

Executive Summary  
**Urban Growth in Arizona:  
A Policy Analysis**



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## **URBAN GROWTH IN ARIZONA: A POLICY ANALYSIS**

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## **URBAN GROWTH IN ARIZONA: A POLICY ANALYSIS**

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## EXECUTIVE SUMMARY

The lure of a climate that is hospitable to year-round outside activities, a prosperous economy, an aura of independence, and blue skies as far as the eye can see have made Arizona among the fastest growing states. However, these distinctions have also led to much debate over the net effect on the State of this rapid growth. On the one hand, growth has substantially increased the value of businesses and property in Arizona's urban areas and has expanded opportunities of all kinds. On the other hand, there are the questions of what citizens in these rapidly growing areas, and the State as a whole, have had to trade in exchange for such growth in terms of environmental quality, traffic congestion, and lifestyle. The facts that follow highlight this debate:

Arizona's population has grown twenty-five fold since 1900, with most of that growth occurring in the state's urban areas, where nearly 80 percent of its residents now live. The state's official population projections indicate that Arizona will grow to approximately five million by the year 2000. Nearly three of every four of these future, new residents are expected to live in the Tucson or Phoenix metropolitan areas.

Arizona's growth has created substantial wealth and economic opportunity. Native and new Arizonans have prospered from the state's rapid urban expansion. Arizona's gross state product topped \$41 billion in 1984, a twelvefold increase over 1960. Median income in the Phoenix metropolitan area in 1986 was \$1,542 higher than the national median income; during the same year, unemployment rates were significantly lower in Maricopa County (5.6 percent) than nationally (7.0 percent). Arizona's growth has increased land and home values, expanded business profits, and improved educational and leisure-time opportunities. Many of Arizona's public officials have prized growth because it has led to additional public revenues with relatively little need for tax increases.

Arizonans realize that the state's growth has resulted in a complex set of tradeoffs. Rapid and sometimes haphazard additions of people and buildings in Arizona has also caused an increase in the need for nearly every type of public function and facility, from social services to roads to sewage treatment plants. Furthermore, many Arizonans argue that growth has caused a substantial deterioration of the physical environment through suburban sprawl, traffic congestion, pollution, and neighborhood decay.

Rapid urban growth has increased citizen concern over the quality of life. Recent public opinion polls show that, in spite of the significant benefits brought by growth, many Arizonans fear that the quality of life they have enjoyed in the State is being

diminished by rapid urban growth. Such concern is evident in polls which ask citizens about their views of the future. In a 1987 poll of Phoenicians, only 44 percent said that “things are getting better,” with 47 percent indicating that they are “getting worse.” Similarly, in a poll of Tucson voters, only 36 percent considered the future quality of life in their city to be getting better, while 47 percent said it was getting worse. In a 1988 poll on urban growth in Arizona that was conducted as part of this study, only 32 percent of respondents statewide felt things were getting better. Urban area residents (metro-Phoenix and metro-Tucson) were considerably more negative on this issue than were rural area residents, in spite of the fact that urban Arizona has a vital economy while rural Arizona is experiencing substantial economic hardship.

*Recent events throughout the State suggest that Arizona’s historic pro-growth posture is being seriously questioned.* In Scottsdale — a city with a reputation for a well-managed and aggressive stance on growth — two proponents of slower-growth were elected to the city council in 1988. In Flagstaff’s 1988 city council election, the top three vote-getters made protecting the environment from encroachment a key part of their platforms. In Tucson, strong neighborhood and environmental groups are significantly influencing planning, zoning, and site analysis processes and play an important role in the urban political regime. In Phoenix, a grassroots neighborhood activist with strong feelings that the city has grown enough soundly defeated a much more traditional candidate for a seat on the city council in 1987.

Concerns about unexpected and problematic consequences of growth were key reasons why this study of Arizona’s urban growth was conducted. The Arizona Legislature, which commissioned the study, was intent on developing a better understanding of the dynamics of Arizona’s urban growth process and wanted a data-based tool that could help them fulfill their responsibility for dealing with Arizona’s many growth-related issues.

This study presents in-depth analyses of urban growth issues in light of substantial input from Arizona’s citizens (1400 interviews statewide) and leaders (more than 200 individual interviews and group sessions). The data lead to four broad conclusions:

- **Arizona’s urban growth problems are often regional. Existing intergovernmental relations have made it difficult to resolve many of these problems and have not overcome the fact that Arizona lacks an adequate government structure for dealing with regional issues.**

- **Implementation and enforcement of state planning statutes are haphazard. City and county decisions on zoning and other growth-related issues frequently have little regard for existing master plans.**
- **Arizona's tax structure and fiscal policies make it very difficult for counties to keep pace with demands created by an increasing population. Arizona city budgets depend heavily upon new growth.**
- **Arizonans are schizophrenic about growth. They want the economic benefits it yields, but not the problems it causes.**

This executive summary offers a mere glimpse of the larger study. It covers urban growth processes, methods of managing growth, Arizona citizen and leadership attitudes about growth, and highlights some key growth issues. Finally, it lists the conclusions and policy recommendations that emerged from the research. However, the reader must keep in mind that this is but a summary of a much larger body of information and ideas of great significance to Arizona's future.

## UNDERSTANDING THE URBAN GROWTH PROCESS AND HOW IT CAN BE MANAGED

Seventy-seven Arizona "places" currently meet the U.S. Census Bureau's definition of urban — they have 2,500 people or more. However, some of these places are more urban than others. For example, places distant from Arizona's two metropolises (cities and towns in rural areas) tend to have less of an urban lifestyle and urban economic network than places whose residents work, shop, and recreate in Phoenix or Tucson. Factors that contribute to a place's "urbanness" include size, density, location, trade, employment, primary activity, and incorporation.

### Many Factors Influence How and Why Urban Areas Grow

*Population, land area, employment, and housing are key elements of urban growth.* Population growth is commonly used as an indicator of urban change. But, this is an oversimplification of the urban growth process. For example, aggressive annexation of land is associated with rapid population growth in Mesa. But, Tempe population growth results from "infilling;" the land area of Tempe increased only 2 percent in the early 1980's, while population grew by 25 percent. Employment opportunities, family size, and type of housing also are major components of the dynamics of urban growth.

Internal and external forces combine to alter patterns of growth. Approximately 40 percent of Arizona's population growth is internally generated, while 60 percent comes from net migration. Internal forces affecting growth patterns in the State include such things as natural increase (the number of births over deaths) and the opening of a new plant or business that increases the demand for labor, the tax base, and the market for consumer goods in an area. Another internal factor is intra-state migration. For example, Maricopa County gained 18,866 persons from and lost 13,937 to the rest of the State between 1984 and 1985; Pima County gained 8,185 and lost 9,309.

