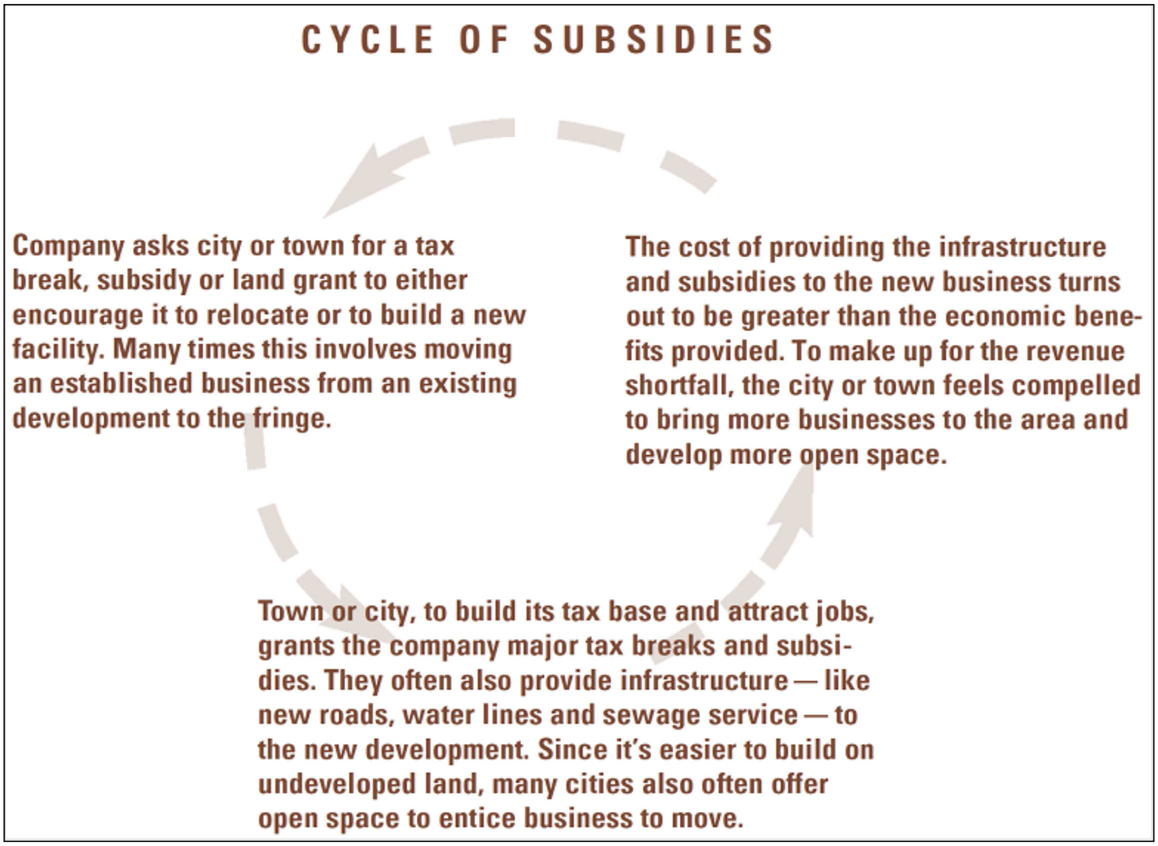
Development Death-Spiral

Planning and Development decisions involve complex trade-offs. Planning Commissions and Boards of County Commissioners feel caught in the middle. They weigh the citizen inputs of "It's incompatible with the character of the neighborhood" and other intangible negatives against the apparently tangible assumed financial value to the local government budget. They have a real problem with coming to a conclusion over this apparent dilemma. The policy makers would really like to preserve the character of the neighborhood, but they feel a fiduciary responsibility to the local government. And my experience is that when intangibles are weighed against numbers, the numbers usually win.

But maybe these decisions are not as difficult as they are made out to be. What study after study from across the country show is that development almost never pays out. That takes the numbers side of the argument away. It's kind of like playing on the see-saw. If one of the players gets off: THUD, game over. If the Planning Commissioners and County Commissioners understand that there is no financial value of a development to the local government budget, then there is nothing to balance and their decision is easy. This is not an easy conclusion for policy-makers to come to. People have been told repeatedly over the years that development is the way to grow the county revenue. But now have there is data to show that development grows county expenses even faster. Development is just a spiral into a black hole.

At least Clear Creek County isn't faced with a BoCC that is offering subsidies to development, as many counties and cities have done. That is one of the big ($90 million big) issues in the Horizon Uptown proposal Aurora. But even if the county isn't offering subsidies, it often assumes that development will be a net addition to the county coffers, and that results in the same scenario.

The basic misconception is that growth/development ultimately would add to the local government coffers. In reality, growth/development impoverishes the local government, rather than enriching it. The subsidy (or encouragement) cycle is a basic result of this misconception operating in a world of the reality that "Growth Doesn't Pay." It is a huge problem, even if subsidies are not involved-- the misconception that growth/development will add to the local government coffers causes the government to encourage development that doesn't pay off to the local government, which in turn convinces them (under the spell of their misconception) to encourage and authorize yet more growth/development. It's just a spiral into a black hole of county budget deficits.



Operating under this misconception is how we get things like the Beaver Brook Residences and Eclipse Snow Park to stay on the table with our policy makers.

Going forward, we have to make sure that our county is making decisions based on reality, rather than on old, disproven assumptions and wishful thinking.