty of Montana State University. A complementary fixed-route bus system, Skyline, now serves the ski-resort community of Big Sky, bringing tourists and seasonal employees to the community.41

Distinctive local character
It is important that great new places reflect the cultural character of the region. Articulating what makes nearby places distinctive and attractive helps ensure that new development reflects these important features and supports the region surrounding it. This may include enhancing community design along key commercial corridors, for example, to ensure that the image being projected to visitors is attractive and unique. Pierce County, Washington, has created rural center guidelines for neighborhoods, rural activity centers, and gateway community centers.42 These guidelines help preserve the distinctive local character while allowing for the development of great new places.

Both traditional neighborhood development (page 26) and the Main Street approach (page 18) can be used to help create or maintain a distinctive local character.
Strategy 3.b. Reform policies to make it easy for developers to build compact, walkable, mixed-use places

Policy alignment

Once the vision is translated into the comprehensive plan, the community’s zoning ordinance and other policy documents should be updated to ensure that the community vision can be achieved. For example, in many communities, zoning ordinances do not allow mixed-use, compact, walkable communities to be built by-right. To foster the development of great new places, zoning ordinances and/or overlay zones should actively encourage mixed-use, compact, walkable neighborhoods without the need for time-consuming and unpredictable code amendments or variances. Such an approach creates powerful incentives for the private sector to build what the community wants. Form-based codes, discussed on page 27, provide an option for policy alignment.

Walkability

New neighborhoods that have a grid-like street network equipped with sidewalks and bike lanes encourage residents to walk or bicycle to their destinations. Compact and mixed-use developments are also important components of walkability, ensuring that essential destinations are centrally located and accessible. Walking and bicycling benefit public health, reduce pollution, and create more livable neighborhoods. From economic, environmental, community, and public health perspectives, the development pattern of new rural towns and villages should allow for safe and convenient walking and bicycling opportunities. Distances between rural communities certainly make walking and bicycling more challenging. A good trail system that links neighborhoods with rural routes and downtown destinations in nearby communities can serve as a recreational or tourism resource as well as a commuter route that is protected from higher-speed roads. Trail systems have been shown to provide economic and social benefits to adjoining areas. The Katy Trail, a 225-mile long trail that runs along the former...
Putting Smart Growth to Work in Rural Communities

Missouri-Kansas-Texas (MKT) Railroad line—much of it following the Missouri River—begins in suburban St. Charles, Missouri, and runs across the state, connecting many of the former railroad towns with larger towns and cities and providing a major recreational amenity for bicyclists and joggers.44

Parks and open space
Planning parks and open space into the design of new places is important for a variety of reasons. Parks are not only essential community amenities but also provide important economic, ecological, and public health benefits. Building in a requirement for all new development to contribute to parks is easier and more cost-effective than trying to install parks in already developed areas. Thurston County, Washington, requires that all new rural residential developments designate a minimum of 60 percent of the development area as a resource use parcel, which can be a natural area or used for passive recreation space or agriculture, and developers also receive density bonuses for incorporating additional open spaces into new residential developments. As described earlier, linking these amenities to existing or planned trail systems further adds to their value as destinations.

Traditional neighborhood development
Compact, walkable, mixed-use development, which is located in areas that communities have identified as the best place for growth, can be supportive of better economic, environmental, community, and public health outcomes. Traditional neighborhood development (TND) is an efficient way to accommodate a community’s demand for housing, retail, and other new development. From a regional perspective, when a portion of a community’s demand is accommodated this way, the pressure to convert working lands, forest, and green space into housing or other uses is reduced. Decreasing the market pressure to convert open space and working lands to development is one step toward achieving the land conservation outcomes many communities are seeking. This new urbanist strategy has been successful in rural communities like Crested Butte, Colorado, where a new TND residential development created 98 additional housing units that reflect the rural character and mining heritage of the town.45

Littleton, a town of just under 6,000 people nestled in the White Mountains, is a compact, walkable, and mixed-use small town that has a thriving downtown and many amenities for residents and tourists alike. In its master plan, the city notes that “the ability of future development to protect and enhance Littleton’s community character is an issue of both location and design.” As a result, Littleton has created a planning and policy framework that will help create great new developments while supporting Littleton’s existing neighborhoods. This effort began with the revitalization of the downtown area in the late 1990s. At this time, Littleton’s downtown was struggling with a storefront vacancy rate of 20 percent. The vacancy rate is now two percent. In addition to its thriving downtown, Littleton has invested in a new industrial park—one of the largest in New Hampshire—that provides a range of employment opportunities for nearly one-fifth of the town’s residents. Littleton has also located sites for new residential developments, focusing on infill developments and new cluster or “open space” subdivisions, and it has made plans to extend the sidewalk infrastructure into newer developments.

