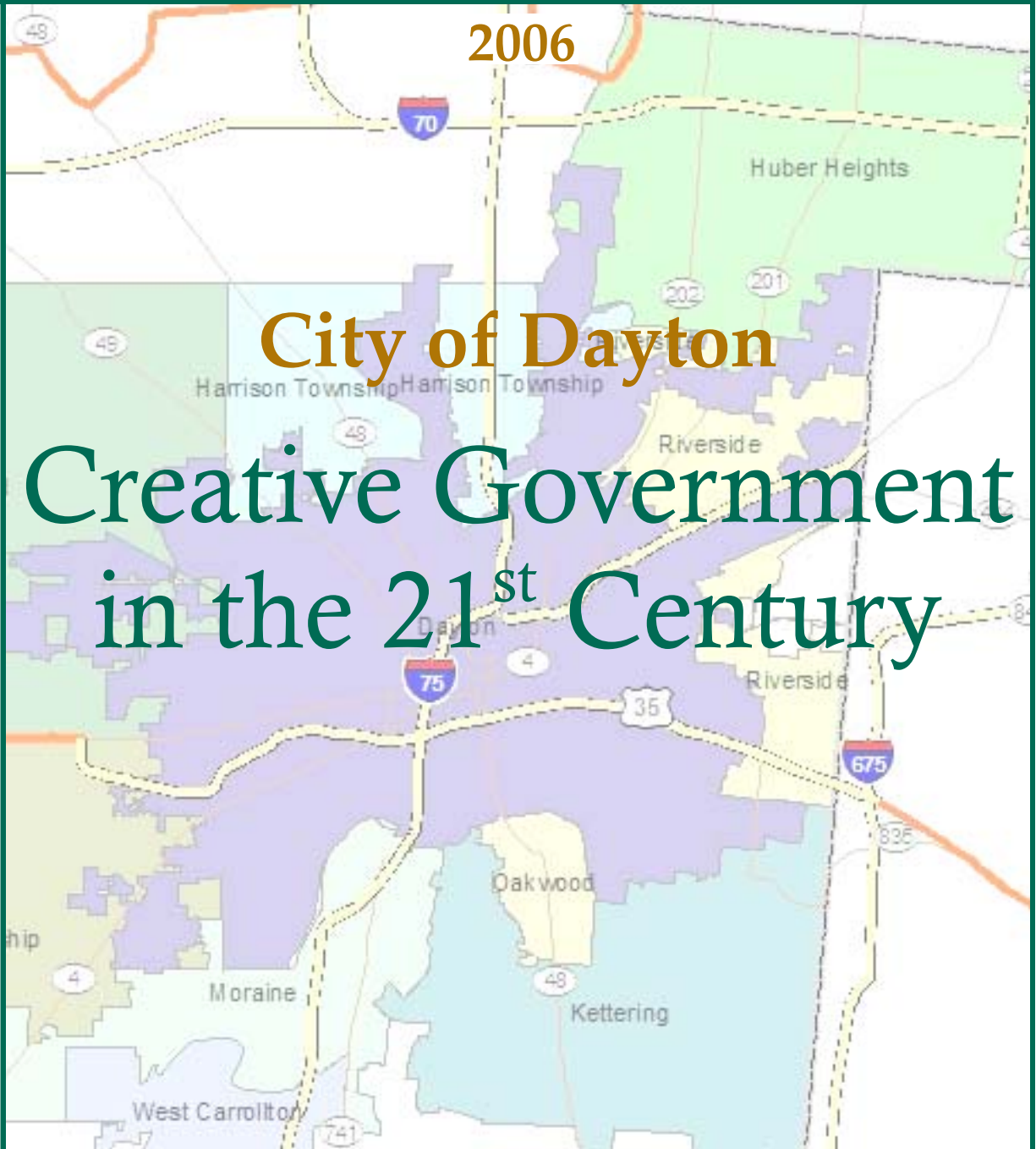


2006

City of Dayton

Creative Government in the 21st Century



Western Ohio Research Consortium



For more information regarding this report, contact:
Center for Urban & Public Affairs
Wright State University
3640 Colonel Glenn Hwy. Phone: (937) 775-2941
Dayton OH 45435-0001 Fax: (937) 775-2422

The Center for Urban and Public Affairs (CUPA) at Wright State University (WSU) is one of eight centers of excellence comprising the Ohio Urban University Program (UUP). The UUP links the resources of member universities to improve the state's urban regions. This 25-year partnership is unique in the nation. The State of Ohio through the Ohio Board of Regents' (OBOR) programs funds UUP institutions. State funds received by WSU are matched 3-to-1 by WSU resources and through contract research.

The development of this document, *Creative Government in the 21st Century*, has been a joint undertaking of the Center for Urban and Public Affairs (CUPA) at Wright State University and the City of Dayton Office of Economic Development (OED). It was sponsored in part by a grant from the City of Dayton and in part by the Urban University Program Western Ohio Research Consortium and prepared under the direction of Jack Dustin, Director, Center for Urban and Public Affairs.

CUPA and OED appreciate the time that the many jurisdictions and individuals took to share ideas, discuss their experiences, and provide the necessary data to prepare this report. CUPA and OED also acknowledge the important contributions of Steve Stapleton, former County Administrator of Greene County and William Gillispie, former Deputy City Manager of the City of Dayton who served as advisors for the development of this document; and Kevin Carver, former City Manager of the City of Riverside who contributed a substantial amount of knowledge, practical experience, and written material to this document.

CUPA and OED recognize the following staff for their contributions to the report: Jane Dockery, Jack Dustin, and Carol Hooker, CUPA; and Norm Essman and Keith Klein, OED. The Center for Urban and Public Affairs (CUPA) would also like to thank the following students for their efforts and contributions making it possible to complete this research: Katie Dempsey, Student Research Assistant; Vinothee Vernolia Fortson, Graduate Research Assistant; Victoria Lozan, Graduate Research Assistant; Vladislav Pascal, Graduate Research Assistant; and Jennifer Weisser, Graduate Research Assistant.

Executive Summary

The City of Dayton and the Dayton region has served as a model of innovative government throughout the twentieth century. The city manager-commission form of government and the ED/GE program illustrate how Dayton government played a critical role in adapting to economic and urban change and promoting progress and improvement in quality of life.

The global economy and expanding suburbanization have converged to challenge existing governmental practices and solutions that have worked in the past. Economic transformation to an information-service economy, much like the era when Dayton adopted the city manager-commission form of government, requires local government to play a role in developing a competitive environment for business and a high quality of life for residents. Interlocal governmental competition among Dayton and its suburbs weakens their capacity to support transition to a new economy and provide services that enhance competitiveness and quality of life.

The City of Dayton and the Dayton region have developed many cooperative, ad hoc (for a particular purpose), interlocal service agreements. Some of the agreements, such as the Southwest Ohio Purchasing for Government (1986) and Well Field Protection Program (1990), have sustained services and organizational structures for many years. Yet, global competition and the expectation that local government ought to do more to provide services more efficiently and effectively indicate that ad hoc regionalism needs to advance to a higher level of cooperation. Given the direction of federal urban policies and the fiscal limitations of state government, local governments must assume responsibility for initiating and developing interlocal cooperation that can support the economic competitiveness of the region and at the same time sustain a high quality of life.

Many urban areas, across the U.S. and internationally, have made significant progress defining their common interests, determining which interlocal service delivery will provide strategic advantages, and sustaining organizations that continue to probe new opportunities and institutionalize innovation. Europe has adopted (not universally) a common currency and is moving toward an integrated higher education system. Euroregions (currently 180) have a long history but, in recent years, some have advanced significantly from cultural exchanges to cross border projects. The Danube-Drava-Sava Euroregion, comprising communities in Hungary, Croatia, and Bosnia and Herzegovina, coordinates economic development programs, promotes investment, and supports educational, scientific and research institutions. Closer to the U.S., the Alberta (Canada) Association of Municipal Districts and Counties and the Alberta Urban Municipalities Association systematically support interlocal cooperation to reduce service costs and increase services. In both examples, Euroregions and Alberta, local governments are supported by higher level governments,

Across the U.S., one can find interlocal service delivery of parks, recreation, economic development, information technology, public safety, water-sewer, administration, and virtually any service. Interlocal cooperation agreements are being forged between cities, cities and townships, counties and municipalities and between high growth communities and low or no growth communities. The cities of Chandler, Phoenix, and Tempe (high growth) created economic development agreements to reduce competition. In Wisconsin, the City of Oshkosh and the Town of Algoma (low growth) preserved existing identities while developing a plan to adopt interlocal service delivery for police, fire, water sewer, stormwater management, emergency service, and parks and recreation.

In Ohio, Joint Economic Development Districts (JEDDs) or Cooperative Economic Development Agreements (CEDAs) illustrate interlocal cooperation to expand services and foster economic growth. Jurisdictions retain their identity but utilize collective capacities to create jobs and support services through shared taxes. The Cleveland area communities, well

known for their competitiveness, have worked for almost two years on a plan to create a \$25-50 million “mutual development fund.” If successful, Cleveland and more than two dozen suburbs will participate in the redevelopment of brownfields and the development of “grayfields.” Jurisdictions receiving funds will return 50% of the income tax generated from the new growth to the Mutual Fund.

The City of Dayton and the Dayton region have an extensive foundation of ad hoc interlocal service delivery (Appendix C and D) and exchange points. The exchange points include 83 miles of shared boundaries and a large residential population that crosses community boundaries for work and to purchase goods and services. The analysis of services exposed duplication, as might be expected, but we could not compare levels of efficiency and effectiveness. Data for mean per capita expenditures for various services (Appendix F and G) were informative; however, Dayton and its suburbs do not share a common system of budgeting, measuring performance or for assessing citizen satisfaction with services. Moving beyond ad hoc interlocal service delivery will require a measurement system such as one proposed by ICMA and adopted by dozens of cities nationwide.

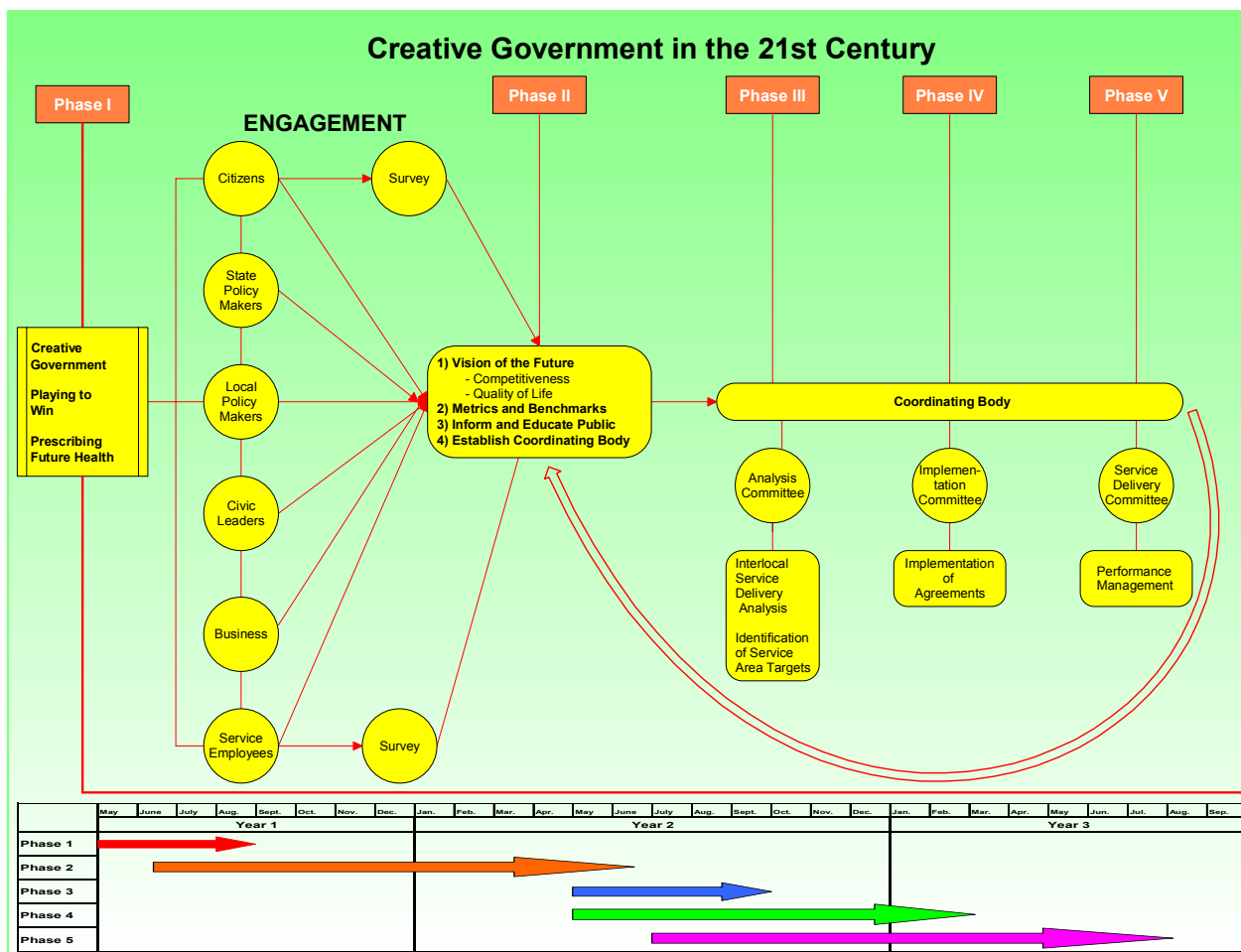
Two recent reports, “Playing to Win” and “Prescribing Future Health,” lay out convincing cases for interlocal cooperation. Case studies tell us that the starting point should not be consolidation or, for that matter, interlocal cooperative service delivery. Instead, local governments need to come together and share their visions of the future and their goals for meeting community needs. Based upon this common understanding and respect for local autonomy, discussions of interlocal service delivery can gain momentum.

This report considered a wide array of successful interlocal, cooperative efforts in service delivery. Almost every type of service that is delivered by local governments has been delivered on a cooperative, interlocal basis. Local governments throughout the world have been successful in developing methods, structures, and models for how local government services can be cooperatively and effectively delivered. In short, as evidenced

by the case studies in this report, there is virtually no limit to how, when, why, and where local governments can cooperatively deliver local services and address local needs.

When examining the local culture, the report focused on Dayton and the first ring suburbs that comprise the region's core communities. As the data reveals, the communities share common development patterns. Our study of Dayton and surrounding communities also exposed the need for meaningful measurements and performance comparisons. Measuring and benchmarking progress locally and with peer urban areas are essential for any successful interlocal service delivery effort.

Despite the limitations of numbers gather describing service systems, the weight of evidence should draw Dayton and its suburbs together. The suburbs in this report, the first suburbs, share issues first experienced by Dayton forty years ago. The data presented in Appendix E identifies a shared pattern of change and the formation of the First Suburbs group attests to need not revealed in data. Dayton and the First Suburbs are core communities to begin defining common interests and serving those interests with greater capacity, efficiency, and effectiveness that comes with interlocal cooperation. The Creative Government Process below combines ideas from various communities (Appendix A and B). There are five essential steps to moving beyond ad hoc interlocal service delivery.



Step 1 Engage citizens, civic leaders, local policy makers, business, and service employees from Dayton and first suburb communities and other willing suburban communities in a discussion of what identity factors connect them and what common goals unite them. Four outcomes should be achieved: a vision of the future that addresses economic competitiveness and quality of life; a system of measuring services and benchmarking progress to become more efficient and effective; a plan to inform and educate the public; and a coordinating body to sustain future interlocal service delivery.

Step 2 Focus first on services that offer the highest probability of producing results. These services are capital intensive and require special knowledge. A few examples

include heavy equipment mechanical services, police dispatch, law enforcement information systems, and road maintenance management and analysis.

Step 3 Seek support from the State of Ohio. Adding state policy makers to Step 1 provides a critical communication link. As in New York or Alberta, external support provides needed local incentive to cooperate and produce results.

Step 4 Investigate high reward opportunities such as the Mutual Development Fund being created in the Cleveland area or other opportunities that address fundamental development problems.

Step 5 Continue engagement to foster future innovation and interlocal problem solving.

Interlocal *cooperation* diverts energy from interlocal *competition* to mutually benefit local government stakeholders. A delicate balance needs to be struck between continued focus on improving services for each community's wellbeing and a higher standard of living for all. It will take the support, the creativity, and the commitment of all citizens, businesses, civic organizations, and local governments to succeed in the global economy.

Table of Contents

Executive Summary	i
Table of Contents	vii
Table of Figures	x
Prologue	1
I. Introduction	3
Purpose of Creative Government in the 21 st Century	8
Focus of Research	11
Report Overview	13
II. Basics of Interlocal Service Delivery	15
Basics of Interlocal Service Delivery	15
<i>Consolidation</i>	18
<i>Advantages and Disadvantages of Interlocal Service Delivery</i>	19
<i>Local Service Economies</i>	22
<i>Deliberation to Develop Interlocal Service Delivery</i>	26
III. Best Practices	33
International Case Studies	33
<i>Introduction</i>	33
<i>Municipality of Umeå & Västerbotten County, Sweden</i>	36
<i>Province of Alberta, Canada</i>	37
<i>Euroregions</i>	41
National Case Studies	49
<i>Introduction</i>	49
<i>City of Plymouth and Plymouth Township, Michigan</i>	49
<i>City of Pittsburgh and Allegheny County, Pennsylvania</i>	50
<i>City of Oshkosh and Town of Algoma, Wisconsin</i>	52
<i>Cities of Chandler, Phoenix and Tempe, Arizona</i>	54
<i>Other National Cases Studies</i>	55
Ohio Case Studies	61

<i>Introduction</i>	61
<i>City of Springfield and Springfield Township Cooperative Economic Development Agreement</i>	63
<i>Airpark Ohio Joint Economic Development Agreement</i>	65
<i>City of Akron Joint Economic Development Districts</i>	65
<i>Cleveland Metropolitan Area – Mutual Development Fund</i>	67
IV. Dayton Area Case Studies	69
Introduction.....	69
<i>Board of Commercial Building Appeals</i>	70
<i>Southwest Ohio Purchasing for Government (SWOP4G)</i>	72
<i>Fire/EMS Vehicle Fleet Maintenance</i>	73
<i>Fire Dispatch – Dayton Fire Department (DFD)</i>	74
<i>Mutual Aid Response System</i>	75
<i>Police MIS Services</i>	76
<i>Five Rivers Metro Parks</i>	77
<i>Well Field Protection Program</i>	79
<i>Miami Valley Communications Council</i>	81
<i>Dayton and Miami Township Joint Economic Development Agreement</i>	82
V. Dayton and Study Area Profile	85
Introduction.....	85
Community Profiles.....	87
Estimated Daytime Population	91
Revenues.....	93
<i>Municipal Income Tax</i>	93
<i>Real Estate and Public Utility Tax</i>	94
<i>Tangible Personal Property Tax</i>	95
Service Delivery and Expenditures.....	96
<i>General Government</i>	99
<i>Security of Persons and Property</i>	100

<i>Leisure Time Activities</i>	106
<i>Community Environment</i>	107
<i>Transportation</i>	108
<i>Public Works</i>	110
<i>Conclusions</i>	111
VI. Conclusion	115
The Alignment of Past with the Present	115
Dayton Has a Firm Foundation to Start the Change Process.....	117
<i>Capacity to Make Changes</i>	117
<i>Begin With Core Communities</i>	118
<i>Act Now</i>	119
<i>Measuring Progress</i>	119
VII. Future Opportunities and Recommendations – Next Steps	121
Begin and continue formal dialogue.....	121
<i>Fill Information Gap</i>	121
<i>Engagement Outcome</i>	122
Select services that can bring quick success and can be easily implemented.....	124
Seek support from the state.....	125
Investigate high reward opportunities.....	125
Continuing dialogue and expanding the scope and composition of the committee.....	126
Bibliography	127
Appendix A: International	A-1
Appendix B: National Case Studies.....	B-1
Appendix C: Ohio Case Studies	C-1
Appendix D: Dayton.....	D-1
Appendix E: Population Profiles	E-1
Appendix F: Tax Profiles.....	F-1
Appendix G: 2004 CAFR Data.....	G-1
Appendix H: Definitions.....	H-1

Table of Figures

Figure 1: Joint Agreement Service Delivery	18
Figure 2: Examples of Intergovernmental Agreements around the United States	58
Figure 3: Map of the Jurisdictions included in the study.....	86
Figure 4: Shared Jurisdictional Boundaries with the City of Dayton.....	87
Figure 5: Study Area Household Density	89
Figure 6: Estimated Change in Daytime Population, 2000	92
Figure 7: Capita Municipal Income Tax Collections, 2003.....	94
Figure 8: Jurisdictional General Characteristics Comparison	98
Figure 9: Per Capita Total Expenditures.....	99
Figure 10: 2004 General Government Per Capita Expenditures	100
Figure 11: 2004 Security of Persons and Property Per Capita Expenditures	101
Figure 12: Full-time Law Enforcement Officer as of October 31, 2004	102
Figure 13: Property and Violent Crime Rate, 2004.....	104
Figure 14: Losses Due to Fire, 2004.....	105
Figure 15: 2004 Fire Jurisdiction Characteristics	106
Figure 16: 2004 Leisure Time Activities Per Capita Expenditures	107
Figure 17: 2004 Community Environment Services Per Capita Expenditure	108
Figure 18: 2004 Transportation per Capita Expenditures.....	109
Figure 19: Paved Mile Expenditures, 2004	110
Figure 20: 2004 Public Works Per Capita Expenditures	111
Figure 21: Creative Government Process	123

Prologue

John H. Patterson challenged Dayton in 1896. Patterson, a leading manufacturer in Dayton and the nation, believed Dayton could become a “model city” for the nation and world if it would take steps to provide a higher quality of life for residents and a competitive environment for business. He asked how could a city find the money to build parks, provide free music conservatories and art galleries, and dramatically improve sanitation and not burden its residents and businesses with excessive taxes. He answered, “Adopt business methods in city government”.¹

Dayton has been a model city for much of the twentieth century. Dayton stood out from other cities because it addressed broad economic and social change by adopting a new system of government.

