

## **The Hidden Costs Of Sprawl**

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If you just bought a home that cost hundreds of thousands of dollars in a neighborhood of similar big expensive houses you probably think you've already paid your fair share to attain the good life. The mortgage is a monthly reminder. And the real estate taxes are another. But the price you're paying is just the beginning of the costs that make it possible for you to live there. Much of the rest of it is paid by people outside of your suburb, people who never realize the benefits.

Myron Orfield is the author of the book "American Metropolitcs: The New Suburban Reality." He says the people who live in the upscale suburbs get the advantages of the good schools and the nice roads, but they don't pay all of the underlying costs. Much of that is passed on to others.

"Most of us aren't able to live in the communities with \$400,000 houses and massive office parks and commercial industrial. Only about seven or eight percent of us can afford to live there and the rest of the region really pays the freight for that."

That's because the rest of the region pays the county and state taxes that make the roads and nice schools possible. Orfield says a residential area alone doesn't generate enough tax revenue to pay the full costs.

"So we all subsidize that development and so when all the resources of the region concentrate in six or seven percent of the region's population, it really hurts the vast majority of the people."

And while the cost of supporting the upscale neighborhoods is substantial, that's just the beginning of the hidden costs of sprawl.

In most cases, those nice suburbs are nice because they're situated away from the hubbub of the daily grind of work and traffic and hassle. The people who live there might have to drive a little farther to get to work, but, hey, when they DO get home, it's a complete escape, worth the extra drive time. Right?

William Testa is an economist with the Federal Reserve Bank in Chicago. As an economist, he measures things by how efficient they might be. He says driving a little farther from the nice suburbs to work and back wouldn't necessarily be a bad thing. "If people want to travel further because they can live better, then it's their choice and they feel they live better with a longer commute, then we wouldn't necessarily call that an inefficiency. When it can be inefficient is when people don't pay for the costs of their own travel."

And that's the rub. If you decide to drive 30 miles to work instead of ten miles, the taxes on the extra gasoline you burn don't begin to pay the extra costs of that decision. Again, William Testa:

"The spill-over costs that they don't internalize when you decide to get in your car and drive someplace, such as to your job, is environmental degradation, the cost of road maintenance isn't directly paid for when you decide how many miles to drive, maintain the road, the police, ambulance services and the like. So, economists would say that driving is not priced correctly to have people efficiently choose how many miles they choose to drive."

While urban sprawl's economic costs to society are substantial, there might be larger costs.

When an upper-middle income family chooses to live in an enclave of others in their tax bracket, it's a given that the people who teach their children, who police the neighborhoods, and fight the fires are not going to be able to afford to live there.

In fact, those who would work in the restaurants and at the service stations in many cases can't take those jobs because they can't afford the housing and they can't afford the commute.

Emily Talen is an urban planner at the University of Illinois. She says that's a cost that can't always be measured in dollars and cents. It's a separation of the haves and the have-nots.

"Social cost is that fragmentation, that separation, that segregation really on an income level more than anything else."

Talen says when people decide they can afford the good life in the nice suburb, the new American dream, they often only think of their own success, but not about the costs to others.

"This is what our nation is founded on. I mean, it is founded on the pursuit of happiness and I think that that has been kind of problematic for people thinking in terms of their own individual happiness rather than issues about the common good."

And so, Talen says when a town decides it will only allow expensive houses to be built, it's decided that all labor for its services will be imported from out of town. The expense of that decision is borne by everyone else, especially the lower-income people forced to commute.

William Testa at the Federal Reserve Bank in Chicago says in the end, that cost might be the greatest one to society at large.

"This, it seems to me, is un-American and very un-democratic and something that we ought to think about very seriously. Could we really live with ourselves in a society where there aren't housing options available for people to make a livelihood, to follow the opportunity for their livelihood."

The experts say there's nothing wrong with pursuing the good life, as long as everyone is paying their fair share of the cost. They say right now, that's not happening, and those who never benefit from a pleasant life in the suburbs are paying much of the cost for others to do so.

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