Littleton has won a number of awards for maintaining its compact, walkable, mixed-use small-town character. It was recognized with a Great American Main Street Award for outstanding achievement in downtown revitalization as well as a New Hampshire Profile Community Award for “preserving, protecting, and promoting” the state’s spirit of independence.
Form-based codes
A relatively new approach to regulating development, form-based codes are used to achieve a specific urban form rather than designate specific land uses, as is typical in conventional zoning. Form-based codes can help a community support mixed uses, diverse housing options, and open space while also paying attention to design details such as streetscapes and façades. Because they are simpler to envision than conventional codes, form-based codes provide a community with a certain level of predictability about the public realm, whether applied to new or existing development. Georgia has made a statewide shift toward form-based codes, and small towns in the state, like Covington and Suwanee, have found form-based codes helpful to revitalizing town centers and preserving small-town character.

Context-sensitive design
Context-sensitive street design links roadway planning and design to adjacent land uses and neighborhood type. For example, when a driver is transitioning from a high-speed arterial to a downtown business district, he or she might find narrower streets lined with parked cars, which obligate slower speeds and a focus on courtesy and safety. Context-sensitive street design also includes a complete network of sidewalks and bike routes so that all have safe and affordable transportation options. A range of design characteristics like this can subtly change driver behavior and enhance the pedestrian experience. Context-sensitive design can also highlight local history and heritage, as is the case with the new Cobblestone Street Interpretive Park in Booneville, Missouri. The park incorporates a historic cobblestone street—thought to be the first paved street west of St. Louis—that was rediscovered during site investigations for a new highway bridge. The park, developed in tandem with the highway bridge, has become a local landmark that reflects local history and helped revitalize the town’s waterfront.

Green street design
Green street design options are aimed primarily at environmental enhancement, although they have additional advantages. Typical strategies for green street design include reducing impervious surface cover to
assist in stormwater management and reduce the heat island effect; using the public right-of-way for multiple purposes, such as trails that can permit both stormwater management and recreation; and strategic plantings to allow biofiltration to treat runoff and improve water quality. A more specific example might be a tree canopy that absorbs excess runoff, lowers roadway temperatures, and improves air quality. This kind of amenity not only reduces infrastructure demand but also can improve a community’s appearance and help it support active transportation, including walking and bicycling.

**Low-impact development**

Like green street design, low-impact development (LID) uses natural landscaping to manage stormwater as close to its source as possible. Using strategies such as green roofs, rain barrels, and permeable pavements, LID can minimize the impact of built areas and promote natural water movement within an ecosystem or watershed. Within a compact area, this natural infrastructure (ideally native or drought-resistant) can reduce the impact of new development projects while also providing a natural landscape amenity that requires limited maintenance. LID is especially important in fragile ecosystems and places particularly prone to climatic events like droughts. LID practices should be implemented in conjunction with compact development in order to reap the most benefits. Colorado recently enacted two new laws, allowing rain barrels on private property. Santa Fe County, New Mexico, established an ordinance requiring that all commercial developments collect 100 percent of roof drainage and that residential developments collect a minimum of 85 percent of roof drainage in cisterns. Rainwater harvesting helps address the important issue of water conservation in Santa Fe County’s high desert climate.

**Strategy 3.c. Recognize and reward developers that build great places using smart growth and green building approaches**

**Smart growth recognition programs**

In many communities, developers are already working to build great new places. Publicly recognizing developers who build projects that are aligned with the community’s vision can serve to both draw attention to local priorities and remind other developers that great new developments and community priorities are not necessarily at odds with one another. Many state smart growth organizations have existing recognition programs. Idaho Smart Growth began awarding its Grow Smart award in 2005. Awards are given to communities or projects across the state that exemplify the principles of smart growth. Smart Growth Vermont has a biannual smart growth awards program, started in 2006, which recognizes redevelopment, infill, and historic preservation projects exemplifying the principles of smart growth.

**Green building**

Green building is gaining traction nationwide as an efficient and healthy alternative to conventional building practices, including siting, construction, renovation, operation, maintenance, and demolition. The Leadership in Energy and Environmental Design (LEED) Green Building Rating System is the nationally accepted benchmark for green building. In addition to the Green Building Rating System, the U.S. Green Building Council developed the LEED for Neighborhood Development Rating System, which integrates the principles of smart growth, new urbanism, and green building. By completing a LEED-certified project, developers can link their commitment to smart growth with other sustainable strategies and receive plaudits from peers in both the development and environmental communities. Minnesota has adopted statewide sustainable building guidelines. All new buildings and renovations on buildings larger than 10,000 square feet receiving funding from bond proceeds must exceed the requirements in the state energy code by at least 30 percent, work to achieve the lowest possible lifetime cost for the building, and attempt to make continual improvements to energy efficiency. These guidelines, which are intended to reduce energy costs, improve the health and well-being of building residents or occupants, protect the natural environment, and are compatible with LEED standards.
Next Steps

*Rural* is still an evolving term in the United States. Rural communities and rural lifestyles today look very different in many places than they did even 30 years ago. As today’s rural leaders struggle to deal with both internal and outside pressures, they should seek a balance that integrates old and new and links rural economic traditions with new innovations. Balanced approaches can help bridge the gaps between residents who prize natural resources and those who champion new growth as a measure of success.

