

## Should Albemarle County Join the TJPED? Four Points To Consider

Should Albemarle County join the Thomas Jefferson Partnership for Economic Development (TJPED)? ASAP encourages the County's Board of Supervisors to consider these four points.

**Point 1.** Davenport & Company data shows that there are eight (8) jobs for every 10 persons living in Albemarle County and the City of Charlottesville—including infants, children, adolescents, and retired folks.<sup>1</sup> Excluding those who are under age 18 or older than 64, there are 1.17 jobs per person.<sup>2</sup> It should be obvious that the City and County have a sufficient number of jobs for current residents, although perhaps the quality of those jobs could be improved. (The extra jobs employ commuters from neighboring counties.)

**Point 2.** The research is clear: most new jobs go to new residents, especially when the unemployment level is extremely low.<sup>3</sup> Of the more than 260 Metropolitan Statistical Areas (MSAs) in the United States, the Charlottesville MSA (the City, Albemarle, Fluvanna, and Greene) recently had the 4<sup>th</sup> lowest unemployment rate.<sup>4</sup> By attracting new businesses to the area, we are simply increasing our population, not employing the unemployed.

**Point 3.** In an interview published in *The Charlottesville Business Journal*, Bob De Mauri, the Executive Director of the TJPED, said, "The economy probably will sustain itself because the University [of Virginia] will be here, as far as we can tell, into the foreseeable future. The University will continue to be the dominant force that will keep our economy stable."<sup>5</sup> The University—like it or not—functions as a kind of economic prosperity "insurance policy."

<sup>1</sup> Davenport & Company LLC, *Current Financial Status and Effect of Long Range Capital Financing*, report to Albemarle County, VA, March 5, 2003, p. 12: graph titled "Jobs as a Percentage of Population" corrected by a June 17, 2003, e-mail from Courtney Rogers (Davenport & Co.) to Roxanne White (Albemarle County Assistant County Executive).

<sup>2</sup> The 2000 U.S. Census shows that 33.4% of Albemarle County and City of Charlottesville residents are under age 18 or older than 64. Applying this figure to the Davenport data yields 1.17 jobs per person age 18-64 inclusive.

<sup>3</sup> Timothy J. Bartik, "Who Benefits from Local Job Growth, Migrants or the Original Residents?" *Regional Studies* 27 (1993): 297-311.

<sup>4</sup> U. S. Bureau of Labor Statistics, December 2002 data.

<sup>5</sup> Chris Saitta, "Where Do We Grow from Here?" *The Charlottesville Business Journal* (May 2003): 18.

**Point 4.** Can a region enjoy *per capita* income growth without population growth? A recent Brookings Institution report answers this question with a "resounding 'yes.'"<sup>6</sup>

All of the Partnership's activities are intrinsically good. The problem is, while some are appropriate for our area, its *core* activity is not. Historically, the Partnership's mission has been to promote the area to *new* businesses. Only recently has it expanded its mission to helping *local* businesses.<sup>7</sup> The latter is appropriate for our area. The former is not. It increases our population without employing existing residents or providing a *net* economic benefit.

## Is Berkshire Laboratories Good for Greene County?

On August 14<sup>th</sup>, *The Daily Progress* reported, "A technology research and development firm is considering Greene County as a site for a \$400 million research campus that could bring in 3,000 high-paying jobs." The article reported that Greene County has been "piecing together an incentive package" to attract Berkshire and compete against a site in Maryland.<sup>8</sup>

While not reported locally, the following was reported in Maryland:

- Currently, Berkshire has about a dozen employees.<sup>9</sup>
- Berkshire's primary assets are "patents that could revolutionize a number of industries." A company representative claims its technology could be used to eliminate industrial pollutants, make industrial machinery last longer, help plants grow faster, and eliminate the unwanted and sometimes dangerous side effects of certain medicines.<sup>10</sup> This same representative also stated that Berkshire's technology could change the structure of plastic to make it more like metal (with a greater resistance to heat), significantly expand the capacity of computers, and speed the auto industry's development of a clean-

<sup>6</sup> Paul D. Gottlieb, *Growth Without Growth: An Alternative Economic Development Goal for Metropolitan Areas* (The Brookings Institution, Center on Urban and Metropolitan Policy, February 2002): 2.

<sup>7</sup> David Dadurka, "Economic development agency expands focus to local companies," *The Daily Progress*, 15 August 2002, p. B1.

<sup>8</sup> Olympia Meola, "Greene vies for research campus," *The Daily Progress*, 14 August 2003, p. A1.

<sup>9</sup> Ted Shelsby, "Ohio-Based High-Tech Company Eyes Baltimore-Area Location," *The Baltimore Sun*, 28 July 2003.

<sup>10</sup> Ted Shelsby, "Cecil vying with Va. county," *Harford County (Maryland) Sun*, 17 August 2003.

burning hydrogen-power car.<sup>11</sup> Officials in both localities said that Berkshire was vague about the details of its work.<sup>12</sup>

- Berkshire plans to grow to 200 employees. “The bulk of the [3,000] jobs ... will be with other companies locating in the same complex to form business partnerships with Berkshire to develop its technology.”<sup>13</sup>

Assuming that Greene wins the competition and Berkshire’s plans come to fruition, would this be *good* for Greene? On the plus side, Greene will gain some tax revenue. But consider the following.

