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THE COMMITTEE ON THE BUDGET

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BUDGET BOONDOGGLE AWARD IMPOSING ONE-SIZE-FITS-ALL 'UTOPIA' ON LOCAL COMMUNITIES

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With the Federal Government already facing \$1.5-trillion deficits, \$13 trillion in debt, and a workforce swollen by 15 percent, the administration's proposed new \$20-million "Office of Livable Communities" is yet another way to squander taxpayer funds – and it wins the latest Budget Boondoggle Award. Here are the details:

- The administration has proposed a \$527-million increase for its euphemistically named "livable communities" initiative. As benign as "livability" may sound, however, the program's aim is to impose a Washington-based, central planning model on localities across the country. It does so by creating a new bureaucracy in the Department of Transportation, and by linking Federal transportation funds with local land use decisions to draw suburbanites into the cities, where they will stop driving their own personal cars and instead rely on taxpayer-subsidized public transportation.
- When asked to define the vague term "livability,"
 Transportation Secretary Ray LaHood said it "means being able to take your kids to school, go to work, see a doctor, drop by the grocery or post office, go out to dinner and a movie and play with your kids in a park, all without having to get into your car." All of which sounds fine except it's not Washington's business to dictate how local communities pursue these goals.



Local land use and zoning has always been the responsibility of local and State governments – to coordinate transportation and zoning projects, maximizing economic growth and serving community needs. But the administration's "livable communities"

¹ See Appendix: Budget of the U.S. Government – Fiscal Year 2011, pp. 925 and 982.

² See *Innovation NewsBriefs*, Vol. 21, No. 9, 18 May 2010.

initiative ignores this jurisdictional boundary by leveraging grant money to gain heavy influence over local planning decisions.

- The initiative also would further burden communities' already challenging planning and zoning efforts by adding a bureaucratic layer of *three* Federal agencies the Department of Transportation, the Department of Housing and Urban Development, and the Environmental Protection Agency to coordinate the grants.
- The new urban-focused "smart growth" fad has been popularized by the model of Portland, OR. The city diverts tax dollars from highway users to pay for streetcars, and to make driving more difficult, encouraging more urban living and the administration wants to nationalize this approach. But some argue the Portland model has increased housing prices, which has made finding affordable homes a major challenge for the low-income and the young. It has also increased commute times for those who must still rely on their cars.
- Besides, what works in Portland might not work elsewhere. America's communities are diverse; "livability" means different things to different people. As researchers from the Brookings Institution recently noted, the country's metropolitan areas have wide and growing disparities in demographic, cultural, transportation, and educational attainment characteristics that defy a one-size-fits all solution.³
- Cities and local communities clearly face major challenges with growth, congestion, and a broad range of other quality-of-life concerns. The "Office of Livable Communities" reflects Washington's lack of trust in localities' ability to solve their own problems; and instead it imposes an urban-utopian fantasy through an unprecedented intrusion of the Federal Government into the shaping of local communities.
- No one works harder than individual Americans, their families, their neighbors, and their local officials to produce livable communities. They have been doing it for hundreds of years, and they do not need the Federal Government, which fails to manage its own property, or the Department of Transportation, which paid \$190 million more than it needed to for the building where this new office will be situated, to tell them how to do it. If a community decides to pursue a "livability" model, it should be free to do so. But Washington should not spend money it does not have to lord over local communities, taking their transportation tax dollars and letting them be spent only as unelected Federal bureaucrats see fit. Everyone knows how this story ends.

This document was prepared by the Republican staff of the Committee on the Budget, U.S. House of Representatives. It has not been approved by the full committee and may not reflect the views of individual committee members.

³ See the Brookings Institution: *State of Metropolitan America – On the Front Lines of Demographic Transformation*, 9 May 2010. http://www.brookings.edu/metro/StateOfMetroAmerica.aspx.

⁴ The Government Accountability Office [GAO] has placed the Federal Government's property management on the GAO "high risk" list. GAO also found in 2005 that the Department of Transportation spent \$190 million more than necessary in constructing its headquarters building. See: http://www.gao.gov/new.items/d06136t.pdf.