Urban growth in Arizona is profoundly influenced by external forces as well. Such forces include the demand in other states and nations for goods and services produced in Arizona, federal spending in the State, interstate migration to Arizona (figures for 1984-85 indicate that about three people moved to the state for every two people who left), and legal and illegal immigration (between 5,000 and 6,000 immigrants legally admitted to the U.S. settle in Arizona annually; thousands of undocumented immigrants also come to the State).

There is a difference between urbanization and urban growth. "Urbanization" is the proportion of the total population of a state (or nation) living in urban places. The level of urbanization in Arizona appears to be leveling off at between 80 and 90 percent. However, Arizona could continue to experience "urban growth" without any change in the level of the state's urbanization, provided that Arizona's rural population grows at the same or faster rate.

### The Game of Urban Growth Is One of Pursuit and Control

The once popular game of "smokestack chasing" has lost much of its appeal. Moving businesses from place to place can be a costly, zero-sum game among states and cities. It now appears that states and localities seriously interested in economic development and growth are better off nurturing indigenous businesses and industries than resting their hopes on relocation inducements. Public officials seeking to encourage growth by making their area attractive to business development are beginning to emphasize quality of life features — such as education, culture, and environment — as the key economic development issue in the 1980's. Based on a number of studies, Arizona could stand considerable improvement in its economic development activities. Such efforts are not well organized, and the state's once outstanding reputation for its quality of life is being tarnished by urban growth problems. For example, a well publicized national rating

of states by the Corporation for Enterprise gave Arizona a mark of "D" on economic performance measures covering job quality and the quality of life.

Arizona's state and local officials have become increasingly aware of the need to anticipate and head off growth-related problems. For example, some localities have indicated they desire only high-tech firms that do not pollute, do not consume scarce resources, and have highly paid workers. Other local governments are now sponsoring "future forums" to determine what residents want to see their cities become and not become in view of rapid growth.

Many growth control tools are available to leaders. Governments may have considerable influence over guiding growth through the timing and location of highway construction and the development of other public facilities. Another way government can control growth is through land use regulation. At the heart of this process is a comprehensive/master plan that establishes developmental objectives, anticipates future public facility needs, and protects against environmental deterioration. Within the general limits of the law, local governments are also free to experiment with tools such as development moratoria, low density zoning, and regulatory and taxation policies to control growth. Moratoria on development can be achieved by blocking the issuance of building permits for new construction or by refusing permits for water and sewer extension. Through the adoption of an adequate public facilities ordinance, a locality may limit the issuance of building permits to areas of the community adequately served by public facilities. To limit density, cities can restrict development to single-family homes, require large lots, or mandate that homes meet minimum square footage requirements, although such land use decisions may be inequitable to the poor. Another growth control technique that governments employ is the practice of imposing taxes or fees on developers to help offset the costs of growth. Fees are considered justifiable because they make those who benefit from new construction pay for new utility lines, fire stations, schools, parks, and roads that have to be built.

Past attempts to control Arizona's urban growth have lacked "teeth." Even with all these growth control tools at the disposal of Arizona's governments, it is generally agreed that municipal comprehensive plans are altered frequently and often haphazardly. Compounding this problem is the fact that Arizona's planning statutes are "toothless" and not generally enforced. In many cases, developers have successfully lobbied city councils and county boards to change master plans or to override restrictive decisions of boards of adjustment. To maximize profits, some Arizona developers have "shopped around," gravitating to cities and towns with the fewest controls on proposed projects. In some cases, this has led to urban sprawl and growth in relatively inappropriate areas.

## Governments Face Many Obstacles In Meeting the Demands Created By Growth

The ability of Arizona's state and local governments to adapt to growth can be frustrated by a number of factors. Effective action may be delayed by legal barriers or by an inability to finance needed public facilities. Sometimes, city and county leaders do not receive the assistance from the State or other sources that is necessary to implement needed changes. In some cases, population growth has happened so fast that government bureaucracies simply cannot keep pace.

Another difficulty that Arizona's governments face when adapting to growth pertains to regional growth issues and planning. Imposing a building moratorium, requiring larger lots, or requiring development fees may help a rapidly developing city, but can also prove harmful to neighboring jurisdictions and the region as a whole. Similarly, while cities might solve problems within their boundaries, problems which transcend municipal or county boundaries — such as pollution — require a regional solution. Comprehensive regional planning and other regional activities have been limited in Arizona because many municipal plans have been adopted without serious consideration of how proposed activities in one jurisdiction might affect the plans of another. Local governments in Arizona compete with each other for many things — land, water, population, industry, and taxes. Arizona's many special districts compound this problem. Regional councils of government in Arizona provide regional planning on some issues, but since these bodies are not governments, they typically do not deliver services to citizens and do not have the power to enforce decisions.

## CITIZEN AND LEADERSHIP PERSPECTIVES ON ARIZONA'S URBAN GROWTH

### Arizonans Favor Continued Growth, But Not At Any Cost

As part of this study, a statewide survey of Arizona's citizens and in-depth interviews with Arizona's leaders were conducted to determine attitudes on growth. Thirty-two percent of citizens say the quality of life in Arizona is getting better, 30 percent say that it is getting worse, and 34 percent say it is remaining the same (4 percent do not know). Maricopa County respondents are more pessimistic than their Pima County and non-metro counterparts. Non-urban respondents are the most positive by almost a two-to-one margin, suggesting that Arizona's growth problems are particularly disturbing to metro-area residents.

Air and water quality are the most important growth issues identified by citizens; land use is the least important. Statewide, citizens indicate that planning to deal with all urban growth problems (air quality, transportation, land use, and so forth) is the single most important type of action that should be taken. Air quality control planning is the single most important action the legislature should take to deal with urban growth.

Arizonans believe that government should encourage growth, but not at the expense of the environment. Overall, citizens have mixed reactions to the role of government in dealing with the state's growth. On the one hand, nearly seven out of ten Arizonans feel government can do little to discourage growth. In fact, 72 percent believe government should do whatever it can to encourage growth and employment in Arizona. However, 71 percent of the citizens surveyed feel that economic growth should not have priority if it would result in degradation of the environment. Growth at any cost is clearly not favored. Finally, although the State has a conservative reputation, over nine out of ten Arizonans believe that government planning can protect Arizona's quality of life.

