

# **INCENTIVE TAXATION AS A GROWTH MANAGEMENT TOOL: EFFECTS OF APPLIED LAND VALUE TAXATION IN VANCOUVER, WASHINGTON**

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The 19th Century Georgist theory of land taxation holds that a property tax based upon site values provides an incentive to bring land into productive use; simultaneously, a reduction or abolition of taxes on site improvements should encourage more efficient land use. Contemporary issues evolving around the wise use of land are no longer rooted in a land resource based theory of economic production; rather they are more closely identified with the new environmental movement. Current problem issues include the protection of rural resource lands from urban encroachment, and the revitalization of underutilized urban centers. The awakening environmental movement in the early 1970's gave rise to changes in land use planning theory and the evolution of urban growth management, a comprehensive system of regulatory tools designed to accomplish the same wise use objectives.

This study endeavors to link the objectives of urban growth management with the essential aims of a land taxation system: by increasing the intensity of land use in urban centers, reducing speculative behavior in land holding, and avoiding urban sprawl into rural resource lands. The purpose of this study is not to argue the merits of land value taxation, rather to illustrate its effects resulting from applied practice. The approach taken is to simulate the application of a graded form of land value taxation to properties in Clark County, Washington, then to observe the shift in property tax burden from the existing equal rate method to a land value tax. Primarily, tax burden shift as a dependent variable is measured across land use types and geographic sub areas as independent variables.

## **Growth Management Objectives**

In 1989 Governor Booth Gardner created the Growth Strategies Commission that was given the task of recommending ways to preserve Washington's environment and quality of life while maintaining steady economic growth throughout the state. Emulating a model established by several precedent-setting states such as Oregon and Florida, the legislature in 1990 adopted the landmark Growth Management Act (GMA), a comprehensive set of goals, strategies, and enforcement provisions designed to guide land development. Being only recently enacted, Washington State's Growth Management Act of 1990 engenders somewhat less than full confidence among some regional planners in its efficacy. Accordingly, several legal devices have been adopted by counties to augment the effectiveness of urban growth boundaries, the GMA's primary regulatory mechanism. These include concurrency regulations, development impact fees, incentive zoning, density bonuses, and tax abatements.

In the Northwest, both Oregon and Washington have adopted the practice of assessing farm and resource lands at current use rather than market value, as a tax reduction incentive to impede their conversion to urban uses. Apart from this practice, only limited attempts have been made to employ the full incentive power of property taxation to accomplish the same objectives: efficiency in land use, and natural resource conservation. The intention of combining positive *and* negative incentives under a single broad-based taxation system would be to shift property tax burden away from inefficient development activity, towards better land utilization.

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<sup>1</sup> Tom Gihring, planning consultant, is based in Seattle, Washington. This paper reviews some of the major findings of a research project sponsored by the Public Finance Research Center, Olympia, WA, and funded by the Robert Schalkenbach Foundation, New York, 1996. The full study was subsequently published in the *Journal of the American Planning Association*, Vol. 65, No. 1, Winter 1999.

## **Land Value Taxation Objectives**

Proponents of land value taxation have long advocated a 2-rate property tax structure, applying a higher rate to the assessed value of land and a lower rate to improvements. In principle, a heavier tax on land taxes mainly the “economic rent” created over time by population growth and economic expansion, rather than the capital invested by individual owners in property improvements. In urban areas land value is largely site value, that is, the value attached to location attributed to the presence of public infrastructure, nearby public and commercial facilities, employment sources, and other locational advantages. The trend of rising sites values due to these amenities carries with it the expectation of speculative gain. A heavier tax on land would have the effect of capturing a part of this unearned increment and returning it to the community in the form of revenues.

Under the present equal rate taxation system, the owner has no tax-based incentive to improve the property because a higher tax liability will result from taxing the building improvements.

