LETTER FROM THE EXECUTIVE DIRECTOR

Greetings from Smart Growth America! As we look forward to 2005, we’re pleased to report that 2004 was a banner year. Some of the nation’s leading former and sitting public officials and CEOs signed up to help advance our work. We’ve brought diverse individuals into for fruitful meetings with members of Congress, top Administration officials, Governors and local leaders. In our ongoing quest to develop new partnerships, we joined forces with the National Association of Realtors to release The 2004 American Communities Survey, a poll of consumer preferences regarding smart growth in the real estate market. Also, our two major initiatives—the National Vacant Properties Campaign and the Smart Growth Leadership Institute—continue to make impressive progress in helping communities with problem solving and smart growth implementation.

Our advocacy coalition is strengthening too. In April, we convened the coalition to develop a new business plan—a step made necessary by the successful completion of our first work plan from 2000. We gained valuable guidance for our future efforts, laying the groundwork for our upcoming Fix It First & Growing Together campaign (see below). In 2004, we also developed a communications infrastructure plan that envisions having a sophisticated set of electronic organizing tools to better leverage our networks of supporters, as well as more frequent coalition strategy sessions, advice on how to make our messages more resonant with different audiences, and analysis of news and trends. We have just begun to implement this plan by launching a robust online database that will facilitate communications among our coalition members at all levels.

In 2004, we also achieved a solid financial position, not only raising money to implement our programs, but also fundraising for many partners through pass-through grants and contracts. In addition, our finances have diversified in two important ways. First, we now receive roughly equal amounts of support from environmental, community development and housing funders. Second, we have started to receive more donations from private individuals and organizations who now contribute 7 percent of our total budget, and we hope to increase this donor base.

There’s much more to report for 2004. You’ll find more details in this annual report (our first), as well as our award-winning web site, www.smartgrowthamerica.org. In 2005, SGA will continue to fight to bring better choices to communities that are struggling with growth challenges, and we hope to help them achieve their goals for becoming more prosperous, economically competitive, equitable, and environmentally sound.

All the best,

Don Chen
January 2005
The Results are In: The Public Supports Smart Growth

In what was an extremely divisive political year, voters in all portions of America overwhelmingly threw their support behind policies and candidates that support smart growth. Voters in every region of the country said YES! to improving and expanding transportation options, creating more parks and open spaces, and planning wisely for expected growth, even in cases where doing so meant increasing their own taxes. The numbers from this election speak volumes about the American public’s changing preferences. For example, 42 of 53 (79 percent) public transit initiatives passed, for a total of over $55 billion in new investment. Voters in 120 communities in 26 states passed ballot measures to invest $3.3 billion in parks and open spaces. Finally, voters approved 66 percent of local ballot measures that included funding for farm and ranch land protection—a sign of strong and continued support for working lands conservation. Americans this year embraced not only the policies and programs of smart growth, but the people as well, electing a slate of leaders who strongly support smart growth, and many of whom ran specifically on smart growth platforms. These leaders include state and US senators and representatives, mayors, governors, county executives, and many more. Additional details on these results can be found online at www.smartgrowthamerica.org.

A Coalition Working Together to FIX IT FIRST

Over the past four years, Smart Growth America has become a national leader in shaping the public debate over alternatives to sprawl. In 2005, SGA will begin a new era of unprecedented collective action. With our coalition members, we have crafted plans to lead a national campaign entitled “Fixing It First & Growing Together.” The campaign promotes the idea that communities and their existing infrastructure (transportation, water and sewer utilities, commercial and civic spaces, housing) must be adequately maintained and improved before public investment is diverted to subsidize sprawl. Such an approach has been explored or adopted by several states, cities, national organizations (e.g. the National Governors’ Association Center on Best Practices), and other key players. It requires not only a reprioritization of public investment strategies, but also a firm appreciation for equitable, long-term and visionary regional planning.

The SGA coalition plans to advance these priorities through our federal, state and local policy agendas, communications strategies, coalition building, and research efforts. We hope to demonstrate how such approaches can greatly benefit communities, and we believe that our coordinated campaign efforts will ultimately result in a much stronger and well-organized national smart growth movement.
Communicating Smart Growth

For years, people have asked us, “So... what is smart growth? What are you guys all about, anyway?” In order to find ways to more simply communicate smart growth to the public, Smart Growth America worked closely with the consulting firm of Action Media to conduct focus groups on smart growth, and to develop the findings into a new approach for communicating the concept to the public. In addition, SGA thoroughly researched and analyzed the activities and arguments of the most ubiquitous critics of smart growth, so that we might be better able to respond to their attacks. Since our work with Action Media, and our opposition research, we have shared our findings far and wide amongst our coalition members and allies, in order to expand the communications power of the movement at large.