Arizonans are willing to pay for cleaner air, even if an alternative fuel law means a 10-cent per gallon price increase (59 percent of citizens surveyed would support such a law). An even greater percentage supports the use of alternative fuels if it means only a 5-cent per gallon price increase (67 percent). Opinion is divided on trip reductions as a means of improving air quality. Arizonans favor expanding auto emissions testing to all cars (64 percent) as well as expanding the program to all areas of the State (73 percent). The enactment of a law that removes from the road all cars that cannot pass the vehicle emissions test also has support (53 percent).

Citizens favor efficiency measures over increases in water rates. Nearly three in five citizens oppose increases in water rates to reduce water usage. Two propositions with substantial support are mandatory recycling of water to be treated and used for non-drinking purposes (84 percent) and ordinances requiring water-efficient, desert-type landscaping in new communities (78 percent).

Five proposals pertaining to land use are favored. Comprehensive land use plans (88 percent), restrictions on development near parks (82 percent), and impact fees (71 percent) have substantial support. Use of outside negotiators in zoning disputes is favored by a two-to-one margin, while infill before development on the city periphery registers a narrow percent in favor.

Many citizens support an increase in county authority. Two questions were asked about reforms in government authority. The first is a neutral formulation of the so-called county home rule issue; citizens favor it (55 percent). The responses to

the second question show that citizens overwhelmingly favor (80 percent) county power to ask voters to approve new county taxes. The final battery of questions in the survey examined citizens' willingness to pay for certain programs to address urban growth problems. Table 1 lists the responses.

### Leaders Suggest Many Actions for Addressing Urban Growth Issues

Arizona leaders were asked about the relative importance of the state's urban growth problems — air quality, crime, land use, water, transportation, delivery of government services, and financing of government services. The findings appear in Table 2.

Leaders were also asked to identify the most important actions the legislature should take to address urban growth problems. Specifically, they were asked to suggest solutions to problems of air pollution, crime, land use, water, transportation, and delivery of government services. Table 3 highlights the most frequently mentioned actions recommended by leaders to address each of these problems.

Leaders were quick to point out many successful programs currently in place that deal with growth-related problems and others that have had questionable success. The neighborhood watch program to prevent crime is identified by leaders as a particularly successful effort, while the speed limit program and border strike force are described as failures. The State groundwater code is heralded by all groups as an illustration of success — a “legislative shining star.” The Central Arizona Project and Tucson water conservation efforts are featured as success stories as well. While most leaders mentioned mass transit as a solution to transportation problems, some leaders have doubts that mass transit will be used to any great extent.

## ARIZONA'S URBAN GROWTH ISSUES

### How Can Arizona's Urban Growth be Financed?

Urban growth costs governments a lot of money. Expanding population and territory almost always require increases in government services and public infrastructure. As Arizona's counties, cities, and towns continue to grow, they will need to create substantial new revenues to keep pace with demand. A number of

TABLE 1

ARIZONANS' WILLINGNESS TO PAY INCREASED TAXES FOR  
URBAN GROWTH PROGRAMS (%)\*

Program Area	Favor Increases	Oppose Increases	Don't Know
Air Pollution	60	37	3
Water Quality	65	31	4
Transportation	55	41	5
Land Use	47	47	6
Crime Prevention and Control	70	26	3

N = 1374

\*Total percentage may be less or more than 100 due to rounding.

Source: Morrison Institute, 1988.

**TABLE 2****IMPORTANCE OF URBAN GROWTH ISSUES ACCORDING TO ARIZONA'S LEADERS (%)\***

	Very Important	Somewhat Important	Not Very Important
Air quality	90	10	0
Transportation	78	22	0
Water	78	21	1
Land Use	72	24	4
Financing of government services	69	25	6
Crime	46	43	11
Delivery of government services	39	50	11

N = 107; 40 elected officials, 35 non-elected officials, 23 business leaders, and 9 community activists. Not all 140 leaders interviewed during this survey responded to this particular set of questions.

\* Totals may not always add up to 100% due to rounding error.

Source: Morrison Institute, 1988.

TABLE 3

## ACTIONS THE LEGISLATURE SHOULD TAKE TO ADDRESS URBAN GROWTH PROBLEMS

ISSUE	RECOMMENDATION
How to help local governments address urban growth	<ul style="list-style-type: none"> <li>• Create greater local autonomy</li> <li>• Do not mandate programs without providing corresponding funds</li> <li>• Reform government structure to address regional issues</li> <li>• Mandate comprehensive land use planning</li> </ul>
Air Pollution	<ul style="list-style-type: none"> <li>• Universally applied emissions testing</li> <li>• Mass transit</li> <li>• Trip reduction ordinances</li> <li>• Use of alternative fuels</li> </ul>
Crime	<ul style="list-style-type: none"> <li>• Prevention and education programs</li> <li>• Increased funding</li> <li>• Program consolidation (including police services)</li> <li>• Regional coordination of justice agencies</li> <li>• Exploration of alternatives to incarceration</li> </ul>
Land Use	<ul style="list-style-type: none"> <li>• Stricter regulations</li> <li>• Impact fees and exactions from developers</li> <li>• Comprehensive land use planning/coordination</li> </ul>
Water	<ul style="list-style-type: none"> <li>• Conservation pricing to reflect the true value of water</li> <li>• Expanded/mandatory use of effluent</li> <li>• Water transfer policy</li> <li>• Retirement of agricultural land</li> </ul>
Transportation	<ul style="list-style-type: none"> <li>• Mass transit, including marketing education and incentive efforts</li> </ul>
Delivery of Government Services	<ul style="list-style-type: none"> <li>• County home rule (Maricopa County)</li> <li>• Metro-government (Pima County)</li> <li>• Expanded privatization</li> <li>• Consolidation of school districts</li> </ul>
Financing Government Services	<ul style="list-style-type: none"> <li>• State funding for all mandated programs</li> <li>• Eliminate current spending limitations</li> <li>• Update bonding laws</li> <li>• Examine new revenue sources</li> </ul>

N = 140 Leaders

Source: Morrison Institute, 1988.

issues consistently arise when discussing how to equitably finance Arizona's urban growth — annexation as a means of creating increased tax revenues, double taxation (paying taxes to a city and a county for essentially the same service or to subsidize county residents), how to determine the value of property to assess taxes, how to determine the level of urban-type services that counties should provide, and how to get growth to pay for itself. Arizona has many options — both traditional ones and new ones — when it comes to deciding how best to finance future growth. But, whatever the mix of policies, some new fiscal strategies will be required to help Arizona's counties and cities confront a myriad of urban growth problems. The fees and taxes that new residents generate alone will not be sufficient.