The Dayton Flood of 1913 cleared the path for instituting Patterson’s call for adopting business methods in city government. Four months after the levees broke flooding city neighborhoods and businesses, Dayton voters approved a city charter that put a city manager in charge of the “business” of government.² Reflecting on these changes several years later, Edward A. Deeds told a reporter that the Flood of 1913 broke resistance to change and cleared the way for forming a shared commitment to raise Dayton from the depths of despair.³

Dayton recovered and it became a “model city” it was the first large city to adopt the city manager-commission form of government and for many decades Dayton supported a competitive business environment, dramatically improved the quality of life for residents, and became a symbol of innovation in local government. Patterson and the 1913 Flood were powerful agents of change. Yet, even if there had not been a John Patterson or a flood, industrialization and urbanization had already dramatically altered life in Dayton. Change in local government was inevitable. In 1913, manufacturing was close to replacing agriculture as the primary employer in the state and people were migrating in large numbers from the farm and from Europe to Dayton and industrial cities throughout Ohio.

Dayton’s government played a critical role by adapting to economic and population growth and promoting improvements that raised the quality of life for residents.

¹ Sealander, Judith. *Grand plans: Business Progressivism and Social Change in Ohio’s Miami Valley, 1890-1929*. Lexington: University Press of Kentucky, 1988, p.87.

² Sealander, pp. 45, 101-103

³ Sealander, p. 85.

But, economic and social life did not suddenly change in 1896 or 1913. Manufacturing and cities had developed at a fast pace and in larger and larger scale over many decades. John Patterson had stated the obvious. Patterson delivered the message that economic and social change required governmental change, while the 1913 Flood exposed the weakness of city government and how vital local government was to the well being of every person and business. When Dayton voters adopted the city manager-commission form of government, they had decided that their government should play a pivotal role in making Dayton competitive in the new economy and in making their city livable. Dayton voters created a new way to govern the city for a new age. The charter separated policy making from the “business” functions of city government service delivery.

As Dayton, the region, and the nation now enter a new age created by, yet again, major changes in economic and social life, the story of innovation in Dayton provides a vision of what the future may hold. History, however, does not repeat itself. Today, there are no John Pattersons and there will not be another 1913 flood to sweep away resistance to change. The question then becomes: Will Dayton once again become a model city; a city that effectively responds to economic and social change, prepares for the future, and by doing so, becomes an inspiration for other communities?

I. Introduction

Dayton and urban America changed over the twentieth century. Like the preceding century, economic and social transformations have altered life. Manufacturing no longer drives the economy. Many of the products Dayton made for the world throughout the twentieth century are obsolete or are now made by other places in the world. Work has become twenty-four hours, seven days a week. Residents now work with people in other cities, states, and nations through digital networks. The economy is global.

New residents and new cultures make up social life. Social life on a daily basis has become regional. People cross political boundaries daily to work and purchase goods and services. Statistically, thirty-nine percent of the people who once lived in Dayton now live in its suburbs.⁴ Although communities reflect the values and choices of residents, suburbanization duplicates governments and services. While economic and social lives are regional, governance and services in Dayton and suburbs are bounded by political boundaries. The challenge to Dayton and its suburbs is how to be competitive in the global information-service economy and sustain and improve quality of life.

Global competition now moves people, products, capital, and information internationally at an ever increasing scale and quickening pace. It impacts all people and places. It causes local governments to look more closely at what they do and how they do it; their ability to compete globally depends on it. The challenge in the 21st century is stark and laden with risk. Simplistically, local

Dayton once again is confronted with broad economic and social change. Today, multiple digital networks connect residents and employees to places beyond the city's and the region's boundaries. Now, more information, products, people, and money move faster and to more places around the globe.

Local governments face rising demands for services while their tax base lags behind or declines.

⁴ Source: U.S. Census Bureau.

governments face rising demands for services while their tax base lags behind or actually declines.

How do we balance economic competitiveness and quality of life? An observation, not an answer, is that nothing can be gained if quality of life must decrease to increase competitiveness; yet, if local government prioritizes quality of life at the expense of competitiveness, then the services local government provides cannot be sustained. John Patterson offered “business methods” as the solution to the 20th century competitiveness-quality of life riddle. The challenge before Dayton and urban areas throughout the nation and around the globe is to find an answer to the 21st century version of this same riddle.

Dayton and other local governments are virtually alone in their search for answers. The federal government has been slowly retreating from urban issues over the last forty years and in recent years the retreat has increased in magnitude. State government has not been directly engaged with local government since adopting home rule (1912 in Ohio). Continued suburban growth, especially without growth in population, increases interlocal competition. Local governments compete more aggressively regionally for resources or tax base as service demands rise. Former mayors of Albuquerque (David Rusk) and Indianapolis (Stephen Goldsmith), state legislators from Minnesota (Myron Orfield) and Ohio (Gene Krebs), national best-seller authors (Neal Peirce, Alex Marshall and Richard Florida), and scores of others have called for policies to help cities answer the 21st century competitiveness-quality of life riddle. Despite many voices seeking state interventions and the apparent impacts of suburbanization, globalization, and industrial transformation, there appears to be little chance states will take action. Alan G. Hevesi, New York State Comptroller, put into words this reality for New York when he wrote,

*Local governments
compete more
aggressively regionally
for resources or tax base
as service demands rise.*

“Given fiscal difficulties being experienced by the State, the prospect for strong support from the State is very dim. It is clear that local government, more than ever before, will have to find new ways to effectively deliver services with limited resources.”

His statement could legitimately be repeated by many other state officials in the Northeast and in Ohio and the Midwest. Yet, Hevesi’s office did not totally turn its back on local government; nor does Ohio or other states. The Comptroller recommended local governments cope with their problem of growing service demands and stagnant or declining local tax base through cooperation and consolidation of services. The New York Office of Comptroller’s Division of Local Government Services & Economic Development supports this strategy through Cooperation and Consolidation Consulting Services (3CS) and through a manual for developing interlocal cooperation and a directory of best practices. Hevesi reported over 3,000 cooperative agreements were in place in New York, and interlocal service agreements totaled \$575 million in 2001 (Intermunicipal Cooperation and Consolidation).

The State of Ohio also encourages greater cooperation and consolidation of services among local governments. Using the Local Government Assistance Fund for an incentive, the State required local governments to report what cooperative service agreements they had in place before adopting the 2005 biennial budget (Appendix C). Legislators have also amended the Ohio Revised Code to enable tax base sharing and multi-jurisdictional economic development areas. In the last biennial budget, state legislators considered incentives for local governments to expand their cooperative and consolidation strategies.

In 1990, the Montgomery County ED/GE program implicitly recognized the limited gain from interlocal competition for resources. More recently, two studies — “Playing to Win: Practical Actions for Achieving Dayton Regional Excellence” and “Prescribing Future Health: A Strategic Financial Plan for the City

The Dayton region is falling behind in terms of job creation, population growth, and wealth.

of Dayton” – recognized the challenge to Dayton and surrounding communities and offered solutions. “Playing to Win” presented data indicating that the Dayton region is falling behind in terms of job creation, population growth, and wealth. The report identified three broad strategies for lifting the Dayton region to the next level of excellence. These strategies included 1) engaging citizens in regional dialogue and practicing regional citizenship; 2) building an effective regional cooperation network that coordinates and consolidates leadership, develops a regional vision, and fosters capacity building; and 3) negotiating regional growth compacts.

Dayton has been a model city for much of the twentieth century. Dayton stood out from other cities because it addressed broad economic and social change by adopting a new system of government.

“Prescribing Future Health” described the challenges Dayton faces due to “three decades of manufacturing and population loss.” The Strategic Financial Plan Study Committee reported that Dayton cut service personnel by 20% since 1998, delayed capital investments, and made other cost reductions. Unable to turn to the federal government or the State for relief and looming job losses (e.g. Delphi) that threaten the financial stability of the city, the Committee recommended 1) right-sizing city government to fit current population size; 2) shared services with neighbors across the region; and 3) increased revenues through several strategies. Both studies state clearly it is time to act.

The committees that wrote these reports, the Miami Valley Regional Planning Commission and the Dayton Development Coalition, represent interlocal cooperation and collaboration organizations designed to improve transportation and economic growth. New interlocal initiatives continue to emerge in the Dayton area, such as the First Ring Suburbs, Grassroots Greater Dayton, and the Dayton Regional Network. Collectively, the organizations speak with the same clarity as John Patterson did a century ago. They state the obvious; our opportunity and threat is the transformation of economy. The flood event today is the flow of

Facing the challenge of a global economy and broad social change is more challenging because demand for services rises while city tax base lags the growth of service costs.

high-wage manufacturing jobs out of Dayton and the region. The question is whether Dayton and its suburbs will forge a response equal to the challenge of global competition. Or, will Dayton and its suburbs continue to respond to crisis (fiscal and natural disasters), threats (loss of jobs), and opportunities (federal dollars and companies in search of new locations) through *ad hoc* regionalism.

In April 2001 the Lincoln Institute of Land Policy convened representatives from regional organizations from across the United States to better understand and discuss *ad hoc* regionalism. Douglas Porter and Alan Wallis, who convened the group, documented their findings through four case studies and an analysis of eighteen examples from fourteen states. Porter and Wallis contend that *ad hoc* initiatives develop through three stages: 1) recognizing that change requires action and organization; 2) initiating a response through education, evaluation, and capacity building; and 3) sustaining action through a plan or organization that formalizes the initiative through contracts, networks, or new organizations. The authors conclude their report with questions about whether *ad hoc* interlocal cooperation and collaboration is short term or a step to a broader regional governance response to change.

The report that follows here takes into account the many *ad hoc* initiatives that have been developed over the years by Dayton and surrounding suburbs (Appendix C). In effect, the report questions whether *ad hoc* efforts are enough to sustain Dayton's quality of life and increase its global competitiveness. In this sense, the following report complements parts of "Playing to Win" and "Prescribing Future Health." Further, we ask how Dayton and its suburbs compare to a growing number of advanced interlocal cooperative and collaborative relationships that have been forming across the U.S. and internationally. To answer these questions we present service and socio-economic data for Dayton and first-ring suburbs, provide examples of what local governments are doing internationally, nationally, in Ohio, and regionally to meet the challenge of providing services in a new economy, and identify processes that may move Dayton toward a model of interlocal cooperation. The next section provides an outline of key ideas and assumptions guiding the report.

Purpose of Creative Government in the 21st Century

From a physical infrastructure perspective, Dayton sustains a service system for the vibrant city it once was; a city of 262,332 residents in 1960. Yet, the resources to support the service system must come from a much smaller (160,293) and less affluent (\$38,221⁵ median family income in 1960 compared to \$34,978 in 1999) population. This infrastructure was built when there was no City of Moraine, City of Riverside, or City of Huber Heights, and the City of Kettering, City of Oakwood, and the City of Trotwood were largely bedroom communities. Jefferson Township and Harrison Township were farming communities. Over the years, these first ring suburbs built infrastructures and added services, replicating the system Dayton built, but on a smaller scale. Like Dayton, these communities now support service systems built during years when their residents were wealthier and their populations greater. Wealth has increased, but not at the same rate as the rest of the nation. Even though these first ring suburbs have not experienced population or job losses proportional to the City of Dayton, all feel the impact as the region's population continues to drift outward and manufacturing jobs decrease (e.g. loss of jobs causes unemployment, the need for more services and lost tax revenue throughout the region) in number as well as in share of the total jobs.

Dayton sustains a physical service system for the vibrant city it once was; a city of 262,332 residents in 1960. Yet, the resources to support the service system must come from a much smaller (160,293) and less affluent population.

The formation of the First Ring Suburbs group illustrates the importance of working together. Recent news of four Delphi plants closing exposed the economic and quality of life connections between Dayton and surrounding jurisdictions. James Cummings wrote on April 1, 2006 in a Dayton Daily News article that Dayton, Kettering, Moraine and Vandalia “were ready for the punch.” The four communities adopted an agreement to share income

⁵ Real dollars – median family income has been calculated to 2000 values using the Consumer Price Index for all Urban Consumers (CPI-U).

tax receipts to soften the “punch” if one or all of the Delphi plants closed. The four communities agreed that the taxes collected from payroll receipts would be proportionally split between the jurisdictions and the losses suffered due to closures or layoffs would not impact a single jurisdiction solely. If one plant added to its employment base, each of the jurisdictions would also share in the net gain. According to Vandalia City Manager Jeff Hoagland, the agreement demonstrates that, “We’re committed to working together as a region to create the best environment possible [for business].” This agreement, at least in part, was forged by the economic development dialogue that began with the formation of the ED/GE program in 1990. The lesson is that continuous discussion about shared impacts of local economic development creates unexpected future benefits and greater capacity to deal with shared problems.

Services are critical to a quality economic and social life. The tax bill for maintaining existing services continues to climb. This is a problem experienced by most cities and communities in the Dayton region, Ohio, the nation, and even internationally.

For example, in England local government increased taxes by 100% over the last decade to meet the service needs of citizens while, at the same time, the average citizen’s earnings increased by 60% (The Times, February 20, 2006, p. 6). In Canada, the Alberta Association of Municipal Districts and Counties contends that we are entering a new era of municipal services that requires municipalities to work cooperatively in order to find the resources and capacity necessary for effective and efficient service delivery (Cost-sharing for Success, 2002). The message appears clear for cities and communities in general — those who solve the problem of services will reap a competitive advantage.

Dayton’s services are critical to a quality social life that is a critical asset to renewing its economic competitiveness.

In the United States, local governments have experimented with alternative service delivery over the last two decades (e.g. privatization, contracting out, volunteerism and user fees). More recently, local governments have rediscovered regional partnerships to deliver services. After World War II local governments in major urban areas across the country

formed service districts for transit, flood control, health and various utilities. Special districts continue to be the fastest growing local government in the U.S. Learning from the past, local governments are finding creative ways to provide services interlocally to their citizens.

The incentive for creative service delivery stems from two interlocking realities: global competition and the expectation that local government services ought to be efficient and effective. Some places, such as Louisville, Hartford, Grand Rapids and Birmingham in the U.S., have developed regional structures to become more competitive and sustain their quality of life (Playing to Win, 2004). Europe is rapidly uniting and forming cooperative agreements. Europe has forged trade agreements, adopted a common currency, and organized Euro-regions. Recently, the Bologna agreement was tentatively adopted to create a common structure for higher education in Europe. Because, the United States lacks the centralization of Europe, ultimately, leadership for developing cooperative and consolidated services falls to each local government.

The twenty-first century challenge to local government is to support the competitiveness of the city and at the same time sustain a high quality of life.

The information and analysis that follows in this report provides evidence of the benefits of interlocal service delivery. Interlocal service delivery has the potential to increase service efficiency and effectiveness. The goal is global economic competitiveness and sustained or improved quality of life for residents of the City of Dayton and surrounding communities.

Focus of Research

In 2005, the City of Dayton and the Center for Urban and Public Affairs (CUPA) at Wright State University (WSU) agreed to investigate how Dayton and surrounding communities might work together in creative ways to deliver services more efficiently and effectively that are needed by their residents and businesses. The investigation asked the question:

What evidence supports interlocal service delivery for the City of Dayton and surrounding communities?

Interlocal service delivery is defined as cooperative and/or consolidated services. The difference between cooperative and consolidated services is important. Cooperative arrangements do not structurally combine a service. Cooperation yields greater efficiency and effectiveness. The report selected several cooperative service agreements from Appendices A and B to illustrate opportunities. Cooperative agreements have important limitations: the agreements sunset; accountability tends to be diffused; and fostering future innovation tends to be less important than efficient, functional service delivery. On the other hand, consolidation merges service functions and creates a new organization. Consolidation also has important limitations. Consolidation may increase the cost of services in the short term; it may create significant employee resistance; and it may return to efficient, functional service delivery.

The Wright State study investigated what evidence supports adopting interlocal service delivery for the City of Dayton and surrounding communities. Put another way, will interlocal service delivery increase Dayton's economic competitiveness and sustain or improve quality of life?

The functional consolidation of services should not be confused with a political structural merger. In this case all services are automatically merged and organized under one authority. Interlocal service delivery is the focus of this report because a structural merger

between Dayton and surrounding municipalities and townships puts the “cart before the horse.” Local governments must first develop productive and sustainable working relationships. Too often local governments investigate a merger as a starting point. In contrast, the approach taken here is to find examples of cooperation and consolidated of service delivery among local governments, within the framework of developing a shared “overarching” vision and set of goals, that offer insight for Dayton and surrounding jurisdiction policy makers to consider.