The smart growth approaches outlined in this document are intended to provide some useful ideas for specific strategies that can build on a community’s assets and further enhance its sense of place. Before implementing the ideas in this report, each community must complete a process of self-evaluation and dialogue before the right combination of policies will become clear. Such a process may include the following steps:

- **Conduct an assessment of current conditions.** A community assessment may ask: What are the current environmental, economic, and social conditions of the community? How is the community connected to other communities in the region? What are the community’s best assets? What are its key challenges?

- **Engage in a collaborative visioning process** to help the community determine what it wants to be like in the future. A collaborative visioning process would include all stakeholders in the community and help define the desired future for the community. Visioning processes often result in visual representations of a community’s desired future—for example, a map illustrating key conservation areas and development areas.

- **Develop and implement policies** that will enable the community to achieve its vision. Once a community has developed a vision for its future, it must identify and implement policies and tools that will help achieve that vision.

Following a process like the one outlined above will help a community develop and achieve its vision for the future and accommodate and shape the type of growth that the community desires while preserving the community’s best assets and enhancing the quality of life.
Albemarle County, Virginia, has adopted a comprehensive approach to addressing growth. This has enabled the county to direct growth in a way that maintains the community’s rural character and quality of life, which are valued by residents.

Albemarle County, which is the most populous county in the Charlottesville metropolitan area, recognized that strategies for land preservation work better when complemented by policies and zoning regulations that promote better growth in places where the community has already invested in public infrastructure. The county contains many working farms and scenic natural features, including a portion of Virginia’s Blue Ridge Mountains and Shenandoah National Park, but growth pressures remain strong. County leaders have adopted policies, including the establishment of designated growth areas in which infrastructure already exists, and have pursued strategies, such as the acquisition of conservation easements, to preserve rural character in places outside of designated growth areas. The county has also adopted a Neighborhood Model that requires new development to adhere to a set of 12 principles (see below), which ensure the livability of new neighborhoods.

The Neighborhood Model describes the recommended practices for new development based on 12 principles:

- Pedestrian orientation
- Neighborhood friendly streets and paths
- Transportation networks and interconnected streets
- Parks and open space
- Mixed uses
- Neighborhood centers
- Buildings and spaces of human scale
- Relegated parking
- Affordability with dignity
- Redevelopment
- Site planning that respects terrain
- Clear boundaries with the rural areas

Albemarle County provides an example of how to address development in a way that promotes economic growth in places that the community believes are best while maintaining the rural landscape that is central to the community’s identity. Between 2000 and 2006, Albemarle County protected more than 5,000 acres of forest and farm land, including 286 mountaintop acres. At the same time, it began or completed plans using the Neighborhood Model to both accommodate growth in designated growth areas and complement the rural land protection strategies.

See also: http://www.albermarle.org.

Endnotes


2 These five typologies have been developed by the authors through discussions with a range of Smart Growth Network member organizations, including NACo, the National Main Street Center, and the U.S. Forest Service, as well as organizations outside the network. They are now viewed as generally accepted terms within the smart growth community for describing the range of rural towns, villages, and centers, particularly given their consideration of communities’ built and natural environments and their role in broader regional economies.


11 For more information on federal, state, and local tax incentives for donating conservation easements, visit the Land Trust Alliance Website: http://www.lta.org

12 Larimer County. “Executive Summary: Right to Farm and Ranch Policy.” http://www.co.larimer.co.us/policies/right_to_farm_summary.htm

13 Recommendations in this section are drawn from Tom Daniels, “Ideas for Rural Smart Growth, Promoting the Economic Viability of Farmland and Forestland in the Northeastern United States,” pp. 8–12 (draft February 2008).


32 See the Main Street Four-Point Approach®: http://www.preservationnation.org/main-street/about-main-street/the-approach/


34 FHWA. “Funding for Streetscape, Urban Design, and Multimodal Improvements.” http://www.fhwa.dot.gov/planning/landuse/tools.cfm#funding. The National Transportation Enhancements Clearinghouse also has information on funding opportunities for streetscape improvements: http://www.enhancements.org/fundingsources.asp


See the Michigan Suburbs Alliance Redevelopment Ready Communities Program: http://www.michigansuburbsalliance.org/redevelopment/redevelopment_ready_communities/


More information about green infrastructure assessments can be found at http://www.greeninfrastructure.net.


For a good discussion of various code reform strategies, see Creating a Regulatory Blueprint for Healthy Community Design, ICMA Press, 2005.


The mission of ICMA is to create excellence in local governance by developing and fostering professional local government management worldwide.