There is good reason to believe that incentive property taxation would work in concert with state growth management policies. The following assertions, often advanced by land tax proponents, explain this connection:

1. As a result of placing proportionately higher taxes on land, it would become too costly to hold onto vacant or underutilized centrally located sites. A trend would emerge towards infill development and a gradual re-centralization of urban development. This is consistent with GMA objectives as well as evolving regional and local land use plans which envision tightly knit communities focused on a hierarchy of activity centers. Simultaneously, there would be a diminishing demand for peripheral sites at the urban fringe.
2. A reduction in tax burden on improvements would facilitate the renewal and replacement of obsolete buildings in a region’s older central cities. Property owners, responding to the fiscal inducement to reduce the land-to-building value ratio, would build more intensively on vacant and underutilized sites. The cumulative effect over time and space is to increase community wealth (vested in land values), thereby augmenting the tax base where it is most needed.
3. The 2-rate tax would discourage land speculation, or holding unimproved or under-improved property for the purpose of reselling without substantial capital investment. A sufficiently heavy land tax would deplete cash reserves from the holdout owner.
4. Under a system of land value taxation, the collection of taxes on community generated value would generally coincide with rising land assessments as public infrastructure is upgraded or installed. The intensification of developed sites where utilities and street improvements are in place is a more efficient utilization of public infrastructure. Moreover, per capita land servicing costs are lower where settlement patterns are less dispersed.

## **The Urban Setting**

Clark County, the fastest growing region in the Portland metropolitan area, has been experiencing growth pains characterized by urban sprawl, rapid rates of raw land consumption and extensive fringe area land conversion, despite a weak real estate market in the central city of Vancouver. Clark County’s lure is lower taxes and less costly homes. The property tax rate in Clark County (1995) is \$13.33 per \$1000, compared to \$18.50 in Multnomah County where Portland is situated. The 1995 median sales price of homes in Clark County is \$123,650. This compares with overall home prices ranging from \$165,000 in West Portland to \$135,000 in Portland’s southern suburbs. <sup>[2]</sup>

A third of the employment force in Clark commutes across the Columbia River to Portland area job sites. Vancouver's role as a bedroom community is reinforced by the tax disparity between Oregon which has no sales tax and Washington (Clark County) which imposes an 8.6% tax on non-food goods and services. As a result, Vancouver downtown has languished over many years. "While parts of downtown Vancouver slumber, its suburbs and the rest of Clark County resemble one big construction site. Everywhere, it seem, roads are widened, trees felled, great quantities of earth pushed about".<sup>[3]</sup> Much of the current construction boom is occurring in the eastern sector of Vancouver near the urban growth boundary adjacent to Camas where new manufacturing plants have located.

Clark County subdivision and building permit files seem to support the assertion that a land rush of sorts occurred in anticipation of the urban growth boundary designation and its attendant rezoning. Developers and resident owners pushed the limits of urban expansion, appropriating buildable sites on scenic hillsides and riparian lands. Lot sizes for new single family subdivision plats peaked in 1992, averaging about 11,000 square feet. High rates of land consumption due to land conversions near the urban fringe seem to occur despite the availability of buildable sites well within existing urbanized area including Vancouver, the metropolitan area's central city, and its suburban jurisdictions.

The inflation-adjusted price of developable land in Clark County has increased by 40 percent since 1990, from \$32,000 to \$42,790.<sup>[4]</sup> The cost components of a median priced new home include 52% for materials and labor, 8% for infrastructure, 13% for profit, 15% for soft costs including financing, and 10% for raw land. The raw land component amounts to an average of \$13,000 for a 6,000 sf lot. Subdividing and site preparation brings up the value of a typical subdivision lot to over \$42,000, or 31.8 percent of the total home price. Thus, land developers who are able to purchase raw land for less than \$2.25 per square foot can realize considerable profit enhancement by leveraging lot values in addition to building upper end homes.

Under the present conditions of abundant low cost land supply, there is little incentive for developers to build on smaller lots. The real estate industry generally raises the argument that an increase in the urban land supply, through the elimination or expansion of the growth boundaries, will bring down costs of housing. On the other hand, many economists assert that where land is expensive, high land prices will be offset by using less land, and housing will then be built at higher, more cost efficient densities.<sup>[5]</sup> Meantime, land speculation and low density sprawl outpace the attempts to bridle uncontrolled land consumption. This study intends to explore the premise that it is not necessarily land prices per se, but also the potential cost of holding unproductive land that will precipitate more intensive land use.

