

Research You Can Use

The 2004 National Survey on Communities, conducted for Smart Growth America (a non-profit advocacy group) and the National Association of Realtors, gave respondents a choice between communities labeled “A” and “B.”

Community A was described as having single-family houses on large lots, no sidewalks, shopping and schools located a few miles away, work commutes of 45 minutes or more, and no public transportation. In contrast, community B was characterized as having a mix of single-family and other housing, sidewalks, shopping and schools within walking distance, commutes of less than 45 minutes, and nearby public transportation.

Overall, 55 percent of Americans indicated a preference for community B, the smart growth community. Of those who said they were thinking of buying a house within the next three years, smart growth appealed to 61 percent. Commuting time had a significant influence. About a third of the respondents said they would choose the smart growth design if commutes were comparable, while another quarter preferred such a design if it also meant being closer to work. Bringing homes closer to workplaces is, legitimately, considered part of smart growth.

Housing preferences change with age, a factor that increasingly favors smart growth. In fact, when it comes to housing demand, demographics

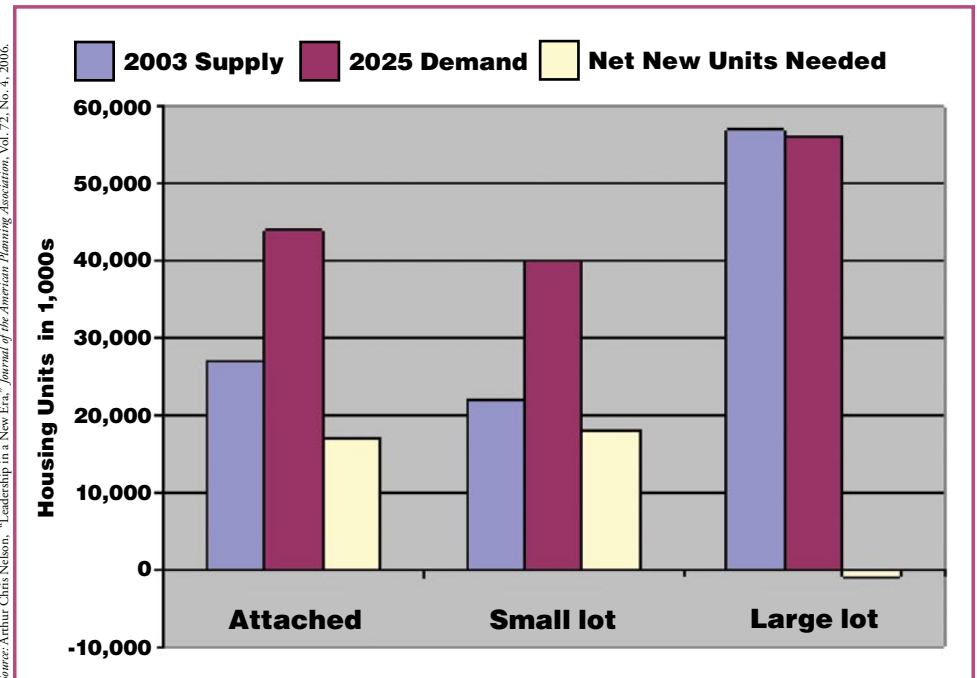
The weight of evidence from survey research—combined with home-buying trends—suggests a fundamental shift in favor of compact living.

is destiny, as Arthur C. Nelson, FAICP, of Virginia Tech made clear in a 2006 article in the *Journal of the American Planning Association*.

Nelson noted that, as baby boomers become empty nesters and retirees, they are drawn to compact, walkable neighborhoods. So are single adults and married couples without children. This trend likely will continue, because the baby boom generation represents America’s largest generational cohort.

Changes in housing preferences also appear to be cultural, particularly among Generation Xers, who are now fully engaged in the home-buying market. According to a presentation by J. Walker Smith, president of Yankelovich, the national market research firm, at the June 2004 National Association of Home Builders conference, Gen Xers value traditional neighborhood relationships. This makes them good candidates

The Demand for Smart Growth: What Survey Research Tells Us



According to one projection, by 2025 the demand for attached and small-lot housing will exceed the current supply by 35 million units. At the same time, the demand for large-lot housing will fall short of the current supply.

for planned communities that “foster togetherness and neighborhood life,” Smith said.

Nelson projects that by 2025, the demand for attached and small-lot housing will exceed the current supply by 35 million units (71 percent), while the demand for large-lot housing

development” of smart growth communities (defined in detail in the survey itself), and 50 percent said they would “want to live” in a smart growth community. Levels of support were high among all groups except rural residents.

Because this survey did not force respondents to choose among alternatives or to make tradeoffs among features, support levels may have been artificially high. This is a limitation of stated preference surveys compared to stated choice surveys, which pit alternative A against alternative B. And of course stated preferences aren’t the same as revealed preferences in the marketplace.

Still, the contrast between results for survey years 2003 and 2005, when smart growth communities were described identically, allows us to discern a trend. Between the survey years, the uptick in support for smart growth communities was a statistically significant 15 percent.

Whatever the limitations of any given survey, the weight of evidence from survey research—combined with home-buying trends—suggests a fundamental shift in favor of compact living. With energy security and climate change looming as major issues for urban planners, this shift in consumer demand couldn’t come at a better time.

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