The study also investigates what processes foster interlocal service delivery. The research asked the question:

What steps should the City of Dayton take to develop interlocal service delivery agreements?

The study then turns to the question of what steps could be taken to further develop interlocal delivery agreements between Dayton and surrounding communities.

This investigation led to a broader approach than services as a starting point. a discussion of services should not be the starting point. Instead, Dayton and surrounding communities should forge relationships based on maintaining individual community independence and identity. Forging strong relationships will require defining competitiveness and quality of life for the core communities. In turn, this shared vision lays the foundation for future cooperation and consolidation of services among Dayton and area local governments.

Report Overview

Section I of this report describes the history and background of the Dayton Region while Section II illustrates the basics of interlocal service delivery. To answer the question whether Dayton and surrounding communities can forge interlocal service delivery partnerships, we searched for examples internationally, nationally, and statewide. These “best practices” (Section III) give us an understanding about who decided to merge their services and what benefits they expected to gain. This evidence provides us with a range of services that are being provided interlocally and the range of local governments that have signed agreements.

Section IV of this report turns attention to Dayton area. This section acknowledges progress that has already been made. Examples of Dayton area interlocal service delivery are the building blocks for new initiatives and serve as the foundation for creative government in the Dayton as we advance through the 21st century.

The fifth section of the report attempts to quantitatively and qualitatively describe the services provided, relative socio-economic data, and fiscal, budgetary and capital factors. In this section, similarities and differences, alike, provide opportunities for developing interlocal services.

The conclusion section of this report summarizes the findings of the research into interlocal service delivery, and in contrast, highlights some of the missing elements in the region’s attempts at cooperative service delivery. It also refers to certain useful models discovered in the review of best practices.

The recommendations section discusses several potential solutions for the region in dealing with interlocal service delivery. The specific recommendations incorporate solutions

for the missing elements identified in the report and called out in the conclusion section, as well as indicate strategic opportunities for interlocal service delivery.

II. Basics of Interlocal Service Delivery

Basics of Interlocal Service Delivery

Critics frequently charge that local government is "too fragmented." The existence of numerous cities and towns, together with a sometimes bewildering array of special purpose districts, is cited as evidence that local government is uncoordinated and wasteful. Fragmentation also has been blamed for other problems, such as urban sprawl, slow implementation of new technologies, concentrated poverty, irrational use of economic development incentives, and lack of political influence at the state and federal. In short, too many local governments either cause the problems or present barriers to solutions for the problems.⁶

These arguments have been given renewed credence with growing budget difficulties. Declining revenues, or revenues that cannot keep pace with rising expenditures, collide with a popular sentiment against taxes and constituent expectations for high quality local services. The result is an ongoing fiscal dilemma. Many local governments, in their search for new methods of reducing expenditures while maintaining quality services, explore how their services can be provided through alternative arrangements.

In 1982, E.S. Savas launched a nationwide assessment of government, challenging the public provision for many services and offering eight alternatives to conventional service delivery. The service delivery alternatives that captured most attention included contracting, privatization, vouchers, and voluntary service. Intergovernmental agreement, or interlocal service delivery, was included with the alternatives. In 2006, cooperative agreement has become the preferred term and has become the focus of many state and local initiatives to

⁶ Katsuyama, Byron, *Is Municipal Consolidation the Answer? Municipal Research News*, Municipal Research and Service Center, Summer 2003.

reform service delivery systems.⁷ These agreements take a variety of forms. The most common form involves a formal contract for services between two jurisdictions under which one government agrees to provide a service to another government for an agreed price. For example, a city may contract with another community for law enforcement services. Intergovernmental agreements may also take the form of a joint service agreement where two or more jurisdictions join forces to plan, finance, and deliver a service within the boundaries of all participating jurisdictions. Finally, governments may also enter into various types of service exchange arrangements under which participating jurisdictions agree to lend services to one another, generally without any payment being required. Examples of this type of arrangement are mutual aid agreements for emergency services which exist between many jurisdictions. The three basic types of agreements might be described as follows:

Implied Contract: Agreement often occurs between two smaller neighboring towns or an isolated town and its county or nearby fire protection district. It usually takes the form of a mutual aid agreement but in this context there is not a written contract but merely an informal understanding. This friendly agreement to provide aid carries a decided hazard, however, which bears careful consideration by administrators. In the event of an emergency, the provider may be unable to answer a summons for help because of a formalized contract with another who is also requesting service. Then, too, there is no recourse for services which are not provided or services provided in a very casual or minimal manner.

Service Contract: Under this arrangement, one unit of local government contracts with another to provide one or more services for a stated amount. The terms of the contract are negotiated and formalized in a written agreement. One city or other entity is the supplier of the service and the other pays for the service. This is the most common method of intergovernmental contracting.

Joint Agreement: This method is distinguished from the service contract in that responsibility for the performance of a particular function or the operation and construction of a facility would be shared through the creation of an administrative vehicle to handle service responsibilities (E.G. a board consisting of representatives of each participating governmental unit. The joint agreement may be spelled out through a contract, generally authorized by ordinance, following procedures established in the Act, which spells out the details at local discretion. This approach leaves a good deal of flexibility so that local officials can tailor the program to reflect their own needs and sensitivities.⁸

⁷ Pataki, George E and Alexander F. Treadwell Intergovernmental Cooperation. New York: James A Coon Local Government Technical Series, 1998 <<http://www.dosstatenyus/lgss/pdfs/intergovtpdf>>.

⁸ Municipal Research and Service Center of Washington 2005.
<<http://www.mrsc.org/Subjects/Planning/intrgov.aspx>>

A study by the Minnesota Metropolitan Council found that 25 percent of all agreements in metropolitan areas were joint agreements (the technical term used was joint powers agreement). Of these, 47 percent were written agreements, and 28 percent were informal agreements.⁹ According to the research, joint agreements are used by cities, townships, and counties for a variety of reasons. Governments with large populations use joint agreements more often than those with small populations, (smaller governments tend to use fewer formal agreements). Cities use joint agreements more than any other government. Counties often use joint agreements to provide state-mandated services, such as environmental programs.¹⁰

Studies show that joint powers agreements are used by cities, townships, and counties for a variety of reasons. Governments with large populations use joint power agreements more often than those with small populations, (smaller governments tend to use fewer formal agreements). Cities use multiple joint powers agreements more than any other government. Counties often use joint powers agreements to provide state-mandated services and functions, such as environmental programs.¹¹

⁹ University of Minnesota Extension Service 2005

<http://www.extension.umn.edu/distribution/citizenship/components/6451_05.html>

¹⁰ Minnesota Statutes, Sec. 471.59

¹¹ Minnesota Statutes, Sec. 471.59

The following table shows the most common types of services and functions performed under joint powers agreements.

Cities	Towns	Counties
Public safety and law enforcement	Public safety and law enforcement	Environment
Environment	Transportation	Health and human services
General government	Environment	Public safety and law enforcement
Parks, recreation, and miscellaneous services	Health and human services	General government
Transportation	General government	Transportation
Health and human services	Parks, recreation, and miscellaneous services	Parks, recreation, and miscellaneous services

Figure 1: Joint Agreement Service Delivery¹²

Consolidation

Another type of interlocal service delivery can occur through consolidation. The New York Division of Local Government Services & Economic Development reports that consolidation could combine two functional units or departments. An example could be building and code enforcement (department) or public works (functions). The City of Buffalo and Erie County are now considering a merger of police functions. Most consolidations occur through the merger of two or more local governments into a single entity and the dissolution of one or more of the local governments (e.g., the City of Trotwood and Madison Township). A consolidation of this type usually evolves over time. The time allows local governments to have repeated experiences delivering services and to develop a

¹² University of Minnesota Extension Service 2005
http://www.extension.umn.edu/distribution/citizenship/components/6451_05.html as referenced from the *Uses of the Joint Exercise of Powers Act* (Minnesota Statutes, section 471.59), a report prepared by the Research Department of the Minnesota House of Representatives in May 1992.

relationship of trust and respect. Louisville and Jefferson County, Kentucky and Athens and Clarke County, Georgia, illustrate this pattern.

Resistance to consolidation comes from the fear of lost identity; from employees concerned about job security, seniority, and job classification; and from concerns about responsiveness and accountability. Consequently, citizens, service employees, and policy makers are most attracted to interlocal cooperation.

Empirical data confirming the value of cooperation or consolidation is difficult to obtain. New York, for example, simply reports the amount of service revenues supporting cooperative service agreements rather than revenues saved due to cooperation. The lack of data no doubt dampens the attractiveness of intergovernmental agreements as a service delivery strategy. Studies do, however, identify the reasons cited by local governments when adopting or considering cooperation-consolidation. The next section outlines the advantages and disadvantages of interlocal agreements and is then followed by a section focused on economies of scale and local service economies. This part of the report then concludes with a framework for local governments considering cooperation-consolidation.

Advantages and Disadvantages of Interlocal Service Delivery

Many studies describe these arrangements. We used “Local Government Options: A Practical Toolkit for Customized Local Government Structuring in Ohio” authored by Beth Walter Honadle and Robin R. Weinauch (Center for Policy Analysis & Public Service at Bowling Green State University, 2004) and a report produced by the University of Minnesota Extension Service. Reasons for adopting interlocal service delivery mechanisms include the following.

Advantages gained through interlocal service delivery include:

- *Efficiency improvements and reduced costs.*
- *Retain local independence-avoid jurisdictional merger.*
- *Expand services to more citizens.*

- Efficiency and reduction of costs. Cooperating for the provision of services can potentially mean lower costs per unit or person. Although they are by no means the only reasons, efficiency and reduced costs are the most common reasons governments seek to cooperate. Cost savings derives from economies of scale and reduction of duplication.
- Expanded services. Cooperation may provide a city or township with services it would otherwise be without. Cooperation can make those services financially and logistically feasible.
- Service quality. Cooperation may raise the level of service quality without increasing costs. Volume permits local governments to raise employee capacities, purchase technologies, invest in capital and other inputs that result in high quality service.
- Eliminate duplication and overlap. Fundamentally, local governments provide functionally similar services, e.g., fire, police, road repair, code enforcement. The asymmetrical boundaries of jurisdictions, the City of Dayton or Riverside for example, suggests services are duplicated. A fire station in one community could just as well serve a population in a neighboring community. Duplication can result in unnecessary complication such as different building permit processes and regulations.
- Equitable services. Jurisdictions develop unique service delivery systems. In some cases, these systems may not give some residents the services they need because of costs or limited demand. However, a neighboring community may offer the needed service at no greater cost to residents.
- Limited government restructuring. Cooperating with neighboring governments often avoids the time-consuming, costly, and politically sensitive issues of government restructuring. If a city and township can cooperate, the township may avoid annexation of its land and the city may avoid incorporation efforts on the part of the township, which may hinder the city's development. Cooperation also helps avoid the creation of special districts that take power and resources away from existing governments.
- Coordination and planning. Through cooperation, governments can develop policies for the area and work on common problems. Such coordination helps communities minimize costly externalities that can follow when levels of services and enforcement are different among

neighboring communities. For example, shared water, sewage, and waste management policies can help avoid the situation in which one area's environment is contaminated by a neighboring jurisdiction with lax standards or limited services. Cooperation can also lead to joint planning for future services and the resources needed to provide them.

Reasons for rejecting interlocal service delivery mechanisms include the following.

- Division of costs. Figuring out how to charge for services and pay the provider of services can be very complicated. Variation in how local governments pay for services also complicates this issue.
- Loss of identity. Cooperative agreements may lessen the connection between the jurisdiction and its residents if the service provider is another local government or a separate entity.
- Accountability. Along the same line of thinking as lost identity, cooperative agreements may make accountability for services less transparent. Who do I call if I am unhappy with my service? On the other hand, lines of authority internal to the service may be less clear and addressing poor performance may become entangled in confusing procedures (e.g., whose procedures?) and extra layers of oversight.
- Reaching and maintaining an agreement. In general, reaching a consensus in cases where politics and community sentiments differ can be difficult. For example, all parties may agree that police protection is necessary. However, they may disagree widely on how *much* protection is needed. An agreement may fall apart if one city wants infrequent patrolling and the other wants an active and visible police force. Since joint powers agreements are voluntary, a government may pull out before an agreement is reached. Or, if a government dislikes how the agreement has been implemented, it may, under the agreement's particular terms, pull out. The same is true for intergovernmental service agreements.
- Unequal partners. If one party to an agreement is more powerful than other parties, it may influence the agreement's conditions. With service agreements, the more powerful party, or the party providing the service,

Disadvantages of interlocal service delivery include:

- ***Difficult to reach and maintain agreements.***
- ***Perceptions of greater and lesser gain for jurisdictions.***
- ***Barriers of local self-preservation and desire for control.***

may have little to lose if the agreement breaks down - it may already service itself at a reasonable rate. The weaker participants may not have other options and are open to possible exploitation.

- **Local self-preservation and control.** Some cities or townships may feel their identity and independence will be threatened by intergovernmental cooperation. The pride of city residents and officials may be bruised if, after decades of providing their own police or fire protection, they must contract with a neighboring city (and possible old rival) for the service. In addition, and possibly more importantly, cities and towns lose some control over what takes place within their boundaries. And, although government officials may lose control, they are still held responsible for the delivery of services to their electorates.¹³

Local Service Economies

One of the rationales for interlocal service delivery frequently mentioned by both economists and public policy analysts is that cooperative efforts may lead to either economies of scale or economies of scope.

Economies of Scale

Essentially, the scale of the service system reduces the costs of delivering a unit of the service or the quality of service unit increases at no cost, or both. Economies of scale may be viewed from the demand side as well as the supply side (interlocal service delivery system). It is possible for two or more communities to each make independent decisions with respect to the amount of the service to be purchased and consumed by each community. Each community would save on the price of a unit of service through

Economies of scale is a critical principle justifying interlocal service delivery. Larger scale may lower service cost, may increase the quality of the service with no increase in average cost, or both. Additional benefits of economies of scale include:

- *The ability to utilize costly technologies that may be beyond the financial or operational capacity of smaller governments.*
- *The savings gained from purchasing materials and capital in quantity.*

¹³ University of Minnesota Extension Service 2005
<http://www.extension.umn.edu/distribution/citizenship/components/6541_05.html>

economies of scale but, in general, would consume different total amounts of the service.

Economies of Scope

Economies of scope may also reduce the costs of delivering similar but different types of services. The underlying principle of economies of scope is that when neighboring jurisdictions produce similar services (i.e. police dispatch and fire dispatch), savings result when both services are delivered in close proximity or within a single facility or organization, thus eliminating duplications in equipment, infrastructure, and possibly personnel.¹⁴

There are a number of general characteristics that influence the extent of economies of scale and can impact the price of a service. These factors include the capital versus labor intensiveness of the service production process, the extent to which we divide a service into functional areas, the availability of technologies, the existence of fiscal externalities (i.e., quantity purchasing discounts), and the random nature of service calls for such services as fire and police protection.

Public services that require relatively large amounts of capital and relatively small amounts of other inputs, such as labor, are apt to exhibit significant economies of scale. A second reason for scale economies is that larger organizations may be able to utilize different kinds of technology that is out of reach to smaller organizations, potentially resulting in lower average costs for the larger organizations. In the case of police services, for example, a larger police department may be able to computerize its communications and record operations, whereas a smaller department may find purchasing, developing, and maintaining an information system too expensive. Another related reason for scale economies is that larger organizations may be able to take advantage of greater input specialization, resulting in increased productivity and lower average costs. A fourth reason often cited is the potential

¹⁴ Wheeler, James O, et al, 1998 *Economic Geography* Hoboken, New Jersey: John Wiley, Inc. p. 43.

savings to be gained from quantity purchases. Because of scale, it is possible to reduce the cost of goods and services. The final factor relates the regularity of services may be. In general, as the degree of routine increases, economies of scale become more important.

Interlocal cooperation, consolidation of service delivery, and the influence of economies of scale is countered by the idea of local service economies. A number of studies contend that most local public services can be provided efficiently, in the sense of technical efficiency or unit cost minimization, by relatively small communities. This may be due, in part, to the fact that some public services are labor-intensive and some services require close proximity to service users. In addition, economists have proven that scale produces economies to a point and thereafter, scale increases cost (diseconomies of scale). The problem has been two-fold. One, how does one know what scale provides the maximum cost savings, and two, what are the benefits to scale other than cost savings?¹⁵

Studies of consolidations have found promises of cost savings to be exaggerated in the short term. There are three general reasons why costs do not decline immediately after consolidation:

1. Services that are labor-intensive often do not achieve economies of scale and may end up costing the same or even more;
2. When services are consolidated, wages tend to rise to the level of the highest-paid employees in each classification; and
3. "Averaging-up" occurs, meaning service levels and standards for equipment and facilities tend to rise to the highest level among the cooperating organizations.

¹⁵ Cowing, Thomas G. and A.G. Holtmann, *The Economics of Local Public Service Consolidation*, D.C. Heath and Company, 1976, p. 29-76.

As a result, cost savings achieved from consolidation by streamlining services and staff may be offset in the short term by the absence of scale economies and the “averaging-up” of wages and service standards.¹⁶

The concept of local service economies also opposes interlocal service delivery cooperation-consolidation. Over the last two decades or more, the local services economy argument has been used to oppose local government mergers and regional government, and it was used in 1990 to oppose the Montgomery County ED/GE program. According to advocates, local service economies are created when jurisdictions compete for market share (population or households). Services represent “bundles of goods” that residents buy with their tax dollars. When communities differentiate their bundles of goods (services) and their price (taxes), consumers (residents) will choose the community that best meets their needs at a price they are willing to pay. The consumer benefits rather than the producer, and producers compete to provide the highest quality of services at the lowest cost. In theory, this is a win-win outcome.

In reality, the mobility of people, fixed assets, democratic decision making processes, the role of government (other than service delivery), and other factors weaken the relevance of local service economies. Indeed, the global economy is pushing communities together. The Organization for Economic Cooperation and Economic Development (OECD), an organization formed in 1961 by twenty western economies (i.e., USA, Canada, United Kingdom, France, Germany) to advance economic growth, employment, and a rising standard of living, offered an alternative to local service economies in the 2001

Cities should not assume interlocal service delivery advantages outweigh disadvantages. Key issues to a thorough evaluation of the effectiveness, efficiency, and practicality of interlocal service delivery include:

- *Cost benefits.*
- *Existing models of regional service delivery.*
- *Service improvements.*
- *Legal and practical barriers.*
- *Community support.*
- *Increased economic competitiveness.*

¹⁶ Katsuyama, Byron, Is Municipal Consolidation the Answer? *Municipal Research News*, Municipal Research and Service Center, Summer 2003.

report titled, *Cities for Citizens*. The OECD offered a metropolitan model. It is pragmatic rather than ideological, and it recommends varied solutions in contrast to a single solution (let the marketplace decide). Service delivery in the metropolitan model begins with a strategic vision of the region in which there are many stakeholders: citizens, businesses, local officials and so on. The stakeholders play a role in deciding what and how services are delivered. Some services might be consolidated, others cooperative, and others locally based. Service systems are dynamic, democratic and effective; they are focused on demand, economy, and future needs. OECD rejects standardization, except when justified, or “one-size-fit all” services. The metropolitan model advocates transparency, accountability, accessibility, representativeness, and protection of essential freedoms as a means to improve competitiveness while raising living standards.