Traditionally, taxes have been the primary sources of revenue tapped by Arizona's urban governments. However, the ability of local governments to use these sources is sometimes limited by state law and political feasibility. Arizona's tax revenue structure is diverse. State and local governments collect funds from all types of "traditional" taxes — property, personal income, business income, general sales, and selective (or excise) sales.

The search for revenues is the major reason why some Arizona cities have been so aggressive in their annexation of urbanizing lands. Since the amount and value of property creates tax revenue, the bigger an Arizona community grows in physical area and the higher its property valuation, the more money it can collect through property taxation. The larger the municipal area, the more room there is for businesses to locate and generate sales tax revenue, too. Also, as the amount and value of land available to be taxed increases, the amount each local property owner has to pay for bonded indebtedness decreases, effectively increasing a community's bonding capacity.

But, annexation to increase property tax revenues has caused erratic growth in some urban areas in Arizona because similarly located property can be used for different purposes. Differential assessments of actual and speculative values of property also have led some cities to pursue unsound growth policies. For example, low assessed values of vacant land and farm land that lie on the outskirts of urban areas encourages sprawl.

General sales taxation is a very important component in the revenue structure of Arizona cities. Although subject to general swings in the economy, the higher the level of sales, the more money accrues to Arizona's governments. As such, the pressure to include major sources of sales tax revenue in a city is very strong, creating intense competition between some cities.

Cities in Arizona are precluded from having an income tax by state law, although they do receive 15 percent of state collected individual and corporate income tax revenue. State revenue-sharing is based on population, so it can be beneficial for a community to annex land to increase its population base. Unfortunately, more people and more physical area also can commit cities to providing costly infrastructure for increasingly distant property without a commensurate "return on investment."

Intergovernmental aid from one level of government to another which has long provided significant revenues that allow or promote growth, is being reduced. Federal policies and Arizona's current fiscal situation have resulted in a substantial reduction in such aid. Some state fiscal programs directly assist Arizona's local governments in handling urban growth — such as state revenue-sharing — but have not made up for the significant loss in direct federal support to cities.

Non-traditional sources of revenue are being pursued by cities as a way of generating enough revenue to deal with growth. Service taxes, tax increment financing, and a tax on real estate transactions are strategies that cities and states outside Arizona are beginning to use to increase public revenue. These techniques have considerable potential for providing new sources of revenue to Arizona communities. A service tax is already applied in Arizona on public utilities, room rentals, and admissions to entertainment events. However, a service tax could be placed on virtually any service, from repair work to accounting, thus generating substantial public revenues. Furthermore, since buying and selling real estate is such big business in Arizona, a transaction tax on commercial and/or residential real estate sales would generate significant revenues, even at a relatively low tax rate. Although each of these techniques has some "down-sides," too, they are examples of strategies that Arizona could use if policymakers and citizens decide that additional tax revenues are necessary.

Some Arizona cities have taken an entrepreneurial approach toward the search for new ways to support their growth. Local governments can benefit from the difference in interest between its non-taxable municipal bonds and the interest paid by banks and treasury notes. They can also use sophisticated money management techniques to invest public funds in a federally insured account that yields a high interest rate. Publicization can generate revenues when a local government buys private businesses that provide services to their residents and then incorporates these services into their government structure. Partly as a result of publicization strategies, the city of Mesa, for example, has profited to the point where it has not had to charge a property tax for 43 years. Its counterpart, privatization, allows governments to use private business to provide services that were previously or traditionally delivered by government.

### How Can the Need for Public Financing of Growth Be Reduced?

Some of the aforementioned “alternative” and “entrepreneurial” ways of creating tax revenue indirectly lend themselves to the notion of getting growth to pay for itself. A more direct approach is to get developers and new residents to finance the additional infrastructure and services required as a result of development efforts.

*Developers can be asked to pay for infrastructure.* Dedications and in-lieu development fees occur when a developer donates land or money to local governments for providing services and infrastructure necessitated by the influx of new residents or employees. Arizona cities can require developers to actually build certain infrastructure within the confines of their development, but developers are seldom asked to finance the construction of central facilities — such as schools and arterial roads — even though development impacts the capacity of such facilities. As a result, cities have begun to impose upon developers certain fees, which are used to defray public expenses related to growth, instead of requiring that land alone be dedicated by developers for public use. In practice, however, since developers “pass on” these expenses, much of the cost of such fees are borne by the new residents who buy property from the developers.

*Local government can offer “conditional” zoning for new development,* stipulating that a developer must make certain public improvements which may or may not directly benefit his proposed project in exchange for the zoning that he/she desires. Arizona is one of a handful of states that permit cities and towns, but not counties, to enter into conditional or stipulated zoning agreements with developers.

*Cities can levy impact fees on developers to support new growth.* Such fees are a direct charge levied by local governments against developers for the pro-rata share of the “impact” that their developments have on public facilities. In California, some municipalities collect impact fees for such things as mass transit, public art, and day-care centers.

*Cities and states often try to “outpace” the costs of growth* by encouraging economic development via aggressive promoting of an area’s virtues, business tax incentives, tax abatements, and enterprise zones (geographic areas where taxes and regulations are removed). This strategy is essentially an effort to generate new revenues from the private sector at a rate which is faster than the growth of the public costs associated with development.

Arizona's cities and counties are struggling to pay for the infrastructure and services demanded by urban growth. They have begun to move from an almost exclusive reliance on the traditional forms of revenue — taxes and bonds — to forms where new residents, new businesses, and developers share more of the costs. In short, they are beginning to focus on ways to make growth pay for itself by shifting the financial burdens associated with Arizona's growth and by trying to outpace it.

### How Can Arizona Maintain an Adequate Supply of Water for its Growing Urban Areas?

Arizona's water quantity policy has two central themes — supply augmentation (such as the Central Arizona Project) and demand management (such as conservation). The Groundwater Management Act of 1980 was a major breakthrough in dealing with the critical urban growth problem of water quantity. The act seeks to eliminate groundwater overdraft over a forty-five year period by gradually tightening conservation requirements on agricultural, residential, commercial, and industrial uses.

While there is currently no water crisis in Arizona, circumstances could lead to one in the 21st century. Population projections for the State imply the need to deliver increasing amounts of water to Arizona's urban areas in the future. Problems pertaining to the Central Arizona Project (CAP) — a federal reclamation project that the State is counting on to help reduce groundwater overdraft — include the cancellation of the Cliff Dam and threats from Pinal County farmers to back out of their CAP contract. These events could diminish the entire operational and implementation thrust of CAP. The adjudication of Indian water rights in the State could also impact water supplies available for urban uses, as could resistance by rural Arizona to water “transfers.”

