

From the Director

Good news: In June, San Jose voters soundly rejected a new sales tax aimed at building more rail transit and bailing out a transit agency that has lost a third of its riders due to overspending on past rail lines.

Numerous states are passing laws to restrict the use of eminent domain. Plus there is growing recognition that land-use regulation is the cause of high housing prices. However, few people know how tax-increment financing is harming urban economies.

Of course, you know these things if you follow the ADC news blog at americandreamcoalition.org. Each day, Kat Haney, Pat Zilliacus, and others diligently post the latest news about mobility and land-use issues nationwide.

ADC's web site also introduces our speakers' bureau, listing many experts who can entertain and educate audiences at your monthly or annual meetings. You can use photographs, vitas, and papers written by most of the speakers to help raise funds to bring each speaker to your city.

You can meet many of these speakers at the 2006 Preserving the American Dream conference, which will take place in Atlanta on September 15 through 17. As described on page 3, we have an exciting line up of new speakers as well as many of your old favorites. I hope to see you there.

These are just three of the ways that ADC helps you protect the American dream. Please feel free to contact me if you have ideas for other services we can provide.

Randal O'Toole,
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Land-Use Rules Cost \$275 Billion

A new report from the American Dream Coalition estimates that smart growth and other restrictive land-use rules cost American homebuyers between \$275 and \$350 billion in 2005. That is four to five times the total cost of U.S. traffic congestion as calculated by the Texas Transportation Institute. Half of the cost is in California and most of the rest is in just a dozen other states with the strictest land-use rules.

The 2,300-square-foot home in Houston pictured at left sold for just \$150,000 in 2005. This is typical for homes in the nation's least-regulated major housing market. Thanks to urban-growth boundaries and other restrictions, the same home would have cost more than twice as much in Portland, nearly four times as much in Boulder, and eight times as much in San Jose. (To find out how much it would cost in your city, downloadamericandreamcoalition.org/Coldwell05.xls.)

More people are realizing that the high housing prices in California, Florida, Oregon, and certain other states are due to

land-use regulation, but until now no one has estimated how much smart growth costs homebuyers nationwide. Harvard economist Edward Glaeser estimated that regulation in the Greater Boston area cost \$156,000 per median home in 2005, which is very close to ADC's estimate of \$171,000. ADC's national total of \$275 to \$350 billion does not include the cost of regulation to purchasers of retail, commercial, or industrial property, which is probably also in the hundreds of billions of dollars.

Despite overwhelming evidence, many planning advocates still deny that their plans and rules reduce housing affordability. Paul Danish, a Boulder resident who as Boulder city council member in the 1970s pushed for that city to restrict building permits and stop home construction by buying open space, claims Boulder prices are high only because his rules made the city more livable. Any place that is more affordable—which includes 90 percent of the urban areas in the U.S.—must be, according to Danish, “a really awful place to live.” Yet the fastest-growing places tend to be the least regulated.

ADC's housing report was copublished by think tanks and other activist groups in eleven different states. The report received extensive media coverage in Arizona, California, Colorado, Wisconsin, North Carolina, Utah, and several other states.



The cost of a home similar to this in:

Houston—\$150,000	Portland—\$305,000
Boulder—\$546,000	San Jose—\$1,273,000

Houston homebuilders can build houses like this for less than \$75 a square foot—including the cost of the quarter-acre lot the house sits on. Land-use rules drive up costs in other regions to anywhere from \$150 to \$300 a square foot or more. Source: Coldwell Banker, hpci.coldwellbanker.com.

Lies My Transit Lobbyist Told Me

Is transit growing faster than driving? Is light-rail the most successful form of transit? Should more cities invest in rail transit? According to the American Public Transportation Association (APTA), the answer to all of these questions is “Yes.” The truth, however, is far different.

In early April, APTA, the transit industry’s lobbying arm, put out a press release claiming that recent transit statistics prove “Americans want transportation choices and will often leave their cars behind when quality public transit services are available.” Yet a close look at the data prove otherwise.

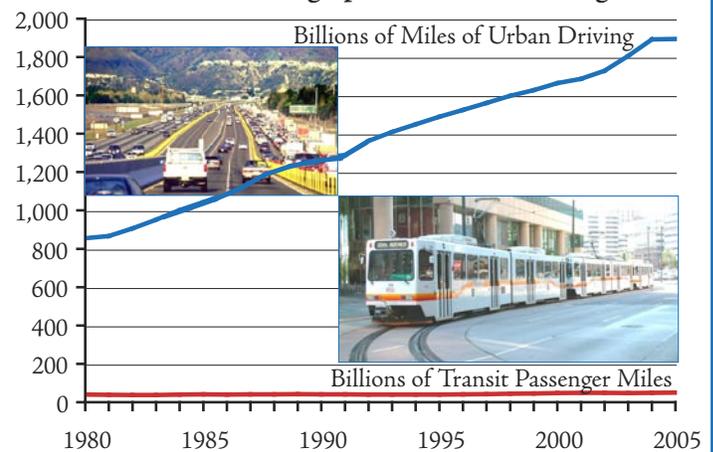
The APTA press release claimed that between 1995 and 2005, “public transportation use increased 25.1 percent.” The release failed to note that all of that increase was from 1995 to 2001, and that transit ridership has actually fallen since 2001.