The OECD report contains many case studies from around the world illustrating how local governments can join together to reform service delivery systems. OECD also identifies eleven principles to guide the reform of local governing systems; however, it does not provide much insight into what processes help communities create their vision and develop efficient and effective interlocal service delivery systems. The next section presents a process adopted by DMG-MAXIMUS, a consulting firm, to help two communities in New York create a vision and develop interlocal service delivery systems.

Deliberation to Develop Interlocal Service Delivery

In 1998, the Villages of Carthage and West Carthage, New York, retained DMG-MAXIMUS to assist in the development of a range of service delivery alternatives. The two Villages determined that it was appropriate to consider a variety of options available to them for improving the effectiveness and efficiency of service delivery to their communities. Their goals were summarized in the group’s mission statement:

“To analyze, study, and remove, if necessary, organizational and administrative barriers to economic growth and fiscal stability that might exist in and between the villages of Carthage and West Carthage. And, to identify opportunities for cooperation which could enhance the quality of life and improve service delivery in our communities.”

Three main conditions lead Carthage and West Carthage to move forward with this study. One, like many small municipalities in upstate New York, the villages had experienced a long-term decline in economic vitality affecting their ability to provide reasonable levels of public service cost effectively. Two, the State of New York was willing to support their efforts to reorganize and make their services more cost effective. And three, Carthage and West Carthage obtained the assistance and expertise of local, regional and state agencies to examine their organizations and service delivery systems.

The study they conducted made three important decisions. First, functional area groups were created in each municipal service area to examine alternatives. The groups included: fire, police, highway and streets, housing, water/waste water, administration, planning, zoning and building codes, parks and recreation, and economic development. Second, the project team collected data in order to independently provide an assessment of opportunities to improve the efficiency and the functioning of service delivery in the two villages. Third, a survey was developed to include citizen and business views of service delivery. The survey was distributed to every household and business. The response rate was very good, 38 percent. The survey showed that while there was interest in increased cooperation between communities, citizens and businesses wanted to better understand the benefits to be gained from interlocal service delivery.

This study then examined alternatives. The alternatives included other communities in addition to Carthage and West Carthage. They included the following options.

- Mutual Aid. Formal and informal agreements in areas such as: fire / rescue, law enforcement, water / waste water emergencies, weather emergencies, etc.
- Exchange of Services. An exchange of in-kind services between two or more entities. For example, one village plows snow in the winter while the other maintains right-of-ways in the summer.
- Interlocal Agreements. Joint service provision through the use of written agreements or contracts between municipalities or other entities to provide a specific service.
- Functional Consolidation. The merger of service delivery functions or departments.
- Special District. The creation of a new entity to handle the delivery of specific services.
- Municipal Consolidation. The structural merger of the municipalities into a new single municipality.

The process of evaluating the alternatives and various combinations of alternatives was obviously difficult. To facilitate this effort, the consultant developed a set of formal criteria that could be used to evaluate so many options.

- Potential cost effectiveness
- Existing examples of regional service delivery
- Potential service improvements
- Legal/practical feasibility of the alternative
- Potential community support
- Enhance regional competitiveness.¹⁷

In January 2000, shortly after the completion of the DMG-MAXIMUS led study, the Towns of Wilna and Champion and the Villages of Carthage and West Carthage convened to discuss cooperation for each of the seven functional service areas. In February 2000, an Intermunicipal Agreement was adopted by those four entities, creating a vision for the area and the River Area Council of Governments (RACOG). Since that time, the local governments have worked cooperatively within the RACOG, on issues of zoning and land use, recreation, capital improvements, downtown revitalization, and transportation.¹⁸

This example is particularly useful in any consideration of interlocal service delivery because it entails a full and complete listing of all primary elements that should be analyzed prior to making service delivery changes in the local public sector. It also details the range of

¹⁷ Summary of Municipal Service Alternatives, Villages of Carthage and West Carthage, New York, DMG-MAXIMUS, Framingham, Massachusetts, July 14, 1999.

¹⁸ River Area Council of Government. <<http://www.racog.org>>

function alternatives, which could be utilized for discussion. Finally, it offers insights into what kind of “public” process is necessary to build local support for service delivery change.

* * *

In conclusion, interlocal service delivery should be seen as a twenty-five year work in progress that will continue long into the future. The work of reforming local government to fit the new economy began in earnest with the Savas’ alternative service delivery approach. This approach challenged the role of government in providing services. The goal focused on efficiency more than effectiveness, that is how can we get a government that costs less? The New York case above demonstrates that this approach is still viable.

The next stage of local government reform combined ideas from alternative service delivery with total quality management and performance management and resulting in a challenge to “reinventing government.” David Osborne and Ted Gaebler (former city manager of Vandalia) wrote *Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector* in 1992, and their book quickly became a best seller. Their book provided the foundation for Vice-President Gore’s National Partnership for Reinventing Government (NPRG). NPRG made 1,200 recommendations to “make government work better, cost less, and get results.” Taking stock of seven years (1993-2000) of reform, NPRG took credit for reducing the size of federal government by 426,200 positions and saving \$136 billion, for cutting 640,000 pages of agency rules, making government more results-oriented, serving citizens better (as determined by service standards and other measurements), changing the way the federal government worked internally and with business and communities, adopting many new technologies (websites and GIS), and improving the workplace (surveys).

The next stage of development appears to be interlocal cooperation and consolidation. Since 1982 when E.S. Savas questioned the size and cost of government, local government

has adopted alternative service delivery strategies and it has made progress on performance, costs, and results. Cooperation, and when appropriate consolidation, have been identified by states, economic development experts (e.g. OECD), and many urbanists as a goal for communities that want to compete successfully in the 21st century global economy, and want to provide their residents with sustainable quality of life. The next section provides illustrations of interlocal service delivery as it is applied in other nations, in the United States, and in Ohio. From these cases, we can gain a sense of what services are being provided cooperatively, by whom, and for what purpose.

This page intentionally left blank.

III. Best Practices

International Case Studies

Introduction

Cities and local authorities have been fostering international cooperation since the foundation of the first international association of local authorities in 1913. Early exchange among cities in developed countries was followed by links with cities in developing countries. Today, city-to-city cooperation may take place between cities in neighboring countries or between cities at opposite ends of the globe.

Interlocal service delivery may involve jurisdictions that are urban-urban, rural-rural, or urban-rural.

Town twinning is one of the earliest examples of city-to-city cooperation. In recent years, the scope of city-to-city cooperation has widened considerably, on the initiative of city leaders with the encouragement and assistance of international associations and networks of local authorities. Strengthening the capacity of cities to deal with their own problems in close touch with their citizens is now an acknowledged international policy goal.

Partnerships between cities are gaining recognition as a potentially cost-effective and sustainable component in achieving that goal. Cities are increasingly working together on topics affecting their responsibilities, enabling their personnel to exchange experience on a peer group basis, and transferring and adapting successful practices to new contexts.

Cities are also becoming increasingly involved as direct participants in international programs addressing the problems of urbanization and sustainable development. The challenges of urbanization and the roles of the various civil society stakeholders as partners in policy formation at local, regional, national, and global levels were strongly underlined

during the series of major United Nations conferences in the 1990s, starting with the Rio de Janeiro Earth Summit in 1992, and continuing at the Istanbul City Summit in 1996. This process furthered the recognition that cities and local authorities, as the level of governance closest to the people, are essential partners of national governments and international institutions in the procedure of translating international agreements on economic, social and environmental issues into effective action on the ground.

Agenda 21, adopted in Rio de Janeiro, recognized that these global problems have their roots in local actions and that cities are the key actors in the quest for sustainable development. The Habitat Agenda, adopted in Istanbul, underlined the role of cities in socio-economic development at local and national levels. It set out an extensive Global Plan of Action, drawn up in an evolving partnership with representatives of local authorities, for addressing the challenges of achieving sustainable development in an urbanizing world.

In response, cities and local authorities have also undertaken significant initiative of their own to define and project their role as partners in the international policy processes addressing urban issues. To take the place of the traditional top-down approaches, they have stated their wish to participate in drawing the ground rules for future international programs

Interlocal agreements range from neighboring local jurisdictions to local jurisdictions in neighboring countries. Examples of successful agreements include:

- *Health and social services*
- *Parks, recreation, and historic or cultural institutions*
- *Administration and personnel management*
- *Education and training*
- *Water, sewer, and waste management*
- *Nature conservation*
- *Tourism*
- *Public safety and disaster planning and response*
- *Transportation*
- *Economic development*
- *Information and information technologies*
- *Fiscal capacity*

and to engage in sustained dialogue with the international community about development priorities and approaches.¹⁹

In essence, there are three purposes of cooperation:

1. Use resources more efficiently,
2. Reduce inconveniences for common clients or for those moving between services, and
3. Eliminate overlapping areas of responsibility.

Forms of cooperation are characterized by their richness and complexity. The range is considerable from highly formalized relationships to very informal contacts. When governments cooperate, different forms and levels of government often maintain complete autonomy and have no governing power over each other nor does either have any formal responsibility for coordinating the other party's activities. Hence, successful cooperation must be based on mutual needs and mutual agreement in regard to forms, extent and finance because if one of the parties decides to withdraw, the cooperation, and the resulting benefits, ends.

Communities that have created interlocal service delivery agreements cite the following benefits.

- *Increased purchasing power*
- *Increased productivity with fewer resources*
- *Improved information management capacity*
- *Increased value added activities as defined by citizens*
- *Provided funding for regional asset development*
- *Provided new revenues for local governments*

Despite the prospective advantages that cooperation between jurisdictions offers, limitations do exist. First, the need for cooperation must be present prior to the actual

¹⁹ City-to-City Cooperation: Issues Arising from Experience, United Nations Centre for Human Settlements (Habitat) and United Towns Organization (UTO/FMCU) on behalf of the World Associations of Cities and Local Authorities Coordination (WACLAC), Nairobi, 25 May 2001

establishment of cooperation. Either the jurisdictions must have services in common, where money could be saved by combining the activities, or one of the jurisdictions must have a need that can be satisfied by the other jurisdiction, similar to the supply and demand of economics. Second, the financial sources of the jurisdictions remain separate. Decisions by either jurisdiction to alter costs can affect the cooperative arrangements and may not be well coordinated.²⁰

In the following section, we examine significant examples of interlocal service delivery and cooperation at the international level. In order to summarize this information, we have extensively searched the internet, as well as reviewing various books, periodicals, academic papers and other sources of literature.

Municipality of Umeå & Västerbotten County, Sweden

One example of collaboration is the case of the various partnerships between the Municipality of Umeå and the Västerbotten County Council located in northern Sweden.

The structure of local governments in Sweden is similar to the American version with municipalities comparable to cities and villages, and county councils analogous to county commissions. The Municipality of Umeå (total population: 105,000) is comprised of a densely-populated nucleus (71,000 people), plus several nearby communities and the surrounding vicinity. Västerbotten County has a population of 225,000 people, an area of over 21,000 square miles, which is roughly half the size of Ohio, and encompasses the Municipality of Umeå and fourteen other municipalities.

Even though each government remains an independent entity, the jurisdictions have recognized that some issues cross jurisdictional boundaries. Thus, in order to address

²⁰ Multi-level governance-the case of Umeå, Anders Lidstrom, Department of Political Science, Umeå University, CERUM Working Paper 70:2004

redundancy and conserve resources, the jurisdictions have entered into cooperation agreements on several fronts. For instance, changes to several health care policies throughout the 1990s switched primary management and fiscal accountability from the county council to the municipality. Cooperation agreements between the jurisdictions have met varied levels of success. For example, the reorganization of revenues to support the elderly has been successful, as well as projects aimed at removing anticipated blockages. Yet, the psychiatric arrangement initially was successful, but eventually failed, citing reasons of a sluggish economy and failure to agree on financial responsibility. Further illustrations of efforts to reduce costs are found in other areas of the governments as well. The jurisdictions share in the expenses to manage various cultural institutions. Administration is appointed and the costs are divided based on a jurisdiction's percentage of ownership in a specific institution. Additionally, the betterment of the public transportation system is sponsored, since it serves the region as whole. In fact, this agreement involves bodies beyond the Municipality of Umeå and Västerbotten County and includes other entities such as the local university. Last, the jurisdictions unite when commonalities occur between their undertakings in order to create economies of scale, such as making purchases in larger quantities to save money.²¹

Province of Alberta, Canada.

The Province of Alberta, Canada (2005 population 3,256,816)²² has many entities dedicated to the cooperation between municipalities. To illustrate, the Alberta Association of Municipal Districts and Counties (AAMD&C), recognizing the importance and potential of inter-jurisdictional agreements, has conducted several studies in order to assess the status of relationships between municipalities. The 2005 study indicated that over 730 agreements are

²¹ Multi-level governance-the case of Umeå, Anders Lidstrom, Department of Political Science, Umeå University, CERUM Working Paper 70:2004

²² <http://www40.statcan.ca/101/cst01/famil01c.htm>

in existence, with only two percent of those surveyed as not having any agreements, but sixty-five percent having six or more agreements. In addition, communities with the smaller populations have the tendency to enter into more agreements. Those jurisdictions with populations under 5,000 people represent forty-three percent of the agreements while jurisdiction with populations exceeding 15,000 people only account for sixteen percent of the agreements. Comparing the 2003 study to the 2005 study, the mean of cooperative agreements increased from six to thirteen, representing a rise in the utilization of collaboration and presumably indicating that the benefits of these agreements are being more readily realized by communities.²³

Working in conjunction, the AAMD&C and the Alberta Urban Municipalities Association (AUMA) supports the advancement of collaborative relationships between jurisdictions. This alliance resulted in the creation of the Rural-Urban Cost-sharing Task Force and supplemental devices such as a report and tool kit to aid other municipalities in cultivating cooperative arrangements.²⁴

Within Alberta's government, the Municipal Services Branch of the Local Government Services Division within the Department of Alberta Municipal Affairs offers several types of assistance to jurisdictions. The municipalities are not relieved of their responsibilities nor are they in jeopardy of losing their self-governing status because this program provides an outlet for activities that extend beyond individual local boundaries through guidance, grants and the encouragement of inter-jurisdictional collaboration.²⁵

²³

<http://www.aamdc.com/Policy/Publications/News%20Releases/Intermunicipal%20Agreement%20Review%20Final%20Report%20May%202019.pdf>

²⁴ <http://www.munilink.net/policy/Reports/UrbanRuralFinalReport.pdf>, <http://www.aamdc.com/Rural-Urban%20Cost-sharing/default%20rural-urbancost-sharing.htm>

²⁵ http://www.municipalaffairs.gov.ab.ca/ms_index.htm

Furthermore, the Regional Partnerships Initiative was created by Alberta Municipal Affairs in order to advocate the importance and benefits of regional strategies.²⁶ More recently, there has been an increased understanding that regionalism is a useful tool and not meant to be another layer in the bureaucratic hierarchy.²⁷ Issues are not always confined to political borders and can be tackled more successfully through teamwork. Advantages include:

- Reduced costs (economies of scale) and increased services (doing more with less),
- Building mutual confidence between jurisdictions,
- Increasing prospects for both the communities and the residents within the communities, and
- Municipalities are better equipped to deal with future issues.²⁸

Interested jurisdictions (at least three) will meet to discuss prospective issues, the feasibility of using a regional approach to address the issue, and the rules of the potential agreement. If the project is determined to be viable, the appropriate foundations are put into practice and the service commences. The Regional Partnerships Initiative offers both exploration grants and implementation grants to assist with these processes (See Appendix D). Twenty three agreements occurred from 1999 to 2003 with almost \$3 million in funds to serve over ninety percent of Alberta's population.²⁹ The number of agreements has more than doubled (from 23 to 52) and the funding has increased almost twofold to \$5.8 million as of December 2005.³⁰

²⁶ <http://www.municipalaffairs.gov.ab.ca/ms/pdf/rpi-guidelinebook.pdf>

²⁷ <http://www.cpaa.biz/newsletter/March-2003.pdf>

²⁸ <http://www.municipalaffairs.gov.ab.ca/ms/pdf/rpi-guidelinebook.pdf>, <http://www.cpaa.biz/newsletter/March-2003.pdf>

²⁹ <http://www.municipalaffairs.gov.ab.ca/ms/pdf/rpi-guidelinebook.pdf>

³⁰ <http://www.gov.ab.ca/acn/200512/19149EC24D950-ACF2-7431-F6AAFBE6B7BFAFE7.html>

An example of an agreement from the Regional Partnerships Initiative is the Mackenzie Regional Partnership located in the northwestern quadrant of Alberta. The municipalities within the Mackenzie region faced similar concerns including a large dispersed territory, sluggish economies, shifting demographics, and overall population reduction. In order to address these issues, the jurisdictions, along with the Mackenzie Municipal Services Agency (MMSA) acting as a facilitator, submitted an application to the Regional Partnerships Initiative. The MMSA put much energy into the solicitation of jurisdictional opinions in order to ensure accurate representation of the issues. The overarching theme of their goals was to examine problems from a regional perspective, such as development and housing.³¹ As of August 2004, the MMSA had withdrawn as managing partner, citing lack of resources to maintain the position, and the exploration grant was sent back to the Alberta government.³² The Town of Peace River had agreed to be the managing partner and had re-applied for the grant from the Regional Partnerships Initiative.³³ No further information was available in the council meeting minutes.

The Palliser Regional Municipal Services (PRMS) is another organization to receive funding from the Regional Partnership Initiative. PRMS's primary function is to provide regional planning services to the east-central Alberta area. This grant assists with the creation of a geographic information system (GIS) which is used to store data concerning the region's resources, allowing for more informed planning decisions.³⁴

³¹ <http://www.cpaabiz.com/newsletter/March-2003.pdf>

³² <http://www.fairviewpost.com/story.php?id=111381>

³³ <http://peacriver.govoffice.com/vertical/Sites/{6456E250-35A7-4235-93B6-CCA9C401943C}/uploads/{22068740-750E-4557-9C3B-F8A19CD3BE45}.PDF>

³⁴ <http://www.gov.ab.ca/acn/200512/19149EC24D950-ACF2-7431-F6AAFBE6B7BFAFE7.html>,
<http://www.telusplanet.net/public/palliser/home.html>

Euroregions

European municipal and local authorities have been fostering regional and international cooperation since the late 1800s. In 1913, the International Union of Local Authorities (IULA) was founded in Ghent. IULA's mission was to foster cooperation among not only the European cities, but also the international community in economic, social and political developments. In 1949, the IULA became the Council of European (COE) Municipalities and Regions whose purpose was to unite politicians, administrators, and planners to solve the urban problems brought on by rapid industrialization. They approached these urban problems through regional urban planning which incorporated the planning of infrastructure (roads, bridges, sewer systems, and transportation) and the development of housing.³⁵ Between 1949 and 1970, the Council expanded their focus and incorporated social and family affairs. In 1954, the European Cultural Convention expanded the COE's focus to include education, culture, youth and sports. Then, again in 1960, adopted human rights as a focus with the adoption of the European Social Charter.³⁶

To date, the council consists of 46 member countries³⁷ with a population over 800 million people, and foster three main types of Euroregions which are identified as:

1. Working communities (regions without formal legal structure)
2. Euroregions based on private law
3. Euroregions based on public law.³⁸

³⁵ Gaspari, Oscar. Cities Against State? Hopes, Dreams, and Shortcomings of the European Municipal Movement, 1900-1960. *Contemporary European History*, II, 4 (2002) pp. 597-621. Cambridge University, United Kingdom.