Leaders favor conservation, recycling, and recharge measures. The leadership interviews conducted for this study reveal a strong emphasis on conservation as a response to Arizona's water quantity problems. Some leaders voiced strong opinions that the greatest reduction in water usage would be achieved if agriculture in Arizona is phased out quickly. They believe that agricultural uses of water are considerably higher per acre than urban uses. Other conservation policy options which leaders suggest are landscape ordinances and re-landscaping that promote the use of low-water consumption vegetation, low-flow plumbing, irrigation water managerial assistance, and educational programs. Another major response to the water quantity problem leaders want to pursue is expanding the use of effluent (treated wastewater) for non-drinking purposes such as watering golf courses.

Recharge — returning water to the ground to replenish the water table — is an approach overwhelmingly favored by leaders as well.

*A popular method of obtaining water by Arizona's larger cities has been the use of water transfers*, when these cities acquire land in rural areas solely for its water (so-called “water ranches” or “water farms”). This water transfer method of supply augmentation has caused considerable conflict between rural and urban Arizona.

Since Arizona's water transfers involve the purchase of agricultural land for water usage by urban areas to support municipal development, rural leaders feel exploited. Urban leaders emphasize they are simply providing for the legitimate needs of Arizona's expanding urban populations. The debate over this issue is being waged primarily on economic and legal grounds. The interviews conducted for this study reveal a willingness on the part of urban leaders to support a legislative solution that could include requiring municipalities purchasing land for its water to sign an intergovernmental agreement making voluntary contributions in lieu of taxes to the county and other taxing authorities associated with the land purchased. However, some rural leaders remain unsatisfied with this solution.

### How Will Arizona's Urban Growth Impact Water Quality?

*While water quality in Arizona has traditionally been excellent, discoveries of toxins in drinking water supplies have occurred in recent years.* Poor quality constitutes a constraint on the water supply that Arizona's growing cities need because it limits the uses to which water may be applied. While water supplies for most citizens in Arizona are not subject to severe, continuing, or visible upstream pollution, discoveries of Trichloroethylene (TCE) and other toxins have been found in the drinking water supplies of Phoenix, Tucson, Scottsdale, and other areas. An estimated two million tons of domestic solid waste are generated by Arizona households each year, much of which is disposed of in sanitary landfills. During floods, landfills close to rivers become water-logged, posing potential groundwater contamination risks.

*As Arizona continues to grow, urban uses of land could have a number of negative effects on water quality.* Five major problems that could damage Arizona's water quality, and thus its water supply, are: solid waste management, human pathogens, wastewater treatment and disposal, nutrients, and urban stormwater drainage. The way that each of these items are handled will have a direct effect on water quality in the State. Finally, while there is no crisis related to water quality in Arizona at

present, any efforts to guarantee the future quality of Arizona's groundwater must recognize the link between groundwater and land use planning.

### What is the Effect of Urban Growth in Arizona on Human Needs?

Urban growth creates opportunities. Expanding urban environments offers many opportunities for residents. At the most fundamental level, urban growth is equated with increased employment prospects and general prosperity. Large urban areas furnish a wide variety of economic and education options to their residents and provide a diversity of cultural and social activities. Furthermore, new industries and high levels of employment and income resulting from growth can mean a larger and more stable base from which to generate tax revenues for supporting programs and services to meet human needs.

But, there is also evidence that growth creates and compounds the problems of individuals, families, and communities. For example, job openings in the expanding high-tech industries often require special competencies that many job seekers do not have, while the service/retail trade industries — which offer the greatest employment opportunity for workers who are not highly trained and who lack formal education — typically pay low wages, sometimes offer only part-time or temporary employment, and frequently do not provide employee benefits such as health insurance coverage. In addition, as cities grow and sprawl, like they have in Arizona, relationships tend to become more formal, bureaucratic, and impersonal, causing social isolation, loneliness, and alienation for many urban dwellers. Sprawl also complicates the delivery of human services and can make access to information about these services difficult.

New residents and low wages increase competition for what is often a diminishing supply of affordable housing. New residential developments usually do not cater to the needs of the minimum wage employee, even though businesses in the area may require the services of this population; low wage employees are frequently forced to live far from where they work, creating the expense associated with commuting. Also, urban redevelopment that turns a downtown into an attractive place with social and cultural amenities often comes at the expense of existing low-income housing, as older apartments make way for new buildings.

Arizona's urban growth will place new demands on its human service delivery system. As Arizona's population grows, so will the need for human services and the need for more public funds to pay for these services. This situation is exacerbated by the fact that there are many unmet human needs right now in Arizona. In

Arizona, “human services” covers a multitude of services for the elderly, youth, families, disabled, unemployed, homeless, drug and alcohol abusers, and many other populations.

One way of assessing the changing demands for human services in Arizona is to examine changes in the number of applicants and recipients of select human service programs. For example, there was a 62 percent increase in the number of recipients of Aid to Families with Dependent Children from 1980 to 1987. Such increased demand for human services in Arizona will require coordination of services among planning, funding, and providing agencies.

### In View of All This Growth, What is Happening to the Quality of Life in Arizona?

During the early stages of a community’s growth and modernization, hard work and sacrifices are usually made willingly. By the time the community has created a relatively efficient economic base, citizens are more reluctant to make such sacrifices, and the “quality of life” becomes a much more important concept at work, at home, and throughout the community at large.

*Large urban environments offer a desirable range of opportunities for many people.* Urban growth has enhanced the lifestyle in Arizona by providing a great number of choices; Arizonans now have the opportunity to pursue widely diverse interests. Many of Arizona’s restaurants, bowling alleys, movie theatres, and shopping malls have been cultivated into entertainment centers. However, the increased opportunities resulting from growth have a corresponding cost.

*Arizona still has a unique lifestyle.* While some people think that Arizona is a cultural vacuum in spite of its urban growth and that urban Arizonans lack a sense of identity and community, there is a pervasive lifestyle in Arizona. The most fundamental characteristic of this style is an attitude of independence, which is often manifested in casual dress in the workplace, the desire for limited government, and the use of the outdoors — from residential pools to a drive to the mountains — for recreation.