In addition, in October 2004, SGA joined forces with the National Association of Realtors, to survey a random sample of Americans about their preferences for housing and communities. The results of this survey—namely that the real estate market is not meeting a growing demand for more walkable, mixed-use neighborhoods—are available at www.smartgrowthamerica.org. Since October, SGA has continued to use these research findings in each and every piece of communications we generate—from a guidebook for communities implementing smart growth, to op-eds and letters to the editor, to conference sessions around the country. In addition, we continue to exchange our ideas and findings with other smart growth proponents, and to help them incorporate these critical lessons into every piece of communications they create.

SGA on the Hill in 2004

Smart Growth America remained busy on Capitol Hill in 2004, meeting with and educating administration officials and Congressional leaders, promoting congressional understanding of smart growth priorities, and advocating for the incorporation of smart growth language into legislative proposals, including the reauthorization of the Transportation Equity Act for the 21st Century (a.k.a. “TEA-3”) the national surface transportation bill. Of the many pieces of legislation that came before Congress this year, this bill had the greatest capacity to affect local growth patterns around the country, and it was important to Smart Growth America and our coalition members that the impact be a positive one.

Our main objective with TEA-3 has been to create a funding set-aside that would help states and regions mitigate stormwater runoff from highways, roads and other transportation infrastructure. Urban runoff is becoming a far greater water pollution problem in communities nationwide, and our transportation system is the major contributor. To secure this provision, we have partnered with American Rivers, the Chesapeake Bay Foundation, the Surface Transportation Policy Project, and several other allies. Though the bill has been stalled through a series of extensions, we remain hopeful that we can bring these smart growth tools to more communities that are dealing with threats to water quality and quantity. Also, thanks to a grant from the Joyce Foundation, we are working with Michigan Environmental Council and other Great Lakes region groups to educate stormwater managers and civic leaders about the importance of the links between the built environment, stormwater and smart growth tools (downtown revitalization, infill development, etc.) that can help communities meet new EPA stormwater regulations.

In addition to our stormwater efforts, we have also worked to support more thorough consideration of land use in the transportation planning process, coordination between transportation and land use planners, and modernization of transportation models to account for pedestrian and bike travel. As the debate over TEA-3 rages on, we will continue to fight to preserve and increase funding for public transit, research on the links between the built environment, physical activity and health, and other smart growth measures.
Our outreach to the Administration has also been fruitful. In May of 2004, we led a delegation of developers, environmentalists, housers, and real estate interests to meet with EPA Administrator Michael O. Leavitt. We reiterated our support for EPA’s excellent smart growth activities (something we also did for Leavitt’s predecessor, Christine Todd Whitman), and also called on EPA to pursue Envision Utah-style regional planning efforts to better involve the public in long-term growth decisions, which EPA eventually hosted in December.

New Smart Growth America Publications

Smart Growth is Smart Business

In the summer of 2004, the Smart Growth Leadership Institute, together with the National Association of Local Government Environmental Professionals, released the Smart Growth is Smart Business Report. This document provides examples of private businesses around the country that are benefiting from smart growth practices, because such practices promote an efficient use of resources (which saves money!) and help attract and retain high quality workers.

The 2004 American Communities Survey

On October 20, 2004 SGA and the National Association of Realtors co-released The 2004 American Communities Survey. This poll of the American public indicated that the real estate industry is not meeting the growing demand for smart growth communities, shorter commutes, walkable neighborhoods, public transit and affordable housing. The poll release was covered in over twenty national and regional publications, and was picked up by twelve radio and television stations around the country.

Smart Growth Shareware

In January 2005, Smart Growth America released its Smart Growth Shareware, made possible by a grant from the US Environmental Protection Agency. The Shareware is a CD-ROM, containing over a hundred links to the most helpful and up-to-date articles, presentations, and web sites about smart growth. These resources, in addition to extensive photograph libraries, are intended to help you make your case in the fight to promote more efficient land use. The Shareware is available for order on SGA’s web site.