³⁶ Council of Europe. <http://www.coe.int/T/E/Com/About_Coe/early_developments.asp>

³⁷ Council of Europe. <http://www.coe.int/T/E/Com/About_Coe/Member_states/default.asp>

³⁸ Council of Europe. <http://www.coe.int/T/E/Legal_Affairs/Local_and_regional_Democracy/Areas_of_Work/Transfrontier_Cooperation/Euroregions/Existing_Euroregion.asp>

Examples of cooperation can be seen in regions that were cooperatively established all over Europe. In recent years, there has been a steady increase in cooperative bodies, particularly in central and eastern European countries. “Euroregion” is the term commonly used to describe these cooperative bodies. Euroregions and other forms of transfrontier cooperation do not create a new government and do not have political powers. Their work is limited to promoting cooperation between units of local or regional government across jurisdictional borders through common interests with a goal of enhancing the living standards of the border populations. Euroregions also differ in their practice. Some are limited to the exchange of information. Some consult or conduct studies or evaluations. And, some have the capacity to manage and implement concrete projects. Euroregion activities may include, but are not limited to, socio-economic development and cultural cooperation, social affairs, health care, education and training, waste management, nature conservation, tourism, cooperation for disaster planning, and transportation.

Euroregions usually include similar levels of authority, such as regions and provinces. For example, the Carpathian Euroregion is made up of Hungarian megyes (counties), Ukrainian Oblasts (regions), Polish Voivodships (provinces) and Romanian Judets (counties). However, mixed structures can be observed. One example is the Euregio Maas-Rhine where Dutch and Belgian provinces cooperate with the association of German municipalities and the German community of Belgium. Another mixed structure can be observed in the Euregio Saar-Lor-Lux-Rhine, which includes not only regions, but also a country. Associations of towns, communes and counties can also be members of the Euroregions.

The European Union recognized that border regions were disadvantaged because of the lack of adequate transportation systems and, in 1990, the European Union instituted the Interreg Community Initiative. Interreg was originally restricted to members of the European Union. However with Interreg II (1994) and Interreg III (1999), states outside the European Union could also apply. “Interreg subsidizes local cross-border projects. The objective is to

develop cross-border social and economic centers through common development strategies with eligible projects being required to have a structural economic benefit to the border area.”³⁹ These subsidies spurred interest in the initiative and encouraged many regions to begin planning efforts. The long-term effects and “the future long-term of Interreg remains to be seen, but Euroregions seem destined to feature in regional planning and EU membership for candidate countries should bring appreciably more cohesion funding...to the poorer regions...the structures set in place should bear fruit in the future in line with the growth of investment and expertise.”⁴⁰

In 1990, European Regions and the COE instituted the Pacte Program. The purpose of this program was to provide the exchange of knowledge and the “how-to” guidance to municipalities and regions who are interested in participating in regional cooperation. “The aim was to provide support for the bottom-up development by providing partners with direct access to funding” and funded 842 projects in economic development, rural and peripheral development, and environment, natural, and urban habitats from 1989-1995.⁴¹ The program was successful in bringing together regional partners in cooperative networks and provided a means “to exchange experiences and better ways to do things, better systems of internal management and training within local authorities, a greater awareness of how others work and how possible changes may lead to more effective and efficient delivery of services. The program also promoted a greater awareness of Europe and of EU programs.”⁴² However, important lessons learned include the need to establish mutually agreed upon timetables and strong management of the projects.

³⁹ Perkmann, Markuss. Cross-border Regions in Europe. *European Regional Studies*; 2003 10(2), p155.

⁴⁰ Turnock, David. Cross-border Cooperation: A Major Element in Regional Policy in East Central Europe. *Scottish Geographical Journal*; 2002 118(1), p19-40.

⁴¹ Rees, Nicholas. Inter-regional Cooperation in the EU and Beyond. *European Planning Studies*; June 1997, Vol 5 Issue 3, p389.

⁴² Rees, Nicholas. Inter-regional Cooperation in the EU and Beyond. *European Planning Studies*; June 1997, Vol 5 Issue 3, p391.

In 1991, the Recite Program provided funding to 36 regional cooperative networks to support collaboration on economic development projects. Regions participating in the project could participate in activities designed to further economic development and include conferences and workshops, technical visits and consultation, comparative studies, controlled experiments, and business support.⁴³ “There was little evaluation of the projects” but results are concentrated in the “accelerated transfer of know-how and the economies of scale derived from the partners together in a network.”⁴⁴

The Ecos/Overture Program was initiated in 1991 to expand inter-local cooperation between the European Union cities and regions and those in the Central and Eastern European states. Late in the program, Mediterranean states were also included in the funding rounds. By 1993, there were 250 projects funded to reinforce “economic and social cohesion by promoting the involvement of regions and cities in the less favored areas of the European Union and to assist in the economic and political transition of the of the Central and Eastern European regions.”⁴⁵ This program was successful in “promoting the creation and development of inter-regional networks”, shared experiences, but realizations about the short-comings of the program include the knowledge that insufficient evaluation procedures were in place, more balanced partnerships need to be built around the differences in language, culture, and difference in experiences.⁴⁶

Although cross-border-cooperation (CBC) dates back to 1958 with the first official Euroregion in Denmark, few were instituted before 1990. “The 1990s saw a large increase recognized cross-border regions all over Europe” as a result of the funding available to these

⁴³ Rees, Nicholas. Inter-regional Cooperation in the EU and Beyond.*European Planning Studies*; June 1997, Vol 5 Issue 3, p389.

⁴⁴ Rees, Nicholas. Inter-regional Cooperation in the EU and Beyond.*European Planning Studies*; June 1997, Vol5 Issue 3, p389.

⁴⁵ Rees, Nicholas. Inter-regional Cooperation in the EU and Beyond.*European Planning Studies*; June 1997, Vol5 Issue 3, p392.

⁴⁶ Rees, Nicholas. Inter-regional Cooperation in the EU and Beyond.*European Planning Studies*; June 1997, Vol5 Issue 3, p392.

developing regions and currently there exist over 180 Euroregions.⁴⁷ The following sections discuss a few of these: the Danube-Drava-Sava Euroregional Cooperative arrangement and the Regional Cooperation between Dunare-Cris-Mures–Tisa provide a glimpse into cooperative efforts to help the reader better understand how the Euroregions work and the benefit from these arrangements.

Danube-Drava-Sava Euroregional Cooperation

Established on November 28, 1998, the Danube-Drava-Sava Euroregional Cooperation is an international organization of counties and cantons, their county or cantonal seats, and chambers of commerce from the territories of the Republic of Hungary, Republic of Croatia, and Bosnia and Herzegovina. This cooperative entity was created to foster the construction of the European highway (Transeuropean Motorway Project, TEM) that would pass through the European transportation corridor and closely connect these regions, enabling them also to establish better communication with Central Europe in one direction and the Adriatic Sea in the other. Transportation connection favors the establishment and extension of collaboration in:

- Strengthening the economic and cultural ties between the regions involved;
- Coordinating the economic development programs;
- Making this region attractive to investors;
- Establishing ties with educational, scientific, and research institutions;
- Creating and supporting environmental programs; and
- Promoting the understanding and recognition of different cultures.

⁴⁷ Council of Europe.
<http://www.coe.int/T/E/Legal_Affairs/Local_and_regional_Democracy/Areas_of_Work/Transfrontier_Cooperation/Euroregions/List_of_Euroregions.asp>

This Euroregional Cooperation encompasses the territories of three states, having the total area of 27,950 km² (10,793 square miles) and the population of about 2.4 million inhabitants. It is governed by its bodies: the Presidency, comprised of the Member States' heads, the Secretariat, and 12 Working Committees (for economic affairs, infrastructure and logistics, tourism, informatics, agribusiness, science and innovations, sports and cultural affairs, education, national minorities, environmental protection, health services and social welfare, and administration).⁴⁸

One outcome of cooperative efforts in this region resulted in a newly initiated special visa which could be used beginning January 2006. It entitles frequent entry into Hungary and more than 3 months stay in the country is free. It is available for those citizens in the neighboring countries whose aims are to:

- strengthen family connections in Hungary;
- preserve and to promote the Hungarian language, culture and national identity; and
- take part in higher education.

Dunare-Kris-Mures-Tisa Euroregional Cooperation

The Danube-Kris-Mures-Tisza (DKMT) Euroregion (population 5,545,000) was founded in 1997 and consists of nine local authorities (eight county councils and an autonomous region) from Romania, Hungary and Yugoslavia. The focus of this Euroregion is to strengthen public-private partnerships at the cross border institutions level. The main objective of the project is to adopt a new cross border cooperation protocol and create the Euroregional fund, which can also be accessed by non-governmental initiatives. The protocol was created to create a spirit of trust in the interest of regional development. The purpose is the expansion of relations between the local entities in economic, educational, scientific and

⁴⁸ Danube-Drava-Sava Euroregional Cooperation. <<http://www.osjecko-baranjska-zupanija.hr/eng/clanstva1.htm>>

recreational areas, and in the cooperation for the integration in the modern European processes.⁴⁹

Specific cooperation areas in this agreement are:

Economic Relations

- a) drawing up common programs, according to the economic possibilities of the parties;
- b) drawing up and utilizing a common informational system;
- c) supporting and encouraging economical chambers' cooperation;
- d) supporting the establishment of joint-venture companies and banks;
- e) establishing cooperation in agriculture and the trade of farm products;
- f) supporting economical contracts between companies; and
- g) establishing economical and financial common activities on third markets.

Infrastructure Work of Transportation and Communication

- a) drawing up projects of transportation infrastructure (road, railways, waterways); and
- b) creating new customs check points and up-dating the existing ones.

Environment

- a) harmonizing environment protection programs; and
- b) harmonizing common activities for soil, air and water protection.

Tourism

- a) the development of tourism.

Science, Culture, Education, Civic Relations, Health and Sports

⁴⁹ Euroregional Cross-border Cooperation. Euroregional Center for Democracy. Dunare-Kris-Mures-Tisa Euroregion. <<http://dkmt.regionalnet.org/programs.php>>

- a) encouraging relations and contacts in the science area, between Universities as research centers and specialized institutions;
- b) establishing cultural relations and creating cultural cooperation programs;
- c) promoting the cooperation between unions and civic organizations;
- d) understanding and supporting the strengthening of minorities' ethnic rights according to the national legislation and the existing international conventions;
- e) establishing and developing cooperation in health area and social assistance in hospitals, university clinics, and other specialized institutions; and
- f) organizing regional sport events.⁵⁰

In 2003 with the CBC fund, the DKMT initiated the *Training and IT Services for Cross-border Projects Development* project, *Cross-border Economic Development Strategies in the INTERNET Age* project, and the *Promotion and Cross-border Marketing, Faget-Szentes* project intended to increase local development through economic and tourist cross-border mobility.⁵¹

The previous examples from the international arena clearly illustrate that collaboration between separate local authorities can provide unique understanding and insight into interlocal service delivery. Funding may be necessary to spark interlocal projects, but their achievements in improving service delivery and economic development, promoting community well-being, and enhancing understanding and awareness of collaboration show that cooperation is worthwhile. As a result of international efforts, infrastructure has been improved and capacity increased, but because of a lack of research evaluating these programs, only the future will show the long-term impacts that international cooperation efforts have produced.

⁵⁰ <http://dkmt.regionalnet.org/docu/ep.php>

⁵¹ Dunare-Kris-Mures-Tisa Euroregion. <http://dkmt.regionalnet.org/programs.php>

National Case Studies

Introduction

CUPA searched websites, journals, and a variety of other sources for successful examples of interlocal service delivery efforts within the United States. These agreements were initiated across multiple jurisdictions to provide varying degrees and types of services. This section summarizes four successful cases of interlocal service delivery and provides a brief overview of seventeen additional case studies from areas around the nation.

City of Plymouth and Plymouth Township, Michigan

In 1995, the officials of Plymouth Township decided to participate in a merger of fire services with the City of Plymouth after realizing that the township growth and the inadequate staffing resources were slowing the overall development of the community.

Discussions concerning the merger were held by the city manager and fire chief from the City of Plymouth and the finance director and fire chief from Plymouth Township. The fire merger was suppose to offer both communities the same level of service at reduced cost, better service at reduced cost, or better service at no additional cost while not influencing the wellbeing of the employees. The operating costs of the resulting merger were based on “weighting of state equalized value (33 percent), population (33 percent), and run/use (34 percent), with the City’s share never being less than 25 percent.”

Both communities adopted a single set of ordinances, building codes, and policies for the merger. Moreover, under the Civil Service Act (Act 78) the communities signed an

agreement to allow firefighters to waive their rights this one time so that the township could hire city firefighters at their existing seniority levels.⁵²

Over the 10-year period following the merger, the communities witnessed \$6 million in projected savings and a better level of service and benefits of the merger include:

- increased accessibility to all areas of the city,
- reduced response time to the township's western side,
- increased safety, and
- better firefighter performance.

“Township Supervisor Steve Mann indicates that the fire department merger has been positive for both communities. Both have increased resources because they shared costs and operated as an economically efficient organization for nearly 10 years. He sees this as a long-term relationship that will likely continue beyond the original contract period.”⁵³

City of Pittsburgh and Allegheny County, Pennsylvania

In the early 1990s, the Pittsburgh region had several fiscal challenges that increased internal competition for resources, while harming the region's ability to compete with other regions. The region recognized that fiscal disparities were growing between municipalities in the region due, in large part to, the loss of industrial tax base. “Nuisance taxes,” such as an amusement tax, made the region less competitive and the City of Pittsburgh carried the cost burden of being the provider of “regional assets” such as the zoo, conservatory, and

⁵² Making Joint Public Services Work in the 21st Century. Intergovernmental Cooperation: Case Studies in Southern Michigan, March 2004, Southeast Michigan Council of Governments, p. 11

⁵³ Making Joint Public Services Work in the 21st Century. Intergovernmental Cooperation: Case Studies in Southern Michigan, March 2004, Southeast Michigan Council of Governments, p. 11

professional football stadium, even though a majority of patrons of those venues tended to be from outside the City.⁵⁴

In 1993 the State Legislature of Pennsylvania passed Act 77, which created the Allegheny Regional Asset District (ARAD). That legislation had three basic goals:

- Provide funding for regional assets,
- Promote intergovernmental cooperation, and
- Provide new revenues for local governments.

The District was created in conjunction with a one percent countywide sales tax (expected to generate over \$144 million in 2000).⁵⁵ That revenue stream was specifically earmarked to address the goals listed in the legislation. One half of this funding is distributed to libraries, stadiums, parks, museums, the zoo, the conservatory, the aviary, and other cultural and performing arts groups. The other half of the funding is distributed to the county and its 128 municipalities for tax reform efforts. The local government's 50 percent share of the funds is then further split equally between the County Government and the City of Pittsburgh and all of the other municipalities.

The funds distributed to Pittsburgh and the other municipalities in the County, are based upon a formula which favors poorer cities and takes into account per capita market value and tax revenue.⁵⁶ The Act required municipal governments to use two-thirds of the funds they receive to reduce taxes. After the initial year, municipal governments had to use 25% of any increase they received to fund regional projects (and/or their councils of governments which undertake cost-saving, municipal cooperation projects). The balance of

⁵⁴ Jensen, Brian K, and James W. Turner. "Act 77: Revenue Sharing in Allegheny County," Government Finance Review, December, 2000, P. 17.

⁵⁵ Jensen, Brian K, and James W. Turner. "Act 77: Revenue Sharing in Allegheny County," Government Finance Review, December, 2000.

⁵⁶ Jensen, Brian K, and James W. Turner. "Act 77: Revenue Sharing in Allegheny County," Government Finance Review, December, 2000, P. 19.

funds could be used to support municipal functions such as road repair and police protection.⁵⁷

By the end of 2004, the sales tax, paid by residents of and visitors to Allegheny County, resulted in a cumulative \$1.3 billion investment in the region's public libraries and parks, museums, cultural organizations, major regional facilities, and local municipal services.⁵⁸

City of Oshkosh and Town of Algoma, Wisconsin

In 2004, the Wisconsin Department of Administration established the Cooperative Plan between the City of Oshkosh and Town of Algoma. The institutional and economic factors that influenced the formation of this plan included: "preservation of the core of the Town, the need for both the City and Town to plan for the future location of utilities and an arterial street system, preservation of environmental and historical amenities, the establishment of long-term boundaries between the Town and the City, and long-term land use planning for the area."⁵⁹

The changes that the plan will bring in the physical development of the territory are in compliance with federal and state environmental laws and regulations. Moreover, the need for affordable and safe housing of different social groups from both communities has been met.⁶⁰

⁵⁷ Allegheny Regional Asset District, Allegheny County, Pennsylvania 2006 < <http://www.radworkshere.org/>>

⁵⁸ Allegheny County: Boards 2006 <<http://www.countyallegHENYPAUS/boards/>>

⁵⁹ Approval of the Cooperative Plan between City of Oshkosh and the Town of Algoma, Winnebago County, Wisconsin; Wisconsin Department of Administration, May 2004

⁶⁰ Approval of the Cooperative Plan between City of Oshkosh and the Town of Algoma, Winnebago County, Wisconsin; Wisconsin Department of Administration, May 2004

The cooperative plan describes the following services that will undertake change after the implementation of the plan:

- Municipal Water and Sewer. Approximately 65% of the Town “protected area” is served by the existing Town Sanitary District, for which development of a public water supply system is already under way (deep wells were constructed in 2003, ultimately the system will replace existing private wells). The Sanitary District owns and operates the sanitary sewer collection system in the Town, and receives treatment through an existing agreement with the City. The four categories of existing Town territory designated as City “expansion areas,” will ultimately receive water and sewer service from the City according to terms specified in the Cooperative Plan (during the 10-, 15-, 20-, and 40-year expansion time frames). Under the terms of the Agreement, services may be provided prior to annexation or attachment if certain conditions are met.
- Stormwater Management. Stormwater in the Town is currently handled by a system of ditches. The Town of Algoma Land Use and Development Plan (1995), pages 25-26, describes the challenges brought about by the relatively flat topography, and recommends use of detention/retention facilities as urban development occurs in the Town.
- Public Protection Services (Police and Fire). Currently the Winnebago County Sheriff provides police services with the Town. As territory transitions to the City, law enforcement responsibilities will shift to the City. The City is currently protected by a full time fire department responding from 6 fire stations with an ISO rating of 2. Total staff for the department is 103. The City could provide protection to the annexation area (within 20 years or sooner) from its current fire station locations and still meet response time goals of the first company arriving in 5 minutes or less 90% of the time.
- Ambulance Services. According to terms specified in the Cooperative Plan, the city has already contracted with the Town of Algoma to provide ambulance service and began this coverage on January 1, 2004. This service is provided from the City’s current fire station locations. Two front line and four cross-trained staff ambulances are available for response, which are all staffed with Paramedics.
- Parks, Recreation, and Historic Areas. The Town of Algoma Land Use and Development Plan (June 1995), identifies extensive park and open space

lands, principally in the “protected” area of the Town. The Town has also acted to account for and preserve identified historic places and archaeological sites. Both the Town and City are addressing environmental and public access issues associated with Sawyer Creek, along with pedestrian and bicycle trails that will further link the Town and City.