*The effects of rapid growth are eroding Arizonans’ quality of life expectations.* Residents of Tucson express concern about replicating the unmanaged sprawl of the Salt River Valley, and people from the Phoenix metro-area are fearful of becoming another Los Angeles. In a 1988 poll by the *Arizona Republic*, 48 percent of Maricopa County adults surveyed predicted that Phoenix will become the next Los Angeles; 90 percent believed that such an occurrence would be bad. Arizonans

complain that rapid growth has been accompanied by the overcrowding of local, state, and national parks. Campers and hikers are turned away and must travel farther and farther from a city to achieve the privilege of privacy. Others complain of long lines at movies and crowded stores.

Arizona's urban growth has had a serious impact on the environment. The alteration of Arizona's terrain to meet the needs of its three million residents has had a substantial impact on the environment. Thousands of acres once devoted to agriculture and wide open spaces have been converted to residential and commercial use. Hundreds of miles of roads have been constructed to provide easy access to Arizona cities and other locations for commercial and recreational purposes, but they have marred the natural landscape and hurt Arizona's air quality as well. High rise structures have contributed to a more vibrant economy, but they have interrupted the mountain panoramas too.

Environmental concerns are important to Arizonans. In two recent surveys conducted by Arizona Newspapers Inc. and Rocky Mountain Poll, environment/air quality ranked as the second most frequently reported serious issue facing Arizona. The Morrison Institute poll conducted for this study also showed that citizens feel air quality is Arizona's most important growth issue. Furthermore, the public favors growth that will not adversely affect the environment.

Some Arizona jurisdictions have responded to density and other land use issues by adopting ordinances to ensure preservation of the urban environment. These include safeguarding certain indigenous trees, creating buffer zones, and passing ordinances limiting the size and placement of billboards along freeways. Some local jurisdictions are requiring developers to set aside land for parks and schools to compensate for high density patterns. Arizonans will continue to face tradeoffs as the environment is altered to suit citizen needs and desires.

Transportation is a perennial issue of concern to Arizona's urban residents. Transportation systems allow residents to take advantage of urban opportunities, enable the development of a lifestyle characterized by freedom of movement, provide opportunities for adventure outside urban areas, and stimulate economic development. Not all aspects of transportation systems are positive, however. Highways, parking, airports, rail, and transit systems devour vast areas of urban land space. Furthermore, Arizona's urban areas have been profoundly affected by the air pollutants that are emitted from cars and trucks. Noise, dust, detours of local routes, and general inconveniences are experienced by persons living and working adjacent to new thoroughfares.

Increases in air and auto traffic congestion have gained the most attention from Arizona's urban residents. Heart disease, nervous disorders, ulcers, cancer, and high blood pressure may be by-products of prolonged exposure to traffic congestion. Furthermore, the feelings generated by bumper-to-bumper traffic on limited freeway systems and stopping for fifteen red lights in a row are not easily dissipated on leaving the car; businesses' loss of productive time attributable to employees recuperating from traffic stress is not easily measured. However, traffic congestion clearly places serious limitations on the Arizona lifestyle of independence and casual attitude. In the survey completed for this study, all demographic groups except non-metro (rural) respondents favor increased taxes for transportation programs.

Arizonans may be willing to pay for public transportation, but expect their neighbors to use it rather than give up their own vehicles. Arizona's citizens will need to decide what changes must be made and how to enforce them to provide the quality of life they have come to expect. Construction of freeways to accommodate increases in Arizona's car population may necessitate the sacrifice of businesses, residences, and public facilities. Congestion and pollution may deter business from locating in Arizona's urban areas or may lead to an exodus of industries and people to other states.

## THE NATIONAL SCENE ON GROWTH MANAGEMENT

While Arizona has some unique urban growth problems, many other states are experiencing similar patterns of growth and development. By examining urban growth strategies employed by states and cities nationwide, Arizona's leaders can learn from their accomplishments and avoid their mistakes.

State governments can play an important role in addressing urban growth issues. Some states are implementing growth control measures from the top down using methods like increased land use regulations, requiring that local levels of service be maintained, and mandating state approval of local plans. Other states are providing guidance and technical assistance to local governments and promoting growth policies that balance the effects of growth and minimize competition. In all cases, the fiscal relationship between state and local government has a bearing on the ability of municipalities and counties to pay for their growth.

States like Florida, Vermont, Oregon, and Hawaii have adopted statewide strategies to manage urban growth. Other states — like California, North Carolina, and New Jersey — have adopted more selective approaches by planning or regulating a particular geographic area. In some states, growth-related programs

are carried out by an existing state agency, though many states create new agencies with statewide or regional jurisdiction specifically to carry out growth management programs. Figure 1 provides a matrix of strategies currently being implemented by selected states. Though some state strategies are more comprehensive than others, these strategies generally include some or all of the following elements:

- Coordinating committees or interagency “development cabinets.”
- Budget review processes to ensure conformance with state urban policy objectives.
- Urban or community impact analyses.
- State expenditure policies to benefit declining and underdeveloped areas.
- State goals and guidelines that localities use when adopting or amending their general plans.
- Incentives and sanctions in state law to induce localities to adopt general plans.
- State laws to ensure that local zoning and public facility improvements conform with local general plans.
- Creation of regional planning authorities with responsibility for reviewing and approving local plans and amendments.
- State laws to discourage piecemeal amendments to general plans.
- State-provided technical assistance to counties and municipalities to help them prepare general plans.

### States and Cities Use Many Policies to Handle the Type of Growth Problems That Arizona Cities Face.

Joint public-private ventures are a trend in addressing transportation problems. Transportation Management Associations (TMAs) — organizations formed to reduce dependence on single-occupant automobiles — are a popular response to urban transportation problems. Some local governments require TMAs to be an

**FIGURE 1**  
**STATE GROWTH STRATEGIES**

	CALIFORNIA	FLORIDA	HAWAII	MASSACHUSETTS	NEW JERSEY	NORTH CAROLINA	OREGON
COMPREHENSIVE STATE PLAN		●	●		●		●
FOCUS GROWTH ON SELECT GEOGRAPHIC AREAS	●					●	
BOTTOM-UP APPROACH (LOCAL INPUT EMPHASIZED)				●		●	
TOP-DOWN APPROACH (STATE MANDATES)		●					●
INTEGRATED INTERGOVERNMENTAL PLANNING PROCESS		●			●		●
BALANCED GROWTH APPROACH						●	●
USE OF COUNTIES AS PLANNING AGENCIES	●		●		●	●	
USE OF REGIONAL PLANNING AGENCIES AND AUTHORITIES	●	●					●
DEVELOPMENT CABINET			●				
ECONOMIC DEVELOPMENT FOCUS			●			●	

Source: Morrison Institute for Public Policy, June 1988.

aspect of new, large developments. Many have a full-time coordinator to promote staggered work hours and to organize ride-sharing and van pools. Other popular approaches to dealing with transportation include high occupancy vehicle lanes, mass transit (including elevated guideways and light rail), trip reductions, reductions in parking, multi-use transit facilities, and incentive transit services.