Endangered by Sprawl


Coming Soon: Choosing Our Community’s Future

Fulfilling a cooperative agreement with the U.S. EPA, Communications Director David Goldberg is in the final production phase of a guidebook for citizens called, “Choosing Our Community’s Future: A Guide to Getting the Most out of Development.” Written from the perspective of an everyday homeowner or renter who has been confronted with change to his or her neighborhood, town or region, the book is designed to help citizens get up to speed quickly on planning issues, while also helping them to make clear-eyed assessments
of likely impacts, understand some of the benefits associated with well-designed density and push for improvements to projects and plans without eliminating the “smart” features.” Plans are to begin making the guidebook available electronically in late winter, while at the same time pursuing a few pilot projects (including one in Fairfax, Virginia). As time goes on, we hope to make additions and improvements to the guidebook in response to real-world experience.

National Smart Growth Council

On September 30, 2004, SGA launched the National Smart Growth Council, a committee of prominent civic leaders chaired by former governors Christine Todd Whitman and Parris Glendening. The Council includes several current and former elected officials and business leaders, including Charlotte, NC Mayor Patrick McCrory and Rochester, NY Mayor William Johnson, former HUD Secretary Henry Cisneros, and ZipCar founder Robin Chase. The first meeting was marked by a lively discussion about how the Council can best advance smart growth, including a desire to serve as high-profile spokespeople and influence policy debates. Please see our news release about the Council launch at www.smartgrowthamerica.org.

Smart Growth Leadership Institute:
Developing the Implementation Kit

In September 2003, the United States EPA provided the Smart Growth Leadership Institute (SGLI) with a grant to develop a Smart Growth Implementation Kit. What’s an Implementation Kit, you ask? SGLI sees it as a set of tools that will be used by communities around the nation seeking to enact smart growth policies, practices, and codes. The diagnostic tools are meant to help each community understand how well they are currently implementing smart growth, and what changes must be made in order to complete the mission. Ideally, any community in the US will be able to use the Implementation Kit to morph its old policies and practices into a smart growth framework for change.

Since diagnostic tools don’t just make themselves, SGLI staff partnered with nationally-known experts from the University of Southern California and the University of Colorado, and reached out to communities nationwide, in search of pilot communities that needed implementation assistance. SGLI sought communities that have made a commitment to smart growth but were grappling with building support, identifying the most problematic policies, and other issues that typically accompany a major change in development practice. After culling through 150 applications, SGLI chose nine pilot communities for 2004, representing a range of geographical, political, and land use planning circumstances: Anchorage, AK; Baton Rouge, LA; Lawrence, KA; Lawrence, MA; Lithonia, GA; Mount Joy Borough, PA; Nashville-Davidson County, TN; Orange County, FL; and Richmond, CA.

After closely analyzing the needs of these nine communities, the Implementation Team came up with four major diagnostic tools. These tools are:

- **Smart Growth Code and Zoning Audit Tool**: to identify inconsistencies between policies and the implementing regulations and codes
- **Smart Sites Tool**: to match projects to appropriate, developable sites
- **Smart Growth Design Checklist**: to ensure that the design of each project matches its intended purpose.
Smart Growth Scorecard: to help evaluate how well projects meet smart growth criteria

While the development phase of these diagnostic tools has largely been completed, work on the Implementation project is ongoing, and is expected to continue through 2007. Updates on this project can be found at www.sgli.org/.

A Joint Venture: SGLI and the Orton Family Foundation

SGLI has joined forces with the Orton Family Foundation on a project tentatively called the “Community Planning Learning Network.” The project hopes to increase understanding of why efforts to plan and manage change in the built environment fail or succeed. The main goal of the project is to design and implement a Community Planning Learning Network that will build and enrich the sustainable development/planning fields through knowledge sharing, peer-to-peer exchange, skill development and other learning methods. The goal is to design an innovative, effective program for regional application which leverages, yet is clearly distinguishable from, other existing regional or national efforts. The project will also investigate ways of enhancing traditional professional instruction (e.g., for elected officials, planners, community activists, or business people) with training on leadership skills, communication, and collaboration. Finally, the CPLN project will bring together small and large communities, leaders in various roles, and communities of practice throughout a given region to engage them in cooperative learning, leadership and networking.