- Fiscal Capacity. In 2002, both communities realized a slight surplus of municipal revenues over municipal expenditures. For these reasons, and due to the availability of financing mechanisms other than general obligation debt, the Town and City are capable of financing a full range of municipal services to those areas destined to be served according to provisions within the Cooperative Plan.⁶¹

Cities of Chandler, Phoenix and Tempe, Arizona

The history of Maricopa County, Arizona is full of examples of local government battles over annexation. Much of the rationale behind these battles has to do with either capturing current or anticipated sales tax revenues. Many of the communities have considered their long-term tax revenue prospects, and purposefully embraced annexation strategies as a means to assist in reaching that long-term strategy. Communities often fought pitched battles over annexations which attempted to geographically ensure their long-term ability to annex.

More recently, municipalities have come under increased pressure from private developers/business owners, who are well aware of the tax implications for local government on new commercial and retail developments. In Maricopa County, sales tax is often a much larger percentage of a municipality’s revenue stream than income or property tax. This pressure often took the form of businesses “shopping around” their proposed development, to entice higher and higher incentives from different municipalities within the County.

⁶¹ Approval of the Cooperative Plan between City of Oshkosh and the Town of Algoma, Winnebago County, Wisconsin; Wisconsin Department of Administration, May 2004

In 2005, the Cities of Chandler, Phoenix and Tempe entered into an agreement (see Appendix B) to limit the ability of private businesses to obtain tax incentives in return for their developments. In a so called “no-incentive zone,” the three cities established an area with mutual borders to the governments, which would permit tax incentive agreements only under very limited circumstances. For instance, allowances are made for *upgrades* to existing landscaping and hardscape improvements in the public right of way (e.g., sewer, water, storm sewer, lighting, traffic control), environmental clean-up, façade/landscaping improvements to existing retail centers, and improvements to maintain historical significance or structural integrity of properties on the National Historic Register.

Understandably, public reaction has been mixed regarding the agreement. Local politicians involved in the effort see this agreement as “liberating” the area from the intense competition of retail incentives. They point to the fact that the area designated in the agreement is prime for new development. They are also strongly encouraging other cities to adopt similar alliances. Detractors to the agreement argue that it is very limited in its initial term (i.e., three years), only involves a small portion of the total land mass of these three governments (approximately 25 miles within the area of agreement), and will do little to stem the tide of local government annexation wars.

The agreement was formally ratified by all of the parties in May of 2005. If successful, cooperative efforts should translate into an increase in the retention of city revenues as well as a more thoughtful approach to the use of tax incentives. However, it is still too early for an analysis of the results to demonstrate any tangible gains.

Other National Cases Studies

Research uncovered many additional examples of cooperative interlocal service delivery from across the country. Highlighted below is a brief overview of seventeen of these cases. Further examples of cooperative efforts are also available in Appendix B.

Center for Urban & Public Affairs

Jurisdictions	Type and Legal Status	Duration	Purpose and Goals	Responsibility
City of Longview, WA (Pop. 34,804) City of Kelso, WA (Pop. 12,034)	Interlocal agreement for the consolidation of municipal services and departments. RCW 35A.11.040 RCW, chapter 39.34	August 13, 1998 Indefinite term	To establish a joint department of public works. To provide for cooperative performance of certain services and the furnishing of employees, machinery and equipment. To minimize the duplicated employee functions. To develop consistency in service. To provide for the public safety and welfare	City of Longview, City Manager City of Kelso, City Manager
City of Auburn, WA (Pop. 40,279) City of Algona, WA (Pop. 2,451)	Interlocal Agreement Spillman Public Safety system RCW 39.34 Resolution No. 3136	December 20, 1999 Customer may terminate with a 30 day written notice	To address City of Algona access to the City of Auburn Spillman Public Safety System	City of Auburn, Mayor City of Algona, Mayor
City of Kenmore, WA (Pop. 18,540) City of Lake Forest Park, WA (Pop. 13,443)	Interlocal Agreement Relating to Public Works Administration. RCW 39.34 Contract No. 98-C86	April 9, 2001 Each city may terminate agreements with 30 days written notice	Service of "Scope to Work" by crew from NRF under City of Lake Forest Park. Administration will plan, organize and direct the functions of the public works operations	City of Kenmore, City Manager City of Lake Forest Park, Mayor
City of Longview, WA (Pop. 34,804) COWLITZ 2 Fire and Rescue, WA	Interlocal Agreement for Functional consolidation of management of fire services RCW 52.12.031	January 1, 1997 Indefinite term, ninety days written notice needed to dissolve	Establish a Functional Consolidation of the management of the fire department of Longview and C2F&R for training, supervising and managing the services	City of Longview, City Manager COWLITZ, Commissioners
City of Tacoma, WA (Pop. 193,177) City of Poulsbo, WA (Pop. 6,902)	Cooperative purchasing agreement Interlocal Cooperation Act (WRC 39.34) Washington Revised Code 39.33.010	Duration: 10 years	Purchase or acquisition of goods and services by each party acting as agent for either or both parties when agreed to in advance, in writing; Purchase or acquisition of goods and services by each party where provision has been provided in contracts for other governmental agencies to avail themselves of goods and	case by case basis

Jurisdictions	Type and Legal Status	Duration	Purpose and Goals	Responsibility
			services offered under the contract and/or where either party's bidder is willing to extend prices to other governmental agencies.	
City of Middleton, WI (Pop. 15,567) Town of Springfield, WI (Pop. 2,761)	Interlocal Agreement concerning the boundary lines between themselves Section 66.0301 Wisconsin statutes	March 25, 2004	Adopt policies designed to respond to growth pressures so it benefits the community. Maintain positive relationships between the city and town. Assure orderly and economic development. Promote preservation of prime farmland and resources. Establish a mechanism for joint planning, and orderly urban growth. Provide a full range of urban services available to areas of town annexed to city.	City of Middleton, Mayor Town of Springfield, Town Chairperson
City of Des Moines, WA (Pop. 29,409) City of SeaTac, WA (Pop. 25,523)	Interlocal Agreement for Senior Services Chapter 39.34	April 8, 1994 Until the end of the calendar year	To set forth the relationship of the parties with respect to senior services.	City of Des Moines, City Manager City of SeaTac, City Manager
City of Puyallup, WA (Pop. 32,682) City of Auburn, WA (Pop. 40,279)	Interlocal Agreement establishing a joint safety officer position for both cities RCW Chapter 39.34	Remain effective from June 15, 2000 to June 15, 2001, renewed automatically for one year unless written notice by either city	Providing a Safety Officer Position to develop and administer a comprehensive safety program for the cities	City of Puyallup, City Manager City of Auburn, Mayor
Town of Stockton, WI (Pop. 2,903) Town of Buena Vista, WI (Pop. 1,213)	Road Maintenance between the towns in Portage County		To maintain the roads between the two towns.	Town of Stockton, Chairman Town of Buena Vista, Chairman
City of Redmond, WA (Pop. 45,389) City of Bellevue, WA	Interlocal Sewer Service Agreement for the Reilly Short	September 18, 2000 Neither party has the right	To provide sanitary sewer service in a reasonable manner to Reilly Short Plat	City of Redmond City of Bellevue

Center for Urban & Public Affairs

Jurisdictions	Type and Legal Status	Duration	Purpose and Goals	Responsibility
<i>(Pop. 109,189)</i>	Plat RCW 39.34 Resolution No. 6468	to dissolve, or assign to any entity without written consent		
City of Forks, WA <i>(Pop. 3,047)</i> City of Port Angeles, WA <i>(Pop. 18,472)</i>	Biosolids beneficial use	March 18, 2002 Terminate three years after date of execution or within ninety days of written agreement	To use the biosolids facility of the City of Port Angeles to recycle significant amounts of biosolids of City of Forks	City of Forks, Mayor City of Port Angeles, Mayor
City of Phoenix, AZ <i>(Pop. 1,320,994)</i> City of Tempe, AZ <i>(Pop. 158,426)</i> City of Chandler, AZ <i>(Pop. 176,338)</i>	Intergovernmental agreement - non- competitive agreement ARS Sec 11-951 ARS Sec 9-500.00	May 3, 2005 3 years 2 1-year extension possible	Memorialize understanding among the cities with respect to retail businesses incentives. All three cities agree not to provide incentives to attract retail development	City of Chandler, Economic Development Director City of Phoenix, Director of Community & Economic Development Dept. City of Tempe, City Manager
City of Oshkosh, WI <i>(Pop. 62,943)</i> Town of Algoma, WI <i>(Pop. 5,733)</i>	Cooperative plan Wis. Stat. § 66.0307	January 16, 2004 Termination: 11:59 p.m. on February 28, 2063	Guide and accomplish a coordinated, adjusted and harmonious development of the territory covered by the plan which will, in accordance with existing and future needs, best promote public health, safety, morals, order, convenience, prosperity or the general welfare, as well as efficiency and economy in the process of development	City of Oshkosh, Director of Community Development Town of Algoma, Town Board Chairperson
City of Anchorage, AL <i>(Pop. 260,283)</i> City of Seattle, WA <i>(Pop. 563,375)</i>	Economic Development and Cooperation between the Cities		Help create relationships between the two cities in order to help with economic development	City of Anchorage, Mayor City of Seattle, Mayor

Figure 2: Examples of Intergovernmental Agreements around the United States

Deephaven, Greenwood and Woodland, Minnesota have all developed cooperative arrangements with nearby cities. These efforts run the gamut from public works to police and fire protection. Interestingly, the three cities have a “joint powers agreement” whereby they share a city hall and a city clerk. The clerk handles telephone calls, mail and walk-in inquiries for all three governments. This joint powers agreement has led to further discussions about standardizing zoning regulations, fee schedules, and ordinances.

Falcon Heights, Minnesota uses a variety of contracts to provide public services within its boundaries. The City has a written intergovernmental service agreement with Ramsey County for snow plowing and with the neighboring city of Lauderdale for public works projects. Falcon Heights also shares the services of a financial advisor with other nearby cities. When considering any intergovernmental service agreement, Falcon Heights has developed a set of criteria to be utilized to evaluate the proposed arrangement.

- Recognize an opportunity and explore it.
- Do not assume there will be economies of scale.
- Determine how much control the city needs over a service and whether or not contracting guarantees this.
- Determine what new employment opportunities and problems this gives the staff.
- Understand and communicate well with the party(ies) to the contract.
- Clearly identify when, where, and how the service is provided.
- Evaluate the hassles of contracting compared to the hassles of in-house service.
- Tie cost as closely as possible to a measure of the service being provided.
- Compare costs.
- Check the liability clause.
- Balance the desire for a longer-term commitment to providing a service with the flexibility of a shorter-term contract.

- Take time to prepare the contract.
- Revise and improve the contract over time.
- Be able to explain the contract's service and financial benefits to the community.⁶²

The Town of Plover and City of Stevens Point, Wisconsin developed an agreement to replace failing private water wells and septic systems. The agreement effectively detached .5 square miles of territory from the Town, attaching it to the City. Construction to provide water and sewer services to the newly detached/attached area occurred in 1996 and 1997.

⁶² University of Minnesota Extension Service 2005
<http://www.extensionumn.edu/distribution/citizenship/components/6541_05.html>

Ohio Case Studies

Introduction

Ohio's population growth has remained fairly stagnant over the last several decades, even declining in some areas, yet individuals have not remained stationary. There has been considerable diffusion of people throughout the state, away from concentrated cities and out into the suburbs and beyond. This has caused substantial growth in areas which may not have anticipated this change and, consequently, may have not been prepared for it.⁶³

Three methods available to aid jurisdictions with this situation are the Joint Economic Development District (JEDD), Cooperative Economic Development Agreement (CEDA), and mutual development fund. All of these processes encourage jurisdictions to work in conjunction with one another in order to deliver better results and be able to tackle problems that can extend beyond their own political borders. By implementing a JEDD or a CEDA, they may aid in the creation of economies of scale and economies of scope.

Though similar in their goals of economic development, JEDDs have more restrictions but wield greater strength in applying its objectives in comparison to CEDAs, which are more relaxed and not as authoritative. To illustrate, a JEDD is not allowed to include residential zoning, whereas a CEDA can. Additionally, a JEDD requires the approval of the majority of the property owners and the county commissioners, and a CEDA has no formal approval process. Yet, a JEDD does create a body to govern itself, which has taxing power and may determine the land-use regulations, building codes, and zoning within the boundaries of the district. This is in contrast to the CEDA which has no governing body, no

⁶³ Clark, Jill et al. Growth and Change at the Rural-Urban Interface: An Overview of Ohio's Changing Population and Land Use. The Ohio State University. March 2003, pp. 1-6.

taxing power, and is subject to the land-use regulations and building codes of the jurisdictions included in the CEDA agreement.⁶⁴

JEDDs must be located within the boundaries of one or more of the jurisdictions included in the agreement and may not include any existing or future residentially zoned areas or publicly owned or leased properties. JEDDs may levy income taxes within the boundaries of the district, but tax rates may not exceed the highest rate of any of the participating jurisdictions. A JEDD also has the power to determine which permanent public improvements it funds. JEDDs can limit or control annexation in the district and the amount of property tax abatements and/or other tax incentives provided to encourage development.⁶⁵

CEDAs can issue bonds or notes to finance projects. Jurisdictions included in the CEDA determine which services and permanent improvements are provided and who provides the services or improvements. The jurisdictions cooperating in the agreement can limit annexation of the properties in the unincorporated areas defined in the CEDA. Because income taxes are not levied in the CEDA, service fees and payments are negotiated and paid to one or more of the cooperating jurisdictions for services rendered.⁶⁶

JEDDs are more difficult to establish than CEDAs because JEDDs, at minimum, require the participation of the property owners in the proposed district, and a vote of the electors may be required in order to establish the JEDD. Once created, a JEDD is a powerful tool because it can generate revenue to pay for the costs of infrastructure improvements and services by imposing an income tax on non-residential properties within the district. A

⁶⁴ Finley, Price D. "Cooperative Economic Development Made Easy with JEDDs and CEDAs." Bricker & Eckler LLP. July/August 2004.
<<http://www.bricker.com/LegalServices/Industry/PolSubDiv/municipalrc/oms164.as>> (15 November 2005), pp.1-4.

⁶⁵ Finley, Price D. "Cooperative Economic Development Made Easy with JEDDs and CEDAs. Ohio Municipal Service. July/August 2004.

⁶⁶ Finley, Price D. "Cooperative Economic Development Made Easy with JEDDs and CEDAs. Ohio Municipal Service. July/August 2004.

CEDA, on the other hand, does not have the ability to create a new and distinct revenue stream to pay for infrastructure and services, but no approval is required of affected property owners in order to enter into a CEDA. The tool that makes the most sense will be determined on a case-by-case basis, ultimately depending on the economic development goals of the participants and the political dynamics at work within those communities.⁶⁷

A Mutual Development Fund is intended to encourage redevelopment of areas in need. It requires a bond commitment from the county or counties in which the participating jurisdictions reside to seed the program redevelopment efforts. Communities participating in the agreement must return up to fifty percent of the income taxes collected from new business established from incentives provided by the fund.⁶⁸

City of Springfield and Springfield Township Cooperative Economic Development Agreement

On December 8, 1999 City of Springfield entered into the first Cooperative Economic Development Agreement (CEDA) in Ohio with Springfield Township and Clark County. This agreement allows the city to annex portions of Springfield Township that are undeveloped. In return, the city will share 12.5% of the income tax revenues,⁶⁹ currently collected at a two percent rate,⁷⁰ for future development in the area with the township.

The sewer and water utilities in the Springfield Township are provided by Clark County and under the agreement, in order to have access to these utilities, current and future

⁶⁷ Finley, Price D., Cooperative Economic Development Made Easy With JEDDs and CEDAs, Bricker & Ecker LLP, July/August 2004

⁶⁸ Breckenridge, Tom. "Cuyahoga leaders back mutual development fund." The Plain Dealer. January 27, 2006. <<http://www.cleveland.com/news/plaindealer/index.ssf?/base/cuyahoga/1138354847287440.xml&coll=2>>

⁶⁹ City of Springfield, Ohio, City of Springfield and Springfield Township Cooperative Economic Development Agreement (CEDA), 25 March, 2006 < <http://www.ci.springfield.oh.us/news/archived/ceda.htm>> (1996-2000).

⁷⁰ Kridler, Matthew J., Springfield City Manager. Personal interview (25 May, 2006).

commercial and industrial businesses of the township and future residential developments must be annexed to the city. However, current residents can access the system without annexation to the City.

Spelled out in the CEDA are the responsibilities for service provision by each of the jurisdictions and are listed below:

City of Springfield service provisions:

- Fire response
- EMS response
- Rescue services (i.e. confined space)
- City police coverage
- Utility maintenance (sanitary and storm sewers)
- Traffic signal maintenance (if not maintained by the county or state)
- Planning and zoning services
- Building inspections
- Code enforcement and street lighting
- Fifty percent of the major road reconstruction in the CEDA

Springfield Township service provisions:

- Snow clearance (plowing and salting)
- Roadway maintenance (including sweeping, pothole patching, crack sealing, etc.)
- Pavement replacement
- Right of way maintenance (including mowing, trash/litter, retention areas, etc.)
- Fifty percent of the major road reconstruction in the CEDA

Clark County service provisions:

- Bridge replacement/maintenance
- Ditch cleaning and watercourse maintenance
- Road reconstruction of all county roads.⁷¹

⁷¹ City of Springfield. <<http://www.ci.springfield.oh.us/news/ceda.htm>>

In 2004 and 2005, approximately \$440 thousand in income taxes has been collected from the CEDA (Phase I & II) with approximately \$55 thousand made in payment to the Township.⁷²

Airpark Ohio Joint Economic Development Agreement

The City of Springfield was the first Ohio community to make use of JEDDs. The first agreement was between the jurisdictions of the City of Springfield and Green Township and was operational in 1993. The district, adjacent to Springfield-Beckley Municipal Airport, is 190.6 acres of land zoned for light manufacturing, service, office, and warehousing.

According to the JEDD agreement, a one percent income tax is collected from all employees of businesses within the district. Taxes are also collected from the contract employees (i.e. construction, electrical, sprinkler, etc.) who work in the district. Since January of 2004, over \$361,000⁷³ was collected in JEDD income tax payments from organizations such as the Ohio Air National Guard, Bob Evans Restaurant, and five individual air companies.

City of Akron Joint Economic Development Districts

The City of Akron has been progressive in its approach to using JEDDs with surrounding communities. In fact, Akron was one of the first City to utilize JEDDs as a development tool. Three out of four of these JEDDs were operational as of 1995 with the last JEDD was implemented in 1998. The JEDDs range in size from approximately 300 acres to

⁷² Kridler, Matthew J., Springfield City Manager. Personal interview (25 May, 2006) for FY 2004 and 2005.

⁷³ Kridler, Matthew J., Springfield City Manager. Personal interview (25 May, 2006) for the period January 1, 2004 through April 30, 2006.