*As in Arizona, the environment is a major concern in many growing cities and states.* States and cities have used a wide variety of measures to address environmental problems created by urban growth. For example, Alaska has created a state superfund to provide grants for half the costs of local water quality programs; the Georgia Environmental Facilities Authority was created to provide loans to localities for sewer cleanup projects; Denver has implemented a variety of programs to reduce air pollution including ticketing cars without valid emissions stickers, reducing vehicle miles traveled during the worst pollution season, and restricting wood burning on high pollution days. Other major approaches to the environmental impacts of growth are restrictive zoning and “set-asides” to protect sensitive lands, comprehensive vehicle emissions standards, and trip reductions.

*Maintaining adequate levels of infrastructure is a major problem for all growing urban areas.* The status of a community’s infrastructure is a reflection of its ability to maintain a high quality of life and ensure a sound economic future. But, public infrastructure is expensive, and recent cutbacks in federal aid to cities and states have made maintaining and building public facilities very challenging. Some methods which growing cities use to deal with infrastructure shortfalls are incentive zoning, special assessment districts, and comprehensive infrastructure data bases.

*Local governments all over the country are developing policies and programs that link the costs of growth or redevelopment to the private sector that benefits from this growth.* Such “linkage” policies can provide an equitable means of distributing the social costs of development. Boston, San Francisco, and Santa Monica are cities that require commercial developers of their downtown areas to provide employment, facilities, services, or “in-lieu” exaction fees as conditions for obtaining development permits and rezoning.

*To enhance the quality of life and mitigate the negative effects of growth, many cities are emphasizing “amenity infrastructure” as an element in their economic development strategies,* including substantial investments in civic and convention centers, sports and performing arts facilities, and museums. Other major approaches to economic development are state economic development plans that involve close coordination among levels of government, state-provided venture capital, industrial revenue bonds, state funded education and training programs for new businesses, business tax incentives, and areawide development councils.

## Citizens Are Taking Growth Control Matters Into their Own Hands

*There has been a distinct rise in citizen activism in many rapidly growing areas of the country.* Many citizens no longer favor unlimited, unbridled growth. More and more, people perceive growth in terms of physical threats — such as air and water pollution, aesthetic indignities, physical inconveniences, and the lack of identity that the urban form is taking. Since the 1970's, many areas of the country have seen a tremendous rise in citizen participation in public decisionmaking, especially in the form of neighborhood/homeowners associations and environmental groups. These groups — often referred to as “slow growth” or “limited growth” groups — are discovering they have clout, especially in the West, where the initiative, referendum, and recall exist.

*Slow growth/no growth initiatives can create problems for public officials.* Growth moratoria can — increase housing costs by limiting the supply of housing; make an area less attractive to business developments and job creation; and create a general sense that a community is “closed” to newcomers. Nevertheless, citizens have successfully used such “last resort” measures as a way to get the attention of state and local leaders who have failed to address the problems of growth.

California is witnessing an unprecedented growth control movement in diverse areas of the State, most notably in Orange County and San Diego. Arizona policymakers should keep in mind that examples set by California often spill over into Arizona. In fact, the formative stages of a grassroots political movement aimed at growth control are now clearly evident in Arizona.

## CONCLUSIONS AND POLICY RECOMMENDATIONS

As the research contained in this study indicates, Arizona has fared quite well as a result of its urban growth, but rapid growth has also caused problems. Inaction or lack of comprehensive approaches for dealing with further, rapid growth will likely result in Arizona becoming a leader in the many of the wrong ways — ranking among the states with the worst air quality and metro-traffic congestion, appearing to be a place where local governments are at war over water supplies, and losing its reputation as an attractive place to live or start a business.

However, the evidence shows there are proactive positions which policymakers can take to ensure that growth will have a net, positive effect in the State. Surely, the toughest question surrounding Arizona's urban growth is — “What do we want Arizona to become and look like in the future?” The conclusions

and policy recommendations of this study, which follow, provide insights and ideas on issues affecting Arizona's future.

## Conclusions

*Government Structures and Intergovernmental Relations in Arizona Need Improvement.* There are several growth-related policy areas in which relations among city, county, and state governments in Arizona are adversarial. If this lack of cooperation is not overcome soon, significant cost inefficiencies in providing government services will continue or will expand. Another result will be the continued proliferation of special districts.

Arizona's larger cities need rural Arizona's water to grow. Rural Arizona needs the consumers, capital, and technology created in Arizona's large cities. Rural Arizonans want economic growth, but they do not want to change their lifestyle. As it now stands, Arizona's rural counties are being subsidized somewhat by Arizona's urban counties. The way in which State Land Trust holdings are used in or near urban areas can significantly affect the rate of Arizona's urban growth and its property values. Some Arizona leaders believe that the way in which the State Land Department does business has negative effects on municipalities. Furthermore, many state lawmakers and local government officials do not fully understand the Trust and its potential impact upon Arizona's urban growth and planning.

Arizona does not have a governmental entity that can adequately deal with certain pressing regional issues. While county government is as close as Arizona gets to a regional body geographically, this level of government is not appropriately structured, empowered, or funded to deal with many regional urban growth problems.

*Planning and Urban Policies Must Be Linked.* Arizona has neither a state plan nor an explicit urban policy. While some of Arizona's local governments have planned thoughtfully, communication among local governments on their growth-related plans could be improved.

The State has no practical mechanism for enforcing state planning laws. Furthermore, even if a mechanism were in place, there are virtually no penalties in the statutes that could be applied to communities which cannot or simply do not plan adequately.

The most effective way of reducing transportation congestion is to create an urban form where people live close to where they work. This policy goal is not achievable unless transportation, land use, and economic development is coordinated regionally.

Most urban planners and elected city officials like to see high density, multi-use, infill-type development. Many Arizonans want single-family housing with space for pools, barbecues, and fences. Local master plans need to reconcile this contradiction.

*Current Tax Structure and Fiscal Policies Need Re-examination in Light of the Impacts of Growth.* Many Arizona city budgets rely heavily on growth; thus they rely on development fees, increases in sales tax revenue, and the sale of new homes. A downturn in projected growth has a profound effect on the ability of these cities to make needed capital improvements and provide services.