APTA also claims that transit is growing faster than driving. But APTA is counting all driving, urban and rural. Since the urban areas served by public transit are growing faster than rural areas, this is like comparing apples and oranges. As the adjacent figure shows, urban driving is growing far faster than transit.

Transit makes up such a small share of urban travel that even if transit were growing at 2 percent per year and driving at only 1 percent, it would take more than 100 years for transit to account for even 10 percent of urban passenger travel.

APTA also claims that light rail is the fastest-growing form

Is Transit Catching up with Urban Driving?



of transit, with ridership growing by 93 percent from 1990 to 2004. But the group neglected to point out that, to get that growth, transit agencies increased light-rail service by 166 percent. Economists call this “diminishing returns.”

It is not surprising that APTA would spin the news to make transit look good. But it is disappointing that many newspapers published the APTA release without questioning the spin. When you see such news articles, you should respond with letters to the editor. For more information, see ti.org/vaupdate59.html.

Write those Letters to the Editor!

Your local newspaper just printed a puff piece on light rail. Or you read an article about high housing prices that never mentions that overpriced housing is the result of strict land-use regulation. You know you should do something about this, but are afraid it is a waste of time to write a letter to the editor.

It’s not. More people read the letters to the editor than almost any other part of a newspaper. This means that a few good letters can have a real influence on public opinion. Most newspapers will gladly publish well-written letters from people with a diverse range of opinions.

The biggest mistake people make, aside from not writing a letter at all, is to write too much. Most major papers prefer to publish letters that are less than about 250 words long. Even if your paper will print longer letters, that does not mean that people will read them. Short, punchy letters are more likely to be read and to be remembered than long, dry diatribes.

Since your letter is going to be short, it is important to stick to one subject. If you have three subjects you want to raise in a letter, then write three letters and get two friends to submit the other two.

It does not hurt to inject a little humor if it can make your opponents look foolish. “Dear editor: I see that our mayor thinks building a 7-mile-per-hour streetcar line through downtown will reduce congestion. Since he is so fond of nineteenth-century technologies, why doesn’t he go all the way and propose covered wagons and oxen? Yours truly, John Q. Citizen.”

The next-biggest mistake people make is to include too many numbers

in their letters. We tend to be very analytical, but many readers are more swayed by their intuition and feelings. Put no more than one or two numbers in your letter, and make sure they are effective.

“Dear editor: Your article on high housing prices fails to note that they are a direct result of this city’s so-called ‘smart-growth’ plans. These plans are supposed to make the city livable, but how livable is it if people cannot afford to live here? It is especially disturbing that the people who wrote these plans were mostly white. More than three-fourths of white families in this city already own their homes while only a third of black families do. No wonder an Oregon economist calls smart growth ‘the new segregation.’ Sincerely, Mary Z. Citizen.”

Of course, it is also important to be accurate. The American Dream Coalition web site has lots of data on open space, housing, and transportation that you can use in your letters. Feel free to contact Randal O’Toole or one of ADC’s other experts if you have any questions about the facts or data you want to put in your letter.

If you simply cannot fit what you want to say in 250 words, you can consider submitting an opinion article to your paper. Guidelines differ but most papers want such articles to be no more than about 700 words long. The other rules still apply: use a minimum of numbers, be absolutely accurate, and inject a bit of humor if you can.

Katherine Haney, Grassroots Organizer,
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Noted Authors to Speak at Atlanta Conference

Deregulating land use and reducing traffic congestion will be the major themes of the fourth annual Preserving the American Dream conference. Hosted by the Georgia Public Policy Foundation, the conference agenda will include a tour of recent transportation and housing projects in the Atlanta area as well as dozens of speakers on transportation and land-use issues.

Among the three dozen speakers who have already committed to attend the conference in Atlanta on September 15-17 are:

- **Robert Bruegmann**, urban planning historian from the University of Illinois (Chicago) whose book, *Sprawl: A Compact History*, argues that suburbanization has allowed millions of people to enjoy “benefits once reserved for wealthier citizens,” including “privacy, mobility, and choice.” Most of the support for anti-sprawl policies, continues Bruegmann, comes from an “incumbent’s club” of people who have achieved these benefits and are not willing to share them with others.
- **James Dunn**, professor of political science at Rutgers

University and author of *Driving Forces: The Auto, Its Enemies, and the Politics of Mobility*. Dunn’s book describes why some people hate cars so much and their strategy for immobilizing America;

- **Bryce Adam Ward**, Harvard University researcher and coauthor of a recent report on the effects of land-use regulation on housing prices in the Greater Boston area;
- **Les Bunte**, assistant fire chief in Austin Texas and author of a report on the effects of traffic calming on emergency service providers.