1600 acres and are currently collecting 2.25% income tax.⁷⁴ All of the lands zoned for business in all of the townships are part of these JEDDs, except in Bath Township, where it is half of the land zoned for business.⁷⁵

Upon implementation of the JEDD agreements, the City of Akron agreed to provide water and sewer services to the other communities in exchange for percentage of the taxes collected in the JEDDs. At present, the water and sewer project is almost complete. Once completed, other improvement projects can be considered as requested by property owners.⁷⁶

Approximately \$100 million in income taxes has been collected from the JEDDs with approximately \$70 million being recycled back into the JEDDs to provide water and sewer upgrades and extensions for the businesses. Additionally, over \$200 million has been received in private investment as a result of the JEDDs.⁷⁷

Where water and sewer have already been constructed for businesses, residents have been allowed to tap into these systems as long as they pay the appropriate fees. In other words, since the infrastructure has already there, this is a benefit to the residents to only have to pay to access the system, instead of paying for the construction of the system.⁷⁸

Additionally, the success of JEDDs has been recognized in the City's report titled 2025 Imagine.Akron. The report indicates that since JEDDs have assisted in economic

⁷⁴ <http://www.ci.akron.oh.us/ed/development/jedds/bth.htm>, <http://www.ci.akron.oh.us/ed/development/jedds/cop.htm>, <http://www.ci.akron.oh.us/ed/development/jedds/cov.htm>, <http://www.ci.akron.oh.us/ed/development/jedds/spr.htm>

⁷⁵ Moore, Dave. Personal interview. City of Akron. Mayor's Office of Economic Development. May 24, 2006.

⁷⁶ Moore, Dave. Personal interview. City of Akron. Mayor's Office of Economic Development. May 24, 2006.

⁷⁷ Moore, Dave. Personal interview. City of Akron. Mayor's Office of Economic Development. May 24, 2006.

⁷⁸ Moore, Dave. Personal interview. City of Akron. Mayor's Office of Economic Development. May 24, 2006.

improvements and in promoting multi-jurisdictional collaboration, it would be wise to continue using JEDDs in the future.⁷⁹

Cleveland Metropolitan Area – Mutual Development Fund

It is relevant to consider an emerging concept in Cuyahoga County, where both public and private leadership have recognized the importance of the central city and its first ring suburbs to the entire region. There are several new and bold initiatives which involve cooperative efforts. One effort, initiated by a Cuyahoga County Commissioner and incubated over the past eighteen months with a task force of fifty civic and business leaders, calls for five development efforts which would either be created or enhanced, including:

- A new 11-15 member oversight committee, made up of business and public sector leaders to oversee the county's economic development initiatives and propose new initiatives funded at \$500,000.
- \$3 million in new funding to promote industries that are promising to the area (i.e. specialized manufacturing, tourism, medical devices and nanotechnology)
- Funding in the amount of \$2.5 million for special zones around new and existing industries.
- Brownfields and "grayfields" would receive \$2.5 million to expand upon existing efforts to convert sites into developable land.
- An initiative to spur investment from the business community into childhood development programs.⁸⁰

Interestingly, the suburban mayors in the Cleveland Metro Area have also been working with the business community and other public interests over the past twenty months

⁷⁹ <http://www.ci.akron.oh.us/2025/Reports/jedd.html>

⁸⁰ Breckenridge, Tom, "Plan: Share taxes to nurture industry," Cleveland Plain Dealer, 10 December 2005.

on a proposal that builds upon the county proposals and generates some different development ideas. Pepper Pike Mayor Bruce Akers noted, “If we don’t do something, the problems (of Cleveland and its inner-ring suburbs) will hit all of us.” The Mayor of Cleveland and twenty eight other suburban mayors voted in January of 2006 to create a \$25-\$50 million development fund. In essence, the fund’s initial focus would be to assemble land for big commercial projects in Cleveland and the first ring suburbs. It is envisioned that the majority of the money would initially go to fund three or four major projects. Communities which host these major developments would relinquish up to 50% of the new income taxes generated, which would be funneled back to replenish the development fund. The mayors intend to take this proposal to the county commission and request up to \$3.4 million per year to float bonds which would seed the fund.⁸¹

⁸¹ Breckenridge, Tom, “Cuyahoga leaders back mutual development fund,” Cleveland Plain Dealer, 27 January 2006.

IV. Dayton Area Case Studies

Introduction

While the Dayton, Ohio region is replete with examples of interlocal service cooperation across all levels of the public service spectrum, local governments continue to struggle (similar to most local governments) with issues of delivering quality services at a cost that is acceptable to taxpayers. Having jointly examined and rejected a broader 'regional government' approach at least twice over the past twenty five years, it would appear that the region is finding its way from the bottom up with interlocal cooperation and service delivery. Most of the best examples of local cooperative efforts to deliver more efficient and/or higher quality services happen in specific areas where commonalties of interest, pressure from taxpayers, or specific financial demands have played a part. Although, it should be noted that in a few cases cooperative efforts have sprung forth from emerging issues or new technologies.

Interlocal cooperative efforts to deliver more efficient and/or higher quality services happen in specific areas where commonalties of interest, pressure from taxpayers, or specific financial demands have played a part.

In the following section we examine several significant examples of interlocal service delivery in the Miami Valley Region. In order to summarize this information, we have extensively searched the web as well as reviewing various books, periodicals and other sources of literature. The examples noted in this section were chosen because of the breadth of service types (e.g., police, fire, purchasing, parks, MIS, water quality, technology), different methods of agreement, unique results, and positive impacts on the governments and their communities.

There are many examples of of successful interlocal service delivery. Service areas and specific examples include:

Administration

- *Board of Commercial Building Appeals: ten certified local building departments serve virtually all of Montgomery County.*
- *Southwest Ohio Purchasing for Government (SWOP4G): one-hundred member organization created to jointly purchase commodities and enhance purchasing expertise.*

Public Safety

- *City of Dayton fee-for-service Fire/EMS Vehicle Fleet Maintenance agreements.*
- *Dayton Fire Department Dispatch Center and the City of Dayton Police MIS systems provide computer and technological services to local jurisdictions.*
- *Miami Valley Region Mutual Aid Agreement allows communities to assist each other in times of emergency need.*

Parks and Recreation

- *The City of Dayton agreed to transfer the management, operation, and maintenance of six community parks and nature centers to the Five River Metro Parks District.*

Utilities

- *Miami Valley Cable Council supports public access to government activities and programs, as well as, provides a forum for cooperative governing projects.*
- *The Dayton area Wellfield Protection Program is a multijurisdictional effort to protect wellfields and the region's underground aquifer from groundwater contamination.*

Board of Commercial Building Appeals

Administered by the City of Dayton, this local appeals board hears and adjudicates appeals to the Ohio Basic Building Code (OBBC). Participating entities include certified building departments of Centerville, Dayton, Englewood, Kettering, Miamisburg, Moraine, New Lebanon, West Carrolton, Vandalia, and Montgomery County. Virtually all of the geographic area of Montgomery County is served by this appeals process.

Under Ohio Law, certain local governments may establish certified building departments to enforce and administer the State's Commercial Building Code (OBBC). Prior to a change in state law allowing for the establishment of local appeals boards, all appeals of the OBBC were administered exclusively by the State Department of Industrial Relations and were heard in Columbus, Ohio. This process was inefficient from a cost and time standpoint, for both the appellant (typically contractors/architects) and for local building officials (i.e., a single appeal heard in Columbus would often take an entire work day).

Under this cooperative local appeals process, the quality of service has been sustained and, potentially, increased and the cost (to the public) has decreased. With the ability to select appeals board members under the broad guidelines delineated in the ORC, Dayton was able to engage local "experts" in the construction industry, that were not only extremely familiar with the OBBC, but very familiar with local conditions and the environment. This allowed for a more knowledgeable review by the appeals board of a request for a variance from the OBBC standards. From a cost standpoint, the new appeals process meant a full day's time was now abbreviated to no more than a couple of hours time. This directly reduced the cost of appeals for the local government building officials as well as the contractors and architects/engineers who were involved in commercial building appeals. In addition, having a local appeals board meant having greater flexibility with regard to scheduling hearing dates and times which resulted in better service for consumers involved in this appeals process. In addition, it is likely that without the agreement between the

jurisdictions to have the City of Dayton administer a single appeals board, each local government would have set up individual appeals boards, thereby creating duplication, overlap, and a waste of precious local government resources.

Southwest Ohio Purchasing for Government (SWOP4G)

In 1986 a small group of local governments in southwestern Ohio (including Cincinnati, Dayton, Kettering and Montgomery County) formed a cooperative to jointly purchase commodities and supplies. This arrangement was specifically permitted under State Law, and allowed the local governments to jointly adopt a charter and by-laws to formalize their agreement. Specific purposes of SWOP4G include:

- Save money and staff time through joint or cooperative buying
- Provide a network to share purchasing expertise and information
- Provide educational opportunities to those involved in public purchasing
- Promote and enhance ethics

Currently there are over 100 members in SWOP4G including cities, counties, school districts, regional transit authorities, boards of education, villages and townships. Joint purchasing has also expanded the commodities. They include:

- Road Salt
- Traffic Paint
- Glass Beads
- Copy Paper
- Tires and Tubes
- Computer Paper
- Chemicals

- Janitorial Supplies

Cost savings and increased quality of service accrue to member entities in a variety of ways. First, due to economies of scale, as the sheer volume of the quantity of specific items purchased increases dramatically, the cost to individual member entities decreases. Second, member communities “share” the responsibilities for administering the bidding/purchasing process. For instance, the City of Middletown has taken the lead in the bidding process for rock salt, the City of Sidney has led the effort to purchase chemical supplies, Montgomery County administers the process to purchase plastic bags – paper towels – calendars, and the City of Fairborn has led the process in purchasing traffic paint. Thus, each community in the SWOP4G saves administrative time (and thereby money) by not having to administer the tedious purchasing process for each commodity that is handled by SWOP4G. Third, the regular interaction between members of SWOP4G leads to a sharing of expertise and experiences that may enhance each member’s knowledge of purchasing, thereby increasing the quality of service in the arena of public purchasing.

Fire/EMS Vehicle Fleet Maintenance

Several years ago, local fire departments were struggling with the costs of maintenance and repair on their heavy fire and EMS vehicles. Often service was not available locally and the departments experienced long “out of service” times for vehicles transported out of the area for repairs and service. Logistically, this was a nightmare for smaller fire departments, with limited vehicle inventory. In some cases, it directly affected the level and quality of service that the departments were able to provide. In other cases, where the department was able to obtain a replacement vehicle, it added additional cost to maintain the same level of service.

The City of Dayton, with the largest fire department in the area, had long been in the business of maintaining and repairing their own fire fleet, with skilled mechanics and repair

facilities dedicated to this purpose. For a fee, the Dayton Fire Department (DFD) agreed to provide many types of maintenance and repair to other local fire departments. In some cases, DFD was able to supply local jurisdictions with a “loaner” vehicle while their vehicle was being serviced or repaired.

Operated and administered by the City of Dayton, this shared service reduces costs to other local governments in several ways. Local jurisdictions have found that the services provided by the City of Dayton are often cheaper than those provided by the private sector. Having these services available locally, as opposed to being out of the area, reduces the cost of transport. DFD is able to spread their fixed costs over a larger number of use hours. Quality of service is increased because there is less “down time” for out of service vehicles, allowing local jurisdictions to more fully utilize their entire fleet for fire and safety services to their constituents.

Fire Dispatch – Dayton Fire Department (DFD)

Another good example of a shared service that enhances interlocal government service delivery is the DFD Dispatch. Dispatch centers are technologically complex and, as a result, expensive to build, maintain, and operate. Dayton has long been in the business of fire dispatch and has spent years developing a state of the art facility, with quality equipment and trained staff.

For a fee, DFD provides fire dispatch services to the Cities of Riverside and Trotwood. This arrangement precludes the requirement for Riverside and Trotwood to build, operate, and maintain separate dispatch facilities. This fee to those local jurisdictions is less than the cost to operate individual dispatch facilities within their own jurisdictions, thereby reducing the cost of service delivery. Given the economy of scale, the DFD experiences little if any uncompensated new expense for providing this service to Trotwood and Riverside.

In addition, this successful model of cooperation between local jurisdictions on public service delivery, has become the foundation for broader discussions about the development of a regional dispatch center.

Mutual Aid Response System

It is a long standing tradition in many areas of this country that, in times of emergency and/or crisis, local fire departments share their staff and equipment to assist other communities. Fire departments have been able to do this, in part, because of the “random” nature of their emergency workload and how that workload relates to neighboring jurisdictions. In some cases, multiple emergencies occur in the same jurisdiction at the same time, severely taxing the resources of that community. Often times when one community is experiencing an emergency situation, the neighboring community is not.

Almost all of the communities in the Miami Valley Region have agreements with one or more neighboring units of government to provide mutual aid. Wright Patterson Air Force Base also has mutual aid agreements with some of its neighboring local jurisdictions.

The mutual aid system in the Miami Valley allows communities to assist each other in times of emergency need. This reduces costs to local governments by allowing each community to plan for emergency staffing needs at a lower level, than if they had to anticipate and plan for the “worst case” emergency scenario. It also increases the quality of service to constituents, by providing for a much larger pool of highly qualified staff (and equipment), which are available to respond across community lines. For instance, if mutual aid was not available, multiple emergency situations which exhausted local resources, would dramatically increase response times for local fire and EMS emergencies.

Due to the shared nature of mutual aid there is little if any increase in cost to local communities to provide this service. The cost of providing mutual aid services is typically

offset by the level of services received, and by not having to increase staff and equipment levels to meet peak levels of service demand.

Police MIS Services

An extremely useful tool for local police departments is the Federal Bureau of Investigation's National Incident Reporting System (NIBRS). Communities participating in NIBRS have access to a very large national data base, which allows local law enforcement agencies to query criminal incidents, with almost limitless parameters, from across the entire country. NIBRS has become invaluable to law enforcement agencies in solving a wide variety of crimes by enabling participating agencies to gather and analyze significant amounts of relevant data, quickly and efficiently.

Establishing the MIS necessary to be compliant with the FBI's requirements to participate in NIBRS is somewhat complicated and expensive. It involves the development of specialized software, the purchase of hardware (typically computers and communication equipment), dedicated staff who are trained in the use of the system, and upkeep and maintenance of the system.

Through a formal agreement, the City of Dayton agreed to assist the City of Riverside in accessing NIBRS for a fee. Utilizing the existing system and infrastructure already developed by the City of Dayton, Riverside was able to comply with the FBI requirements and gain access to this valuable tool. In addition Riverside took advantage of the City of Dayton's existing capacity to input data into the NIBRS system.

There are several cost and service implications for this agreement. The Dayton Police Department saves money by more fully utilizing the existing capacity of their equipment, software and staff over a larger base in return for the receipt of fees from the City of Riverside. While the cost to the Riverside Police Department initially increased, it is

significantly less than the cost to develop, purchase, and staff a stand-alone program. Service was greatly enhanced for the City of Riverside, which previously did not have access to NIBRS. Interestingly, this cooperative venture between the two communities produced an unanticipated, but positive benefit of enabling them to discover commonalities in criminal activity and identity on their shared border areas. This has assisted both police departments in solving additional crimes.

Five Rivers Metro Parks

A separate legal entity authorized by State Law, Five Rivers Metro Parks (FRM) had its beginnings in 1963, when seventeen cities and townships within Montgomery County submitted an application for a new park district to Probate Judge Neil F. Zimmers. Zimmers approved the application and shortly thereafter appointed the initial three board members. The greater community had grown to believe that the preservation of open space was a worthwhile and necessary goal. Over the years, FRM has grown significantly, acquiring thousands of acres of land, and developing and maintaining passive and active recreation areas for the region.

The initial primary funding mechanism for FRM was a countywide property tax levy of 0.3 mills. Since that time, while FRM's funding base has grown to include private donations along with state and federal grants, the primary funding source is still the countywide property tax. The current FRM taxation base is 1.8 mills through 2010.

Early in the 1990s the City of Dayton, struggling with the decline of income tax revenues, was examining alternatives to service delivery. With the assistance of the City, a new FRM tax levy was passed by the voters in November of 1994. In January of 1995, the City and FRM signed a formal agreement which transferred the daily management, operation and upkeep of the following areas, from the City to FRM.

- Island Park

- Van Cleve Park
- Deeds Park
- Sunrise Parks
- Wegerzyn Horticultural Center
- Wesleyan Nature Center

The cooperative agreement between the City and FRM recognizes that the above referenced areas were regional assets, utilized and enjoyed by the greater community (and not just City of Dayton citizens). The agreement preserves these assets for use by current and future generations. The City of Dayton by itself would not have been able to sustain these recreational areas.

From a cost standpoint, the City did not have to continue to bear the burden of maintenance and operation of these areas. FRM, with the public tax support of the entire county (especially in light of the tax increase approved in 1994 which promised that FRM would assume responsibility for operation and maintenance), was able to build the cost of supporting these facilities into its budget.

Service was enhanced by the agreement because it provided for the operation and maintenance of the parks and recreation areas by a professional organization whose mission was more singularly focused than Dayton's. There are obvious economies of scale, as FRM maintains and operates over 8000 acres of park land throughout the region. The agreement also reduced the overlap and duplicity in machinery, equipment, and staffing.⁸²

⁸² Five Rivers MetroParks. <<http://www.metroparks.org>>

Well Field Protection Program

The City of Dayton's wellfields supply potable water to over 440,000 people within the region. However, in the 1980s several incidents of groundwater contamination near the wellfields led to concerns about the safety of Dayton's groundwater. The City began investigations into how they might better protect their wellfields, hiring a consultant to delineate wellfield protection areas and to identify potential sources of contamination. As a result of those investigations, the City determined that there were abundant threats to its wellfields and a comprehensive program was necessary to ensure the long-term safety of the drinking water. After a couple of years of educating the community about groundwater contamination, and substantial efforts to involve the business community and other local governments as key stakeholders, in 1988 Dayton passed its first Well Field Protection Program (WFPP) legislation.

The City's WFPP includes "protection areas" totaling over 6200 acres in Dayton, Harrison Township, Riverside, Vandalia, Huber Heights and Wright-Patterson Air Force Base. From 1989 to 1990 these communities passed legislation similar to Dayton's WFPP.

In practice, the WFPP establishes two zoning districts to protect the wellfields. The first is the wellhead operation (WO) district, which is meant to severely restrict operations and activities in the immediate proximity of the water wells where the greatest threat to groundwater contamination occurs. The second is the wellhead protection (WP) district, which is a much broader area (6200 acres). While limiting the allowable zoning uses, the WP district is more permissive than the WO district, as it is less of a threat to potential groundwater contamination. Businesses within the districts were required to report their inventory of regulated substances (chemicals which presented a health threat to humans). The specific types of chemicals in the inventory are then rated with a ranking system that ordered the hazard levels of each chemical. Those two figures are then utilized to restrict any new business of the same type seeking to locate within the WP area.

Recognizing that these new zoning requirements placed additional burdens upon current business owners in the districts as well as burdens upon potential future owners, the City developed assistance programs and financial incentives that could be accessed by business owners in the WP district. Forgivable loans were made available to business owners who agreed to substantially and permanently reduce their level of regulated chemicals on site. No interest loans are also made available to businesses who cannot meet the thresholds established for the forgivable loan program, but who agree to reduce the risk to groundwater contamination from chemicals utilized in their business. Both of these incentive programs are funded by a customer surcharge on Dayton's water rates, and overseen by a multi-jurisdictional fund board.

Over the first ten years of the WFPP, 204 new businesses located in the WP district and 35 existing businesses expanded into adjacent sites. In addition, many existing businesses within the WP district have voluntarily adopted ground water protection measures that exceed those required by existing law and regulation.