The State is dependent on a tax base that is highly sensitive to changes in the economy (the sales tax). In addition, tax limits, rebates, and breaks, and the substantial needs of just three major state programs (education, health care for the indigent, and prisons) leave little state revenue to help counties and municipalities with a host of other urban growth problems.

Double taxation of urban residents who pay taxes to municipalities and to the county effectively subsidize urban levels of service for people living in unincorporated or outlying areas. This will likely lead city residents to eventually demand that the money they contribute to their county be used to provide services to them and not to people living in unincorporated areas.

Arizona's current policy of assessing vacant and agricultural land in or near urban areas promotes speculation. Such speculation comes at the expense of city and county property tax revenue.

There is a notion among some prominent citizens and political leaders that financing Arizona's urban growth can best be accomplished by slowing it down. Slower growth in Arizona could create higher housing costs, could create fewer new jobs, and could result in higher taxes to support existing infrastructure.

*Leaders Will Have to Address Citizen Concerns About Growth.* Arizonans are alternately alarmed when growth occurs and when it does not occur. Citizens and leaders want state government to encourage economic growth. However, they are concerned with the lack of appropriate measures to deal with urban growth

problems — such as transportation and the environment — and are willing to have their taxes increased to help solve them.

Many Arizonans believe that developers are the bad guys when it comes to Arizona's urban growth. A more accurate assessment is that there are good developers — who provide goods and services to the State in the form of jobs, housing, and infrastructure — and bad developers — who lobby to change statutes or zoning decisions to fit their needs exclusively, without regard for the greater good.

Arizona's policymakers should observe, communicate, and work with neighborhood and environmental groups which seek to affect decisionmaking on growth issues.

### Recommendations

Arizona's policy leaders have many options available when it comes to dealing with growth-related challenges. The recommendations that follow are a “menu” of options that could address Arizona's urban growth issues. Arizona's state and local leaders can choose among them based on their notions of which ones are most appropriate and most feasible. Clearly, not all of these options will be implemented. In fact, some are mutually exclusive.

Coordinating Government Activities. Since many of Arizona's urban growth problems transcend geographical and political boundaries, they should be addressed jointly by local, county, and state government. The following policy options should be considered to meet this challenge:

- Establish the Arizona Intergovernmental Forum to provide a sorting function regarding which level of government should be primarily responsible for solving which growth problem.
- Develop a state economic development plan to focus state economic growth on areas of strength, identify weaknesses, and require various the levels of government to coordinate growth activities.
- Establish a state “development cabinet”, composed of state and local leaders, to establish the state economic development plan, integrate

interagency activities that promote growth, and coordinate the state's reaction to major economic development opportunities.

- Dissolve some special districts to eliminate certain local cost inefficiencies and to reduce the number of governments that need to be coordinated.
- Amend the State Land Code. State land could be permanently held by the State Land Trust to create open spaces in urban areas. Aggressively advertising the permanent preservation of certain urban land could drive up the cost of other state land holdings in the urban areas, thus raising the overall net return to the Trust. State government leaders should become knowledgeable about the State Lands Department and help it become more creative and more sensitive to Arizona's urban growth.

Resolving Regional Issues. Arizona does not have a government that can effectively deliver regional services that address certain urban growth issues across municipal boundaries. The following approaches could address this problem:

- Fund and empower councils of government as comprehensive regional planning bodies with enforcement authority. The plans that these bodies develop should require substantial public input, and possibly even a public vote.
- Offer home rule to Arizona's counties. Such action would enable Arizona's citizens to have direct input on how they want their counties structured to deal with growth-related and other problems.
- Establish local boundary commissions to provide arbitration on annexation issues, to create regional land use standards and plans, to determine rules of extraterritoriality, and to examine urban service delivery in unincorporated areas.
- Conduct regional future forums to give citizens and neighborhood, community, and environmental groups a vehicle for expressing to state officials their concerns about growth issues and their desires for Arizona's future.

Paying for Growth. Growth does not pay for itself. State and local officials will continue to be burdened with the costs of the infrastructure and services that will

result from Arizona's future growth. The State should consider making structural changes in taxation to accommodate growth. A number of policy options are proposed:

- Institute a tax on services and real estate transfers, to capture revenue from two sectors of the economy that benefit substantially from Arizona's growth.
- Change the method of assessing the value of undeveloped urban land so a retroactive tax can be paid to a municipality when the land is actually developed and a substantial profit is realized.
- Revenue share/tax equalize among municipalities by pooling a portion of locally generated tax revenue.
- Focus the state's economic development efforts by strengthening the Department of Commerce, establishing regional economic development authorities, giving county government a definitive role in economic development, authorizing the various councils of government to provide this function, or providing more technical assistance on economic development issues to local governments.
- Establish a state trust fund to mitigate or respond to major impacts of growth. Potential revenue sources for such a fund could include the real estate transfer tax and the services tax mentioned earlier.
- Standardize a formula for determining impact and development fees to reduce the ability of developers to play one city against another.

Reconciling Rural and Urban Needs. Arizona's urban growth affects rural Arizona in numerous ways. To resolve some of the problems that rural Arizona is experiencing due to urban growth, the State should consider the following:

- Make capital investments in rural areas that will enhance their natural advantages, such as developing state parks and other recreational areas and the transportation systems to get people there.
- Let water be transferred to the cities, for a price that reflects a rational process of economic tradeoffs between urban and rural interests.

Improving Arizona's Planning Process. If Arizona is going to come to grips with its urban growth problems, it will have to do a substantially better job of planning than it does at present. Some policy options include:

- Require the development of regional comprehensive plans and subject the plans to a vote of the people who live within the plan areas. Penalties should be imposed on individuals or local jurisdictions that violate a comprehensive plan.
- Require integration of regional transportation and land use plans to reduce commuting distances and alleviate traffic congestion.
- Conduct a statewide futures forum on regional issues in which citizens are encouraged to express their hopes and concerns about Arizona's future.
- Develop a centralized state data base on growth issues using uniform definitions to monitor trends and measure the effects of various growth management policies.

Clearly, many of these policy options would have a profound impact on Arizona. There are economic, political, and lifestyle tradeoffs to be made as Arizona's leaders address its many and interconnected urban growth issues. This executive summary merely touches the surface of the many issues which arise in examining such tradeoffs. To gain a full appreciation of their complexity and to better understand the recommendations, the reader should review the full report, *Urban Growth in Arizona: A Policy Analysis*.



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