### **Linking Incentive Taxation to Urban Growth Management**

The principal objective of land value taxation, within the context of urban growth management, is to modify urban land use patterns through the gradual process of individual owner investment decisions that result in the more efficient use of land. From this perspective, the key to efficient land use is building intensity. Building intensity, then, becomes the key factor in the tax incentive-disincentive equation. Properties having substantial improvements relative to the land area would conceivably experience lower taxes, while properties that utilize extensive land areas and contain marginal improvements would encounter higher taxes. But building intensity is a physical phenomenon, not a fiscal occurrence. Ideally, then, the intensity to which land is utilized should be reflected in a property's assessed valuation, the basis of determining tax burden. Specifically, site utilization as measured by building coverage should directly associate with the value of improvements--relative to land.

A detailed analysis of the Clark County assessment data does confirm the presumption that the two ratio measurements, building area to total site area, and building value to total value, in general correlate. There are exceptions, however, particularly as they relate to large-lot residential properties where the land component of parcels is assessed at levels below what their site utilization would indicate. If the

land assessments on these parcels were commensurate with their lot size and building utilization, site values would increase by an average of nearly \$124,000 per parcel.

### **Tax Application Method**

In this study, a series of hypothetical 2-rate tax calculations are made on aggregations of assessed value representing classes of land users. This series of applications will consist of six progressively higher land value tax levels used to simulate the phase-in of a land value tax, as follows:

<u>Tax System:</u>	<u>Conventional:</u>	<u>2-Rate:</u>					
% of tax rate on:	50%	55%	65%	75%	85%	95%	-- LVT level
LAND	.50	.55	.65	.75	.85	.95	
IMPROVEMENTS	.50	.45	.35	.25	.15	.05	

In this study, 1995 property assessments and tax revenues collected under the conventional property tax system are used as baseline figures. Reported revenue figures are divided by total assessment figures to calculate an effective conventional levy rate that can be used for the simulated tax applications. The conventional rate is factored by the tax ratios associated with each LVT level to obtain separate land and improvement rates for 2-rate applications, and adjusted to achieve revenue neutrality. That is, total projected revenues obtained under the 2-rate scenarios will be made to equal the 1995 revenue totals--by adjusting the levy rates and at the same time maintaining the desired land value tax ratios.

The key determinant of a 2-rate tax outcome is the ratio of land value to improvement value. The expression - land-to-total value (L-T-V) is adopted as the preferred measure. This measure of the proportion of assessed value attributed to land, in effect determines the degree of tax burden shift that occurs when transitioning from a conventional tax application to a 2-rate application. A high L-T-V ratio will predetermine a higher tax liability; a low L-T-V ratio will indicate a lower tax--compared to the conventional tax.

### **Tax Burden Shift among Classes of Land Use**

Simulated tax applications are performed at five gradations of land value taxation, beginning at a 55% tax level applied to land assessment, and concluding at a 95% land value tax (LVT). Table 1 shows the results of a 2-rate tax application at the initial and the concluding LVT levels, across 7 major categories of land use within the Vancouver Urban Growth Area. The single family residential category experiences no measurable change in tax burden at the first grade level, but concludes with a 4% decrease from the conventional tax at the highest (95% LVT) level.

Because of their overwhelming numbers, single family residential properties effectively drive the outcome of the 2-rate tax application. This land use category consists of over 77 thousand parcels, or 72 percent of the total properties in the county as a whole. It accounts for 68 percent of the total assessed value--and tax revenue collected within the Vancouver UGA. Due to variations in lot size, lot prices, building size and condition, the L-T-V ratio varies somewhat within this class of properties; the aggregate ratio is 0.33. This L-T-V ratio, because it is lower than the overall ratio of .36, is the first indication that single family residences, as a whole, can expect a reduced tax burden under a 2-rate application, thereby shifting burden onto other uses.

