

Bad development

Sac County's new general plan means sprawl on steroids

Mark Dempsey, Sacramento News & Review, 8-5-10

Dempsey is a former real-estate agent, lender and appraiser who spent nearly a decade as vice chairman of a county planning advisory council that helped write the 1993 general plan.

Sacramento County, California's poster child for bad development practices, is about to approve its general plan, a document that is supposed to guide future development. The plan promises to deliver ever more sprawl.

Our region's premier environmental organization, the Environmental Council of Sacramento, notes that it would likely open as much as 20,000 acres to outlying "greenfield" development, even though the county already has enough infill land for the next 20-plus years. Greenfield development is consumerism on steroids and the worst kind of sprawl, increasing both commutes and costly infrastructure.

The plan also ramps up our region's dependence on foreign oil. Aren't we supposed to be getting off this stuff? U.S. domestic oil production peaked in the early 1970s, and no amount of drilling offshore or in Alaska will return us to that peak. In 1971, the U.S. imported 30 percent of its petroleum at less than \$2 per barrel. Currently, we import nearly 70 percent of our petroleum at roughly \$80 per barrel.

Aren't our kids literally dying in Iraq and Afghanistan because we want access to cheap oil?

There is an alternative: compact, pedestrian-, bicycle- and transit-friendly development. The market loves this stuff, too. Buyers actually pay big premiums (up to 40 percent!) to live in such neighborhoods.

Question: *Why even consider expanding greenfield development?*

Answer: *Because it makes lots of money for a small oligarchy of powerful land speculators.*

The big profit for them comes from the "unearned increment." The speculators buy farmland cheaply and then persuade local officials to approve it for development. The land becomes worth literally 50 to 100 times more than the speculators paid for it.

This is a subsidy for the very worst kind of development. That's why Sacramento has developed 20-foot underwater flood plain surrounded by weak levees.

In Germany, developers have to sell the land to local governments at the ag-land price, then buy it back at the development-land price. In other words, the public, not private developers, gets to spend the unearned increment. Think about that the next time some public official wants to tell you we're short of money for home health-care workers for the indigent elderly and disabled.

Yet taxing the unearned increment is not on the county's agenda. Supervisor Roberta McGlashan even opined that taxing it would be "illegal." She subsequently adopted the following "principles of governance" for Orangevale, my small corner of the county: 1. Keep Orangevale rural. 2. Attract better shopping. 3. Keep our tax dollars local.

News flash: Better shopping goes where there are more customers, not rural areas. If you want Nieman Marcus,

build Union Square. So No. 1 and No. 2 amount to “1. Have our cake. 2. Eat it too.” Meanwhile, taxes for residential areas in California (like Orangevale) do not cover the areas’ services. So No. 3 amounts to “Keep the Pope Catholic.”

But no, we can’t tax the unearned increment, or adopt a general plan that actually might encourage infill.

Please, let your supervisor know that enough is enough!