National Vacant Properties Campaign Hosts Forums and Trainings

The National Vacant Properties Campaign (a joint project of Smart Growth America, the Local Initiatives Support Corporation, the Inter-City/County Management Association, and the National Trust for Historic Preservation) got off to a momentous start this year, drawing input and support from a number of individuals and organizations, and itself providing training and assistance to many more. On July 30, the Campaign brought together nearly 100 people, including policy experts, practitioners, public officials, researchers, and community developers, for a public policy forum in Washington, DC. The group collectively identified policies and practices that have helped stimulate vacant property reclamation at the federal, state and local levels, and within the private sector. Participants also worked together to assess the existing research on vacant properties, to identify gaps, and to develop a research agenda for the Campaign over the next three to five years.

The very next day, the Campaign followed its agenda-setting forum with a training workshop on inventorying and tracking systems, for a dozen practitioners belonging to the Community Development Partnership Network. Participants learned inventory-tracking tactics from national experts, and met with each other to trade tips and hints about how to systematize the tracking of vacant and abandoned properties. In case you missed these events, you can always catch the next one. The Campaign will be hosting its next forum in April 2005 in Flint, Michigan, thanks to support from the Charles Stewart Mott Foundation, the Ford Foundation and the Fannie Mae Foundation. The theme will be land bank authorities, an emerging smart growth tool for receiving and assembling vacant properties.

The National Vacant Properties Campaign also recently launched a training and technical assistance program to help selected localities create and implement effective reclamation.
strategies, tailored to their own specific needs and characteristics. Providing assistance will also enable the Campaign to develop case examples for instructing local government officials, policy makers, funders, and community development practitioners nationwide. This year’s assistance recipients include Las Vegas, NV; Cleveland, OH; New Orleans, LA; the Dayton region in Ohio; and Buffalo and Amherst, NY. A grant from the Surdna foundation will allow the National Vacant Properties Campaign to provide further assistance to four to six communities over the next two years. As of January 2005, we have received 52 requests for this technical assistance from communities all over the nation through a formal RFP process. For more information, see www.vacantproperties.org.

Smart Growth America—Have Slides, Will Travel

SGA staff continued to travel the nation in 2004, appearing at everything from conferences and training sessions to meetings of the Atlanta Rotary Club, eager to spread the word about smart growth and explain the details of its implementation and benefits. Former Maryland Governor Parris Glendening, President of SGLI, spoke with groups as diverse as the International Council of Shopping Centers, the League of Women Voters, multiple chapters of the American Planning Association, and the YMCA of America. Governor Glendening also met with a number of governors over the last year including Governors Richardson of New Mexico, McGreevey of New Jersey, and Schweitzer of Montana. David Goldberg, SGA’s Communications Director, also kept busy at speaking events around the country, including at the Maine Summit on Sprawl, the Rail-Volution Conference in Los Angeles, the Technology and Smart Growth Symposium in Baltimore, the I’On Builders Guild in Charleston, among many others. Don Chen maintained his busy speaking schedule as well, delivering keynotes and plenary speeches at a variety of conferences including the New Partners for Smart Growth Conference in Portland, OR, the Reinventing America’s Older Communities conference in Philadelphia, the Smart Growth Canada organizing meeting in Ottawa, the Colorado Community Design & Active Living Conference in Denver, as well as lectures at Yale and Cornell.
Smart Growth America is a nationwide coalition promoting a better way to grow—one that protects farmland and open space, revitalizes neighborhoods, keeps housing affordable, and provides more transportation choices. Our coalition members include:

National Organizations
American Farmland Trust
American Planning Association
American Rivers
Center for Community Change
Center for Transit-Oriented Development
Congress for New Urbanism
The Conservation Fund
The Enterprise Foundation
Environment and Energy Study Institute
Environmental Defense
Environmental Justice Resource Center
Gamaliel Foundation
Good Jobs First
Growth Management Leadership Alliance
Land Trust Alliance
League of Women Voters for Smart Growth
Liveable Communities Support Center
Local Initiatives Support Commission
Local Government Commission
National Center for Bicycling and Walking
National Low-Income Housing Coalition
National Neighborhood Coalition
National Trust for Historic Preservation
National Wildlife Federation
Natural Resources Defense Council
Northeast Midwest Coalition
PolicyLink
Project for Public Spaces
Rails-to-Trails Conservancy
Reconnecting America
Scenic America
Sierra Club
Southern Environmental Law Center
Surface Transportation Policy Project
The Trust for Public Land
U.S. Public Research Interest Group
1000 Friends of Minnesota
1000 Friends of New Mexico
1000 Friends of Oregon
1000 Friends of Washington
1000 Friends of Wisconsin
1000 Friends of Pennsylvania
American Land Institute
Anchorage Citizens Coalition
Atlanta Neighborhood Development Partnership
The Biodiversity Project
California Futures Network
Center for Neighborhood Technology
Chesapeake Bay Foundation
Coalition for Smarter Growth
Cumberland Region Tomorrow
EcoCity Cleveland
Environmental Colorado
The Georgia Conservancy
Greater Yellowstone Coalition
Greenbelt Alliance
Grow Smart Rhode Island
Gulf Coast Institute
Hawaii’s Thousand Friends
Idaho Smart Growth
Massachusetts Smart Growth Alliance
Michigan Environmental Council
Michigan Land Use Institute
Montana Smart Growth Coalition
New Jersey Future
North Carolina Smart Growth Alliance
Pennsylvania Environmental Council
Piedmont Environmental Council
Regional Plan Association
Sierra Business Council
Sierra Club - Midwest Office
S. C. Coastal Conservation League
United Congregations of Metro East
Upstate Forever
Urban Habitat Program
Vermont Forum on Sprawl
Vermont Natural Resources Council
West Harlem Environmental Action

Regional, State and Local Organizations
1000 Friends of Florida
1000 Friends of Iowa
1000 Friends of Maryland
FINANCIAL INFORMATION

Many thanks to the foundations and individual contributors who supported our work during the 2004 fiscal year.

Foundations and Other Grantmakers

- Fannie Mae Foundation
- Ford Foundation
- Funders’ Network for Smart Growth and Livable Communities
- The Henry J. Kaiser Family Foundation
- The George Gund Foundation
- Joyce Foundation
- The Orton Family Foundation
- Prince Charitable Trusts
- Surdna Foundation
- Turner Foundation
- US Environmental Protection Agency
- The Henry M. Jackson Foundation

Individual and organizational Donors

We have made a concerted effort to diversify our funding and seek donations from private individuals and organizations, and now have more than 45 private individual and organizational donors who contribute more than 7 percent of our annual budget. We are grateful for their generosity and commitment to smart growth. Some of our donors include:

- American Planning Association
- National Trust for Historic Preservation
- Bicycle Federation of America, Inc.
- Jonathan Rose Companies, Inc.
- University of Maryland Foundation
- Ralph & Judy Grossi
- Shelley Poticha
- Jenny Sorensen
- Anne Canby
- Robert Chapman III
- Grace Chen
- John & Carol Cowley
- David Crossley
- Parris Glendening
- Jacky Grimshaw
- Kimberly Levine
- Richard Moe
- Scot Spencer
- Susan & James Stockard
- South Carolina Coastal Conservation League
- Grace Chen
- Ernest & Cynthia Cook
- James Gibson
- Deborah Goddard
- Ana and Eric Hovdesven
- Barbara Jung
- Greg Kubiak
- Robert Liberty
- Carol Millman
- Michigan Land Use Institute
- Richard Osborne
- Mary O’Neill
- Victoria Stanley
- Kenyettah Robinson

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- Elizabeth Humphrey
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STATEMENT OF ACTIVITIES
For the Fiscal Year Ending June 30, 2004

Support
Grants:
- Foundations $1,317,500
- Government Agencies $199,512
- Other $25,000
- Individual Contributions $143,830
- Other Income $266,238
Total Support $1,952,080

Expenses
Program Services
- Policy $109,403
- Coalition Building $77,735
- Communications $118,652
- Research $55,843
- Special Initiatives $205,697
- SGLI $499,841
- Fundraising $142,951
- Management and General $43,301
Total Expenses $1,253,423

Change in Net Assets $698,657
Unrestricted Fund Balance $253,190

ANALYSIS OF FY 2004 EXPENSES

 Programs 86%
 Fundraising 11%
 Management and General 3%
Greetings from Smart Growth America! From left to right: Cheryl Little, Don Chen, Dannielle Glaros, Beth Osborne, Allie Moravec, Jessica Millman, David Goldberg, Parris Glendening and Harriet Tregoning.