Table 1. VANCOUVER UGA - TAX BURDEN SHIFT, BY MAJOR LAND USE CODE

Land Use Code	Conventional Tax Revenue	Pct. of Total Conventional Tax Revenue	2-Rate Tax Revenue .55 LVT	Pct. of Total 2-Rate Tax Revenue	% Change	2-Rate Tax Revenue .95 LVT	Pct. of Total 2-Rate Tax Revenue	% Change
Residential - Single family	83,641,526	68.1%	83,354,071	67.9%	-0.3%	79,904,564	65.1%	-4.5%
Residential - Multifamily, Group quarters	12,916,585	10.5%	12,581,531	10.2%	-2.6%	8,560,833	7.0%	-33.7%
Commercial	11,577,603	9.4%	11,685,829	9.5%	0.9%	12,984,548	10.6%	12.2%
Public, Community services	499,605	0.4%	496,949	0.4%	-0.5%	465,086	0.4%	-6.9%
Industrial, Utilities	8,153,862	6.6%	7,925,172	6.5%	-2.8%	5,180,863	4.2%	-36.5%
Vacant	5,794,687	4.7%	6,516,622	5.3%	12.5%	15,179,939	12.4%	162.0%
Farm & Resource use, Open space	202,685	0.2%	226,380	0.2%	11.7%	510,721	0.4%	152.0%
TOTAL	\$ 122,786,553		\$122,786,554			\$ 122,786,554		

Multifamily housing types receive a significant tax break under the 2-rate system--a 34% reduction at the 95% LVT level. Vacant or unused sites bear the largest tax burden increases, ranging from 12% to 162%. Vacant parcels, which comprise about 11 percent of total properties, contribute only about 5% of the total revenue under the conventional system; under the 2-rate system their revenue share rises to over 12 percent. Resource properties within the urban growth boundary, consisting of only 210 parcels, would furnish about \$203,000 in conventional taxes compared to about \$511,000 at the 95% LVT level. Most of these properties are not under the current use assessment program, which values farmlands at much lower levels than market or exchange values as long as they remain in farm use.

Commercial uses are found to differ greatly in tax burden shift, reflecting a wide variation in land use intensity within the general category. In the Vancouver UGA, industrial/manufacturing sites appear to be utilized more intensively than retail sites. Indeed, a casual field inspection reveals a predominance of strip or auto-related commercial configurations in both city and suburban locations. Overall tax burden shift within the retail/food service land use type ranges from 2% to 26 percent. This results in an average per-property tax increase of about \$2,000 under the 95% LVT assumption. Shopping centers, accommodating large expanses of surface parking, experience tax increases of 40 to 120 percent. Parking lots absorb increases of 165 percent.

Because of the wide range of residential lot sizes evident in Clark County, the Assessor's data on residential units was divided into three lot size increments. Over 80% of all single family properties are found on lots ranging upwards of 7,500 square feet. Tax application results show that all sub classes of housing units receive a tax reduction under a 2-rate hypothesis, except large lot single family properties (exceeding 12,000 square feet), most of which experience a modest tax increase.

#### Limitations

A closer examination of tax burden effects, utilizing a subset of 70 individual properties, reveals some variation from the generalized treatment of intensive and extensive land uses. For example, large-lot exurban estates appear to receive significant tax breaks under a 2-rate regime, because land values are low compared to building values. Suburban apartment complexes, often isolated and having extensive site utilization, also receive large tax breaks. These observed effects are at odds with the objective of land use intensification.

#### Tax Effects Associated With Urban Sprawl

The State Growth Management Division has defined urban sprawl as scattered, poorly planned urban development occurring particularly in urban fringe and rural areas, frequently invading land important for natural resource protection. <sup>[6]</sup>