Placing 3,000 new jobs in Greene sounds attractive. But since, on average, **new** residents fill three out of four new jobs,<sup>14</sup> Greene will gain 2,250 **new** workers—plus their spouses and children. (Of course, this assumes that 750 *existing* Greene residents are qualified to fill jobs at technology development firms.) Greene County will have to provide schools, police and fire protection, water and sewer hook-ups, and roads for at least 5,000 new residents.

Those new residents will need approximately 2,000 new houses.<sup>15</sup> What will this demand do to housing prices? Will it make Greene’s housing more affordable?

It is a common business strategy to extract as much economic benefit as possible from a relocation decision by pitting competing sites against one another. How will Greene and the Commonwealth use our tax dollars to lure Berkshire? Will Greene surrender some or all of the benefits of its increased tax base for some period of years?

Finally, Albemarle and Greene may experience a role reversal. If Berkshire decides to locate here, Greene would dump some of its new residents into neighboring counties like Albemarle, just as Albemarle has used Greene as a bedroom community for its workers.

Berkshire intends to make its decision in September.

*The global ecosystem provides services that would cost \$33 trillion each year.*

<sup>11</sup> Shelsby, “Ohio-Based High-Tech Company Eyes Baltimore-Area Location.”

<sup>12</sup> Shelsby, “Cecil vying with Va. county.”

<sup>13</sup> Shelsby, “Ohio-Based High-Tech Company Eyes Baltimore-Area Location.”

<sup>14</sup> Timothy J. Bartik, “Who Benefits from Local Job Growth, Migrants or the Original Residents?” *Regional Studies* 27 (1993): 297-311.

<sup>15</sup> The rule of thumb is that you need one new house for every 1.5 new jobs. “Housing may be California’s biggest long-term problem,” *The Economist* (12 July 2003): 25. [3,000 new jobs / 1.5 = 2,000 houses]

## Focus on an ASAP Study Team: The Impact of Population on Natural Resources

ASAP has formed a number of “study teams” composed of small groups of people who are examining issues pertinent to local population growth and eventual stabilization of our regional population. One of these teams has joined forces with Citizens for Albemarle to study the **Impact of Population on Natural Resources**.

**Fact:** The global ecosystem provides drinking water, forms soil, produces food, treats waste, controls erosion, provides recreational activities, and so forth. These “free” services would cost approximately \$33 trillion, twice the combined annual gross domestic product of all of the world’s nations. If lost, these services would be impossible or impractical to restore.<sup>16</sup>

**Fact:** When it rains, *good* ground cover (e.g., plants and trees) will permit only 2% of the water to run off the surface, and 0.05 tons of soil per acre will be lost. *Poor* ground cover results in 73% runoff and the loss of 5.55 tons of soil per acre.<sup>17</sup>

Much research has already been conducted on the state of our regional ecosystem and the desire to maintain and improve resources. However, significant gaps in information remain. In addition, it is difficult to comprehend the diversity and interplay of our natural resources. This hampers clarity of thought about what action to take. The lack of understanding and clear direction leads to political inertia and impedes planning for a sustainable future. One way to work through this complexity is to select a short list of local resources (such as water and biodiversity) that people use and/or appreciate, then raise practical and ethical questions about their consumption.

In addition to raising questions, the team intends to urge planners to use several approaches as they formulate environmental policy:

- Shifting action in the direction of minimizing environmental impact: the *precautionary principle*.
- Shifting the *burden of proof* to the user and away from the public
- Employing *foresight mechanisms* that assess the long-term costs and benefits of growth

The goal of the study team is to help ASAP inform citizens about how population and population growth affect natural resources, sustainability, and personal well-being. It also aims to provide constructive means for people to act.

<sup>16</sup> Robert Costanza et al., “The Value of the World’s Ecosystem Services and Natural Capital,” *Nature* 387, no. 6630 (15 May 1997): 253-260.

<sup>17</sup> J. Sidell, *Water & The Forest Service*, USDA Forest Service, FS660 (Washington, DC, 2000).

The team intends to employ the  $I = P \times A \times T$  equation, which provides an algebraic description of population impacts, where

- **I** = total human Impact, whether positive or negative
- **P** = Population
- **A** = Affluence, or *per capita* consumption
- **T** = Technology, or the methods used for consumption

This equation illustrates the multiplicative effects of P, A, and T, and makes it clear that increases in any of them can have severe impacts on the environment and human well-being. ASAP believes that a growing **P** offsets, and sometimes overwhelms, resource-friendly advances in **A** and **T**. Edwin Stennett, author of *In Growth We Trust* and one of the Fall Conference speakers, uses the  $I = P \cdot A \cdot T$  equation to describe the potentially disastrous consequences of population growth in the metropolitan Washington, DC, area.