The conference will include workshops on such topics as:

- **Reducing congestion** through transportation management;
- **Deregulating land use** to promote economic development;
- **Eminent domain** and tax-increment financing; and
- **Traffic calming**, also known as congestion building.

You can register on line or use the form below. For more information, see americandreamcoalition.org.

*“I dreamed I died and went to Atlanta”
former New Yorker*



Conference Registration and Membership Form

- Please reserve a place for me at the 2005 Preserving the American Dream conference. I would like to register at the
 - standard rate (\$225)
 - low-income/student rate (\$150).
- Please reserve a place for me on the optional tour (\$25).
- Please sign me up to be a member of the American Dream Coalition (\$25). I would also like to contribute \$_____.
- Enclosed is a check for \$_____ (please make checks payable to American Dream Coalition).
- I will pay by PayPal to american@americandreamcoalition.org.
- Please contact me about being a conference co-sponsor.

Name _____

Organization _____

Address _____

City _____ State _____ Zip _____

Email address _____

Meal preference (vegetarian, etc.) _____

Mail to: ADC, P. O. Box 1590, Bandon, Oregon 97411
or email to american@americandreamcoalition.org

Join the American Dream Coalition

The American Dream Coalition provides numerous benefits for its members, including:

- Research on housing, land use, and transportation issues;
- A speakers' bureau of experts on a variety of urban and rural topics;
- Leadership training;
- Assistance with strategy, presentations, and local research;
- The national Preserving the American Dream conference;
- Assistance with regional workshops;
- The ADC news blog;
- Communications with activists all over the

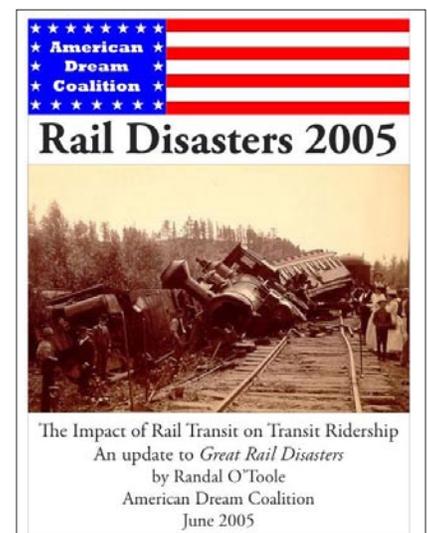
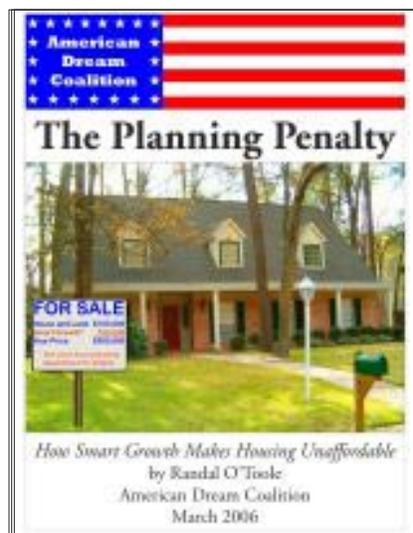
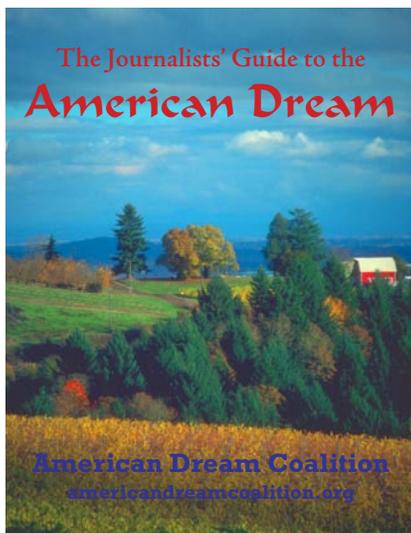
world;

- The *American Dreamer* newsletter as well as email news.

Your membership fees and contributions help pay for these activities. Full members of the American Dream Coalition, who are mostly groups, pay \$250 per year and have one vote on the ADC steering committee which meets once a year after the Preserving the American Dream conference. Individual members pay \$25 per year and elect three members of the ADC steering committee. Contributions in excess of \$25 per year are tax deductible.

To join, use the form on page 3 of this newsletter or go to the American Dream Coalition's web site.

Your membership in the American Dream Coalition helps pay for distribution of publications such as these, all downloadable from the ADC web site.



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