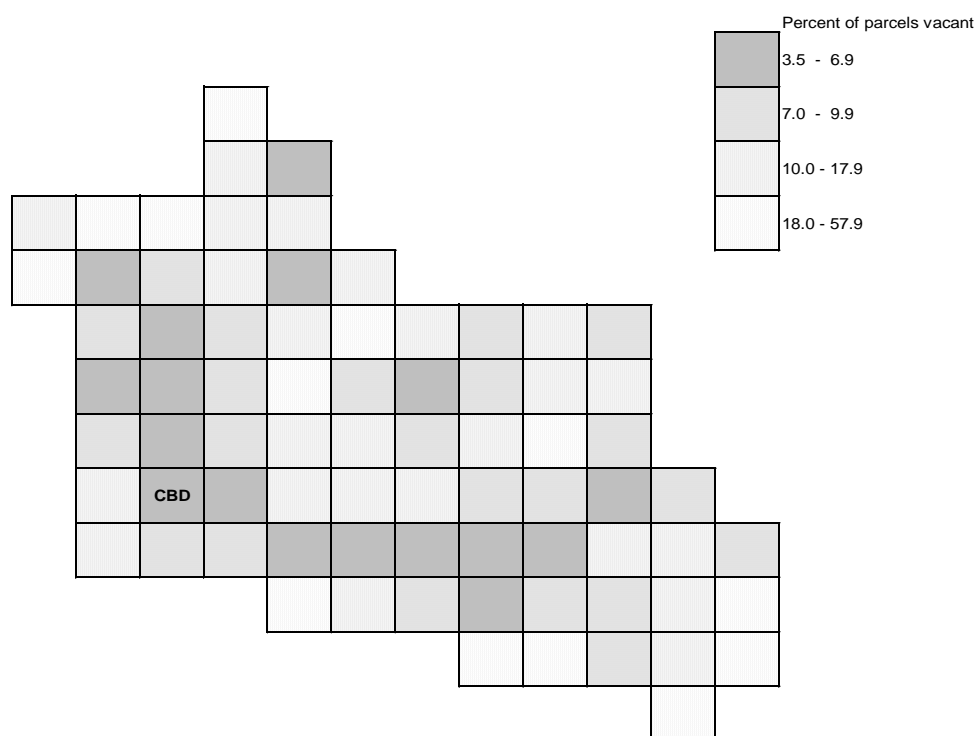
Much has been said about the unintended consequences of urban sprawl. Reviewing a number of comparative cost-of-development studies, the Urban Land Institute concludes that subdividing land at

low densities increases the cost of public infrastructure. Sprawling residential developments may compound the cost of urban services by a factor of 40 to 400 percent over more compact and conveniently located sites.<sup>[7]</sup> The direct costs associated with marginal increases in service costs must be borne by local taxpayers. The external costs, notably the long-term price of environmental degradation, are incalculable.

Economist Mason Gaffney points out that land rent, which can be attributed to urban and economic growth, depends in part on “what the public does free for the owner.” As for land allocation decisions guided by the prospect of capturing economic rent: “Visualize the hierarchy of land uses as a series of concentric circles. Demand for higher uses is not fully satisfied in their proper circles, because of land holdouts there. Unmet demand probes outward, casting a diffused ‘floating value’ over outer zones. This floating [speculative] value raises land prices enough so the outer land is too high priced to [continue] its present use, although still unripe for the higher use. [Rather than taking the socially optimal course of regenerating the site in its present use, the landowner] is more likely to let old buildings get old for a while, reserving the land for [sale or conversion to] the higher use. Builders needing land for the lower use [such as affordable housing] are forced out another ring, casting their floating value over the next lower use, and so on... The result--more sprawl at every margin of land use.”<sup>[8]</sup>

The research question is: To what extent does urban sprawl exist in the Vancouver area, and what effect would a 2-rate tax have on land utilization decisions? Would a shift in property tax burden onto underutilized sites create enough financial incentive to stimulate more contiguous development of land within the urban growth boundary? Would a lower tax on improvements facilitate the eventual replacement of low intensity uses with more land intensive uses? Precise answers to the questions dealing with cause and effects are impossible to determine because of the inability to predict metropolitan market conditions and individual responses to economic incentives. Although, in hypothetical terms it is reasonable to suggest some of the probable consequences of tax burden shift as it impacts vacant sites and low intensity uses.

Figure 1. VANCOUVER UGA - DISTRIBUTION OF VACANT SITES, BY SECTION



The data indicate high levels of urban sprawl within the 76 square mile territory inside the urban growth boundary, in the form of “leapfrog” and large lot development. Rather than growing in a pattern of contiguous development, it is evident that many adjoining sites were skipped in favor of outlying sites. Figure 1 shows in schematic form the distribution of vacant sites by square mile section, as expressed in percent of parcels vacant. In some of the near northeast sections, more than eleven percent of the parcels remain undeveloped. The traditional in-city lot of 5,000 to 6,000 sq. ft. has been succeeded by large-lot development no more than two miles from downtown Vancouver. Most center city sections are nearly, but not completely, built out.

What would the Vancouver urbanized area look like if development were to have occurred in contiguous fashion, at the same vacant site levels that are found in the older central core? Applying an average 6.1% vacant site ratio to all of the remaining non-central sites, only 48 square miles would be required to hold the current development capacity (not controlling for lot size).