Future issues of this newsletter will discuss ASAP's other study teams and provide progress reports on this one. If you wish to join one of these teams, please contact Jack Marshall at [crijack@cville.net](mailto:crijack@cville.net).

## Why Do So Many People Want To Live Here?

Because, we are

- "America's Most Energetic City"—*USA Weekend* magazine
- Fourth on a list of the top 10 "Arts Destinations to Watch"—*AmericanStyle* magazine
- The city with the second highest "health quotient" in the nation—*Expansion Magazine* (a publication aimed at corporate executives who want to relocate or expand their operations to new cities)
- Eighth on a list of "The 40 Best College Towns: The Coolest Places to Work, Play, Study, Party, and Live"—*Outside* magazine
- One of the best towns for employment—*Money Magazine*
- One of the top 100 communities rated by *Where to Retire* magazine

And, of course, *U.S. News & World Report* rated the University of Virginia and the University of California-Berkeley as the top *public* universities in the country (tied for 21<sup>st</sup> among all *private* and public universities).

"Through 2002, no industry contributed more cash to candidates for state office in Virginia than the \$4.6 million the real estate and construction industry gave, according to figures compiled by the Virginia Public Access Project."

-- "Bills to curb suburban sprawl sidetracked by Senate panel," *The Daily Progress*, January 29, 2003.

## Albemarle County Board of Supervisors Candidate Forums

**Sept. 11**, 7 p.m., Crozet Fire Station, sponsored by the Crozet Community Association (**Strucko & Wyant**)

**Sept. 15**, 7 p.m., Baker-Butler Elementary School, sponsored by the Free Enterprise Forum (**Boyd & Hallock**)

**Sept. 18**, 7 p.m., Batesville Methodist Church, sponsored by the Batesville Ruritans (**Strucko & Wyant**)

**Sept. 22**, 7 p.m., Westminster Presbyterian Church Library, sponsored by ANA, ASAP, CFA, EEC, and PEC (**all BOS candidates**)

**Sept. 29**, 7 p.m., County Office Building, sponsored by the League of Women Voters (**all BOS candidates**)

**Oct. 9**, 7 p.m., Broadus Wood Elementary School, sponsored by the Earlysville Area Residents League (EARL) (**Strucko & Wyant**)

**Oct. 14**, time and location to be determined, sponsored by the Free Enterprise Forum (**Strucko & Wyant**)

## Dr. Gridlock

*The Washington Post* publishes the "Dr. Gridlock" column on Sundays and Thursdays. Its author, Ron Shaffer, wrote the following in his July 30, 2003, column.

### Hold Officials Accountable for Growth Decisions That Worsen Traffic

"... All politicians say they are for transportation improvements and against gridlock. Who isn't? The problem is that local officials have little control over transportation improvements. That belongs to Virginia. ...

"Local officials, while having little effect on road decisions, have control over development. And there's the rub. Development decisions are often made regardless of what the state might be able to afford—or might be willing to undertake—in transportation improvements.

"Perhaps [one ought to] note local officials who approve huge developments even though there are no road improvements to serve that development. ...

"Write these people up and report them to me. I'll contact them and try to see what they were thinking when they voted for more gridlock."

The Hollymead Town Center and North Pointe mixed-use developments will contribute to Route 29 traffic problems that VDOT says it cannot afford to fix. Will we have to report the Albemarle County Board of Supervisors to Dr. Gridlock?

*A friend of ASAP submitted the July 30<sup>th</sup> Dr. Gridlock column to this newsletter.*

## Upcoming ASAP Meetings

*September 4* – No meeting

*Saturday, September 13* – ASAP's **Second Annual Conference**, 9:00 a.m., Lane Auditorium, Albemarle County Office Building. See the enclosed flyer.

*September 18* – Board meeting, 8:00 a.m., Room 235, Albemarle County Office Building – members and public welcome

*October 2* – General membership meeting, 7:30 p.m., Westminster Presbyterian Church Library, 190 Rugby Road  
— Panel discussion: **Perspectives on Smart Growth**

### WIT-WIMBY Follow-Up

BANNANA — Build Absolutely Nothing Near Anything Nor Anybody — *submitted "with tongue firmly in cheek" by Ron Keeney*

## Advocates for a Sustainable Albemarle Population (ASAP)

ASAP is a non-profit corporation organized under Section 501(c)(3) of the Internal Revenue Code. Its **mission** is to increase knowledge and awareness about the effects of net population growth on our natural environment and quality of life, and to advocate appropriate policies and mechanisms that will enable our region to reach a sustainable population size. To achieve this, ASAP will engage in research, community education, policy development, and advocacy.

ASAP publishes this **newsletter** monthly except for combined June-July and December-January issues. Submit editorial comments to the newsletter's editor, **Harry Levins**, at [harry@harrydale.com](mailto:harry@harrydale.com). Articles may be reprinted or excerpted with attribution. To become a member of ASAP and/or to receive this newsletter and a notice of ASAP events, contact [crijack@cville.net](mailto:crijack@cville.net).



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