The qualitative terms “scattered” and “poorly planned” development can be expressed as two quantifiable phenomena: (i) leapfrog development, or the siting of new development away from available sites in more central locations, and (ii) extensive land utilization, or low density development.

The taxation of land and building values is fiscal in nature; the dimensions of urban sprawl are physical. From a research perspective it is essential to establish some measurable relationship between the two concepts. Table 2 lays out a conceptual diagram which seeks to connect the physical dimensions of urban sprawl to appropriate fiscal measures, and furthermore, to outcomes which may be judged to be desirable (consistent with GMA objectives).

Table 2. LINKING LAND VALUE TAXATION WITH GROWTH MANAGMENT OBJECTIVES

PHYSICAL PROBLEM DESCRIPTION	GMA OBJECTIVE	PHYSICAL AND FISCAL MEASUREMENTS	PREDICTED TAX EFFECT	DESIRED TAX EFFECT
Leapfrog development	Centralization	Distribution of unused sites (% vacant by section) Land value gradient	High tax on unused sites	High tax on unused centrally located sites
Extensive land utilization	Intensification	Building / Lot Area Ratio Building / Total Value Ratio	High tax on low bldg.-to-total val. parcels	High tax on land extensive uses

The first dimension of urban sprawl, leapfrog or non-contiguous development, is counteracted by the objective of *centralization* which includes infill development. From the perspective of land value taxation, the desired outcome would be to render tax burden shifts into owners’ decisions to concentrate development within existing urban centers and resist the pressure for land conversion at the urban fringe. But, this would be conceivable only if tax burdens were high in centers and low in fringe areas. The second dimension, land extensive development, is counteracted by the objective of land use *intensification*, or building-intensive development. It can be measured by physical measures of density and the ratio between land and building values. Because of the high L-T-V ratios associated with vacant and underutilized parcels, the predicted tax effect under a 2-rate application is an upward shift in tax burden.

In three square mile wide growth sectors emanating North, Northeast and East from downtown Vancouver, the average conventional tax on developed parcels is about two and one-half times the tax on vacant parcels. Under the 2-rate (95% LVT), owners of developed parcels would realize a modest average tax savings of \$259. Vacant site owners would see an average increase of \$1,017.

Spatially, the tax impact effects are distributed unevenly. There is no apparent linear relationship between distance from the city center and tax burden shift, either among vacant or developed parcels. The LVT has no effect of differentiating between centrally located sites and distant sites. Significant findings include: (i) the minimal effect of the 2-rate tax on most central city parcels, and (ii) the disproportionately low tax burden shift on large-lot developed parcels in outward locations. Reasons given for these observations are depressed land values in the central city, and low per square foot land assessments on large residential lots.

### Limitations

As for the objective of intensification, the 2-rate tax holds considerable promise. For the most part, observed fiscal effects of the tax shift are consistent with the desired outcome. However, as illustrated in the previous section on land use effects, low land assessments on large-lot developed sites produce the undesired outcome of tax reductions rather than tax increases.

It appears that centralization as an objective cannot be achieved through LVT alone. The mechanism of the land based tax, when combined with a land value gradient that is uneven, does not exert a centripetal force on development.

### Recapturing Economic Gain

Having observed the general effect of LVT, which is to tax more heavily vacant parcels and land extensive uses (where land assessments are proportionate to lot sizes), the question remains: Does this tax shift produce a sufficient incentive to discourage land speculation, that is, to sell land holdings more quickly or to develop sites more intensively?

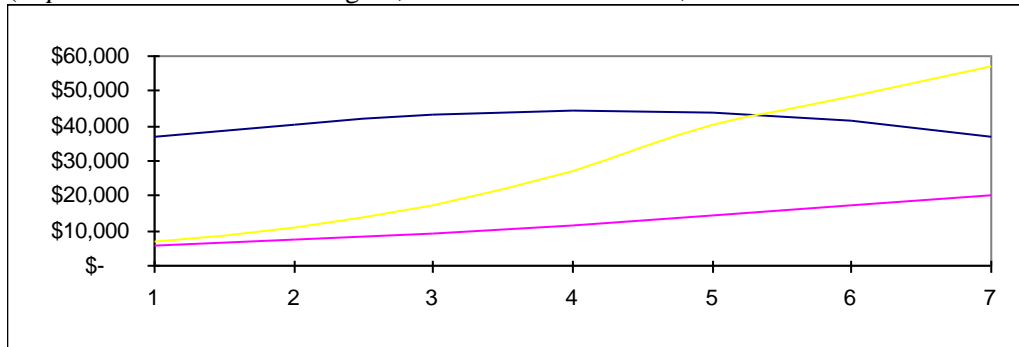
Further examination of in-city and exurban parcels reveals that the conventional tax is able to capture but a small fraction of the annual appreciation in value of vacant sites, the prices of which have been rising at a phenomenal rate of over 15% per year in the Vancouver area. Tax liability under the conventional system is the lowest on unused sites compared to other land use classes. By way of contrast, the 2-rate tax would push up the average tax liability on the typical vacant site by \$961.

Analysis of the dynamic effects of LVT show that it is the high rate of land value inflation, not low land prices per se, that limit the power of incentive taxation to capture more of the speculative gain. Figure 2 compares the ability of the 2-rate and conventional tax systems to recapture the annual gain in land value on a typical suburban vacant site, assuming a steady decrease in the land value inflation rate and an increase in the LVT level from 55% to 95% over a 9-year period. By the tenth year, the 2-rate tax captures over 90% of the annual *speculative* gain (discounting the general rate of monetary inflation). At this point, when land price inflation has decreased to about 10% annually, the recapture rate is probably sufficient to cause an impact on land allocation decisions.

Under the conditions of diminished land price inflation and high land tax rates, it is evident that land value taxation is far more effective than conventional taxation as a mechanism to curb land speculation and further restrain land price inflation.



Figure 2. RECAPTURE SCENARIO: PROPORTION OF LAND VALUE GAIN APPROPRIATED IN TAXES, UNDER A DECLINING GROWTH RATE ASSUMPTION  
(Top line: annual land value gain; middle line: 2-rate tax; bottom line: conventional tax)



## Conclusion

Land value taxation does appear to have the potential to produce intended effects, that is, to curb low density urban sprawl and to make more efficient use of land. However, the Vancouver urban landscape is an extremely fluid environment for land consumption. The combination of low assessed land values on large lots in dispersed locations and the high rate of land price inflation, seems to have the effect of dissipating the incentive power of the 2-rate tax system. Land value taxation could be more effective as an accessory to urban growth management policies if the existing wide-open land market in Vancouver and environs were constricted to a smaller size, large-lot development were held in check through tighter zoning restrictions, new major employment attractors were confined to existing growth centers, and assessment practices took greater account of parcel size.

Two simultaneous trends could possibly occur. Because the land value tax is broad-based and affects all properties, a high tax on land values would likely dampen land price inflation currently found in the sub region. Secondly, land prices would probably remain comparatively higher in central areas designated for higher density development. As this occurs, infill development and building upgrading would be rewarded by the lower improvement value tax rates accompanying the 2-rate system. In essence, constricting the size of the sub regional land market will have the immediate effect of pushing up land values; but a 2-rate tax will counter this trend by pushing them back down. Then, after the positive incentive effect takes hold, land values will increase in re-centralized areas where infill and redevelopment have taken place. The land value gradient will “normalize”, by peaking at the center and tapering toward the fringes. Under these optimal conditions, the growth management objectives of centralization and intensification could both be achieved.

As a policy objective, limiting the overall size of the urban land market is not possible without enacting county regulations to this effect. The present urban growth boundary is sufficient to protect most resource lands from urban conversion, but it is ineffective at promoting contiguous development within its limits. It is recommended that regional planners and county officials consider strengthening the existing regulatory tools such as contingent zoning and urban holding districts, and adopt other new and innovative mechanisms. Suggestions include: (1) the establishment of concentric holding zones, ensuring staged development; (2) land banking, as a way to prevent premature development, as well as to create a repository for land that owners may wish to sell rather than develop under the pressure of incentive taxation; (3) siting requirements for major new employment generators, as an alternative to the propensity to seek low priced sites away from central locations; (4) reviewing assessment procedures to account for lot size.

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