The WFPP is a unique multi-jurisdictional program, attempting to balance the need for safeguarding the region's largest water system with the economic development needs of several communities. In safeguarding the water system, this program is protecting an invaluable natural asset that simply could not be replaced. Service is enhanced in several ways. First, this program is pro-active in the protection of the water system, rather than reactive to a threat or catastrophe. Second, it directly involves all of the jurisdictions within the Wellfield Protection Area, and offers the program's economic incentives to businesses located within that area. Third, the program includes an ongoing education component, which strives to keep local government, businesses, and citizens apprised of the importance of protecting the region's water supply.⁸³

⁸³ U.S. Environmental Protection Agency. <<http://www.epa.gov/OGWDW/protect/casesty/dayton.html>>

Miami Valley Communications Council

Miami Valley Communications Council (MVCC) was originally formed in 1975 as a council of governments, by eight suburban communities, to deal with the emerging cable TV industry and technology issues. Initially the MVCC worked on behalf of those eight local cities to assist in monitoring, administering and negotiating common agreements with the local cable service provider. It also established and operated local cable access channels which gave those governments the ability to communicate more effectively with their citizens and businesses. MVCC is funded through franchise fees paid by the local cable service provider to the municipalities.

Today, MVCC has affiliate agreements with 18 additional communities, and the level and type of services that it delivers to the community has expanded dramatically. It utilizes its resources to support community access TV activities and cooperative governmental projects, and continues to explore new technologies that will benefit member communities. It has formed “affinity groups” from its membership that meet to discuss cooperative issues including crime suppression, public services and technology.

MVCC has also created an emergency notification system which enables governments to contact citizens directly during an emergency situation and deliver specific instructions for how to deal effectively with emergency situations. The CodeRED system uses GIS and database technologies and a high-speed dialer to allow public safety officials to select a population, create a message, and deliver the message to the affected populace.

Over the past 30 years, MVCC has been able to achieve cost benefits for its member and affiliate communities, by eliminating what would have been redundant efforts by each community to develop and administer programs that enhance the delivery of public services.

It has increased the quality of public services by being a breeding ground for the development of new and innovative public programs.⁸⁴

Dayton and Miami Township Joint Economic Development Agreement

In July 2005, the City of Dayton and Miami Township entered into a Joint Economic Development District agreement to “provide a long-term opportunity to promote beneficial economic development through regional cooperation.”⁸⁵ For both parties this economic development tool will help promote economic growth and expansion in southern Montgomery County in the Dayton-Wright Brothers Airport area. Both parties will share the revenues and expenses in the new JEDD. Financial support for the JEDD will be provided from the income tax collected from residents and businesses that reside in the JEDD. The revenues collected are reinvested back into the JEDD to assist new business development in the area (hotels and retail) and build infrastructure and roads in the JEDD. Another benefit of the JEDD is that thousands of new jobs will be created.

It should be noted that the above examples are by no means an exhaustive list of all interlocal service delivery within the region. Local efforts have included many instances of cooperation in service delivery in Fire/EMS, Police, Public Works, Planning, Public Health & Welfare, Environment and Recreation (see Appendices A and B). The following is a list of additional examples of completed or ongoing interlocal service delivery projects that demonstrate cost and/or service benefits to the public:

- Animal Control of Greene County
- Asphalt Bidding – Greene County Engineer
- Regional Bikeways
- Dayton Regional Hazardous Material Response Team

⁸⁴ Miami Valley Communications Council.

<http://www.mvcc.net/index.php?option=com_content&task=view&id=23&Itemid=74>

⁸⁵ City of Dayton, Ohio. <<http://www.ci.dayton.oh.us/ed/default.asp>>

- Economic Development/Government Equity Program (ED/GE)
- Building Permits and Inspection – Greene County
- Human Service Levy Consolidation
- Montgomery County Emergency Management Agency
- Miami Valley Regional Planning Commission
- Tri Cities North Regional Wastewater Authority
- Police Dispatch – Montgomery County
- Regional Crime Lab/AFIS
- Northern Area Water Authority (NAWA)
- Storm Water Phase II

This page intentionally left blank.

V. Dayton and Study Area Profile

Introduction

A benchmark study allows jurisdictions to compare their operations to other jurisdictions. It attempts to establish a baseline to which service delivery quality and effectiveness may be compared from the base year to future years, from one jurisdiction to another, or both. Often jurisdictions of similar size and type are compared, but when examining jurisdictions from a single region, as we did here, performance ratios are used as a standard of comparison because of the significant variance in jurisdiction physical and population size. The goal of this benchmarking study is to compare basic operating characteristics across ten neighboring jurisdictions: the cities of Dayton, Huber Heights, Kettering, Moraine, Oakwood, Riverside, Trotwood, West Carrollton, and Jefferson and Harrison townships (See Figure 3).

Wright State defined the study area as Dayton and nine other jurisdictions: Harrison Township, City of Huber Heights, Jefferson Township, City of Kettering, City of Moraine, City of Oakwood, City of Riverside, City of Trotwood, and City of West Carrollton. Dayton shares approximately 83 miles of boundary with eight of the nine jurisdictions.

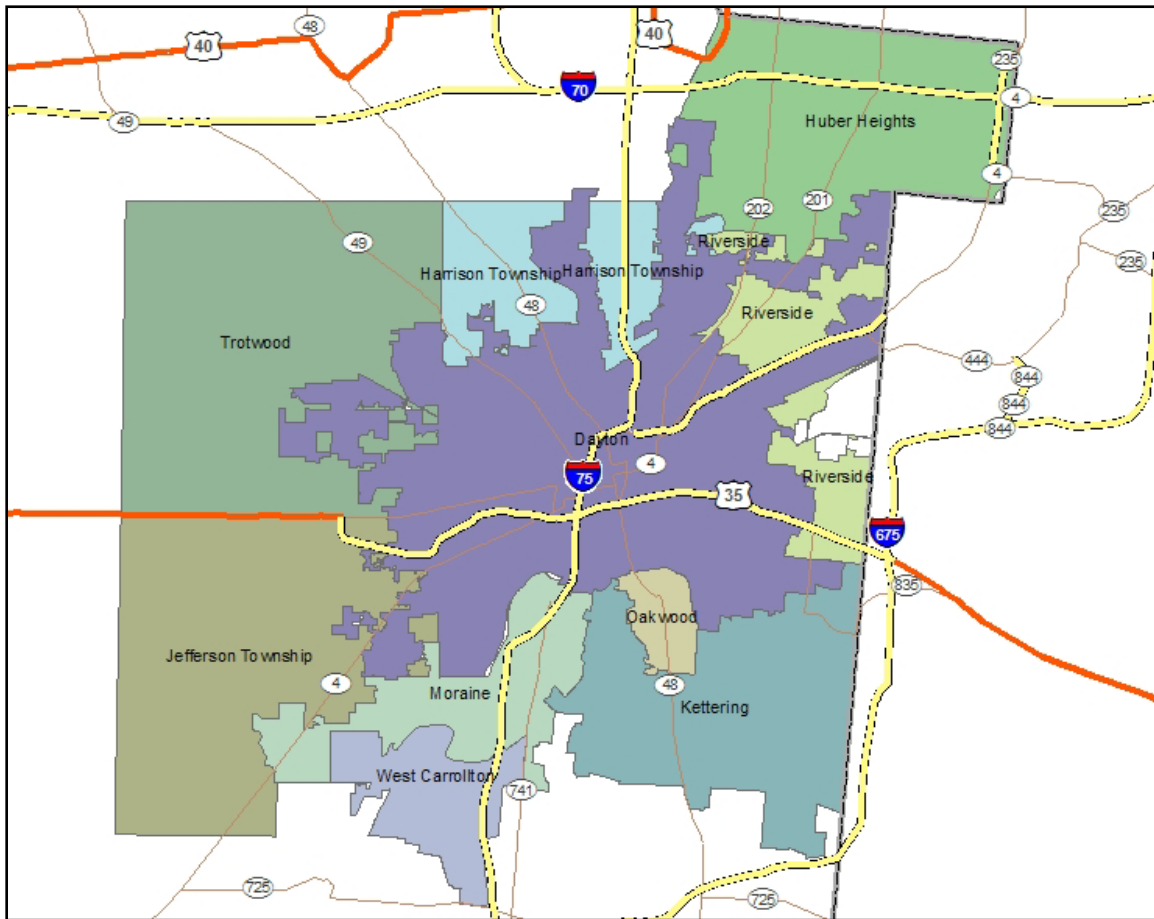


Figure 3: Map of the Jurisdictions included in the study.

The total area of all ten jurisdictions is 182.2 square miles and these ten jurisdictions share approximately 405.8 miles of boundary with at least one other neighboring jurisdiction. In particular, Dayton shares approximately 83 miles of boundary with eight of the other nine jurisdictions⁸⁶ mentioned above. For a detailed look at the length of the boundaries shared with Dayton by the other jurisdictions, please refer to Figure 4.

⁸⁶ West Carrollton does not share a boundary with the City of Dayton.

Jurisdiction	Shared Boundary
Dayton/Huber Heights	5.6 miles
Dayton/Kettering	5.2 miles
Dayton/Moraine	4.7 miles
Dayton/Oakwood	2.5 miles
Dayton/Riverside	16.8 miles
Dayton/Trotwood	19.2 miles
Dayton/Harrison Township	18.9 miles
Dayton/Jefferson Township	10.4 miles
Total Shared Boundary⁸⁷	83.3 miles

Figure 4: Shared Jurisdictional Boundaries with the City of Dayton

Community Profiles

In 2000, the City of Dayton had a population of 166,179 people. Since 1970, the City has seen a dramatic population loss — a total of 31.7%. Meanwhile, the surrounding communities,⁸⁸ have witnessed a 24.1% increase in the total population, from 167,301

⁸⁷ In order to determine the shared perimeter between the jurisdictions, the following method was employed. First, the perimeters for each of the individual jurisdictions were calculated. Second, two neighboring jurisdictions (i.e., Dayton and Trotwood) are selected in the Geographic Information System (GIS). These are fused together as a new record in the data table (through the union command under the editor toolbar) and the perimeter for this new polygon is calculated. Third, the shared perimeter between the two jurisdictions is computed through this equation:

$$((\text{jurisdiction 1 perimeter} + \text{jurisdiction 2 perimeter}) - \text{union jurisdiction perimeter})/2$$

For example, the Dayton's perimeter is 130.3 miles, Trotwood's perimeter is 47.39 miles and their union perimeter is 139.4 miles.

$$((130.3 \text{ miles} + 47.39 \text{ miles}) - 139.4 \text{ miles})/2 = 19.145 \text{ miles of shared perimeter}$$

As a reminder, this is only an estimate of the shared boundary between the jurisdictions. The calculation is not exact due to the very nature of maps and projections. The figures are dependent upon which type of projection is used and how that projection mathematically transfigures the three-dimensional surface of the earth onto a two-dimensional surface of the map. Nevertheless, though the calculations are an approximate, they should be treated as a reasonable measurement of the shared perimeters.

⁸⁸ Suburb data are defined as the total for the Dayton, OH Study Area less the sum of data for the principal city: Dayton city, OH.

individuals in 1970 to 207,699 in 2000. This increase in suburban population coupled with the decrease in population from the central city, indicates that the population is dispersing.

Decennial Census	Principal City: Dayton		Study Area Suburbs	
	Population	Change (%)	Population	Change (%)
1970	243,459		167,301	
1980	203,371	-16.5%	170,153	1.7%
1990	182,044	-10.4%	173,579	2.0%
2000	166,179	-8.7%	207,699	19.7%
Total Change (1970-2000)	-77,280	-31.7%	40,398	24.1%

Figure A1: Principal City and Suburban Population Growth, 1970-2000⁸⁹

Over this same period, two other jurisdictions in the study area, often referred to as inner-ring suburbs, began to exhibit similar trends in population decline. Oakwood saw its population decline 8.7%, or 880 residents. Kettering witnessed the loss of 12,130 residents or 17.4% of its total population.

⁸⁹ Source: SOCDs Census Data System

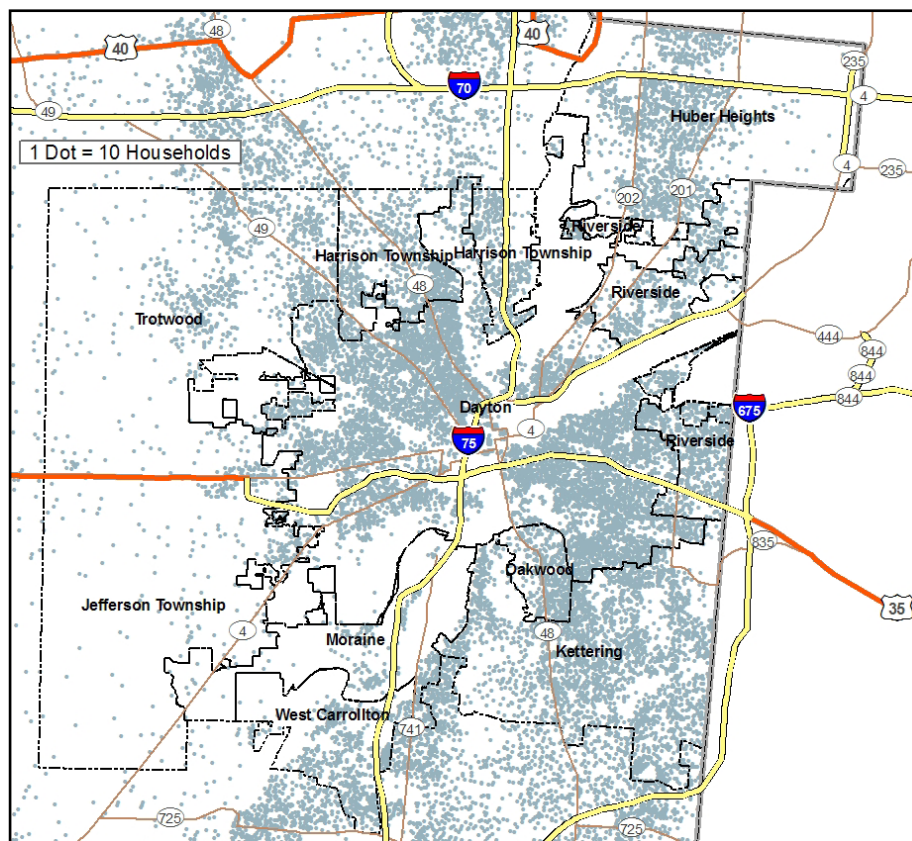


Figure 5: Study Area Household Density

In 2004, the estimated population of the study area was 365,207 people. As shown in Figure 5, population in the study area is much denser in the City of Dayton than the remainder of the jurisdictions. Population also tends to be more heavily concentrated around the borders of most of the surrounding jurisdictions.

Historically, the central business district (CBD) was the hub for downtowns. This was where the economic activity was concentrated, indicating that people were likely to travel to the CBD to conduct most of their business. In other words, the flow of people was into the CBD, with essentially little economic activity taking place outside of the CBD due to the lack of business located outside of the CBD.⁹⁰

⁹⁰ Wheeler et al. *Economic Geography*. 3rd. ed. New York: John Wiley & Sons, Inc., 1998. pg 144.

When the automobile was introduced, it greatly increased the distance that could be traveled compared to the distance covered by walking in the same time frame. In turn, this had an impact on the spatial configuration of a city and its CBD. To avoid the congestion of the city, people began to spread out and diffuse along roads and rail lines, occurring wherever the time-space convergence manifested, pushing the spatial boundaries of the city and creating tentacle-like extensions along these routes. As the automobile became more indoctrinated into American culture, the city's landscape continued to change to meet the demands of better time-space convergence. For example, the interstate system greatly contributed to the advancements of the time-space convergence and some larger cities even constructed beltway interstates, intensifying the diffusion of the city's influence, in some cases extending twenty miles beyond the CBD.⁹¹

During the early decades, this spatial dispersal of people was mostly confined to residential growth. Much money was pumped into the building of suburban housing, while downtown housing was neglected. By 1970, the suburbs had higher populations than the urban and rural areas combined.⁹²

Numerous businesses initially chose to stay in the CBD despite the relocation of their customers to the suburban areas. The negative effects of the population's relocation, such as traffic congestion, were not yet evident during the early years of suburban construction. The threshold for change was the 1960s when businesses began to abandon the CBD with regularity in favor of suburban sites. The interstates provided quick and efficient access to the suburbs, where lots were plentiful and inexpensive in comparison with parcels in the CBD. Locating in the suburbs was no longer cost-prohibitive, causing businesses "to vote with their ... rubber tires".⁹³ Consequently, activities are no longer concentrated in the CBD, contributing to the hollowing out of the downtowns of larger cities. The flow is no

⁹¹ Wheeler et al. *Economic Geography*. 3rd. ed. New York: John Wiley & Sons, Inc., 1998. pg 176-80.

⁹² Wheeler et al. *Economic Geography*. 3rd. ed. New York: John Wiley & Sons, Inc., 1998. pg 176-80.

⁹³ Wheeler et al. *Economic Geography*. 3rd. ed. New York: John Wiley & Sons, Inc., 1998. pg. 184.

longer into the CBD, but away from the CBD and either staying in the suburbs, or occurring as lateral transactions between suburbs.⁹⁴ In place of the traditional CBD, concentrations of activities in suburban population clusters have developed, called edge cities.⁹⁵

In addition to those previously discussed, other factors continue to entice businesses to locate in the suburbs instead of in the CBD. There are many positive externalities associated with suburban living, and businesses anticipate that their employees will want to take advantage of these benefits. Another consideration is how well-located the site is. Traveling to a location with relative ease is important to a business, as well as the visibility of the location. Additionally, the amount of status associated with a location is another factor when businesses contemplate location for there is hope to raise their reputation status by simply being near an affluent location.⁹⁶

Estimated Daytime Population

According to the U.S. Census, three of the communities studied in this report experience significant increases in daytime population due to commuters. The estimated daytime population in the City of Dayton increases 27.9% due to commuters working in the city from the surrounding jurisdictions. Vandalia and Moraine also see extraordinary increases in their daytime populations, 43.3% and 234.7% respectively. The cities of Kettering and West Carrollton remain relatively unchanged — West Carrollton has a +1.2% shift in population and Kettering has a -2.6% shift in population.

In terms of population exchange, the daytime population of the jurisdictions change significantly, indication that each jurisdiction's population crosses residential boundaries for work. This means that residents to a significant degree utilize the services of other jurisdictions. Employment, of course, is only one dimension of interlocal exchange and only one example of a shared dependency on the services provided by neighboring communities.

⁹⁴ Wheeler et al. *Economic Geography*. 3rd. ed. New York: John Wiley & Sons, Inc., 1998. pg. 183-4.

⁹⁵ University of Washington. <http://faculty.washington.edu/krumme/gloss/t.html>

⁹⁶ Wheeler et al. *Economic Geography*. 3rd. ed. New York: John Wiley & Sons, Inc., 1998. pg. 185-7.

The remaining incorporated jurisdictions experience a negative shift in population during the day greater than 15% (See Figure 6 for a complete breakdown of estimated daytime populations by incorporated jurisdictions.).

Place name	Residents				Total workers from any jurisdiction working in the place	Estimated daytime population	Daytime population change due to commuting	
	Total resident population	Total resident population in the workforce	Workers who <i>lived and worked</i> in the same place				Number	Percent
			Number	Percentage				
Dayton, OH	166,179	67,339	33,406	49.6	113,657	212,497	46,318	27.9
Huber Heights, OH	38,212	19,077	3,451	18.1	10,811	29,946	-8,266	-21.6
Kettering, OH	57,502	29,079	6,656	22.9	27,575	55,998	-1,504	-2.6
Moraine, OH	6,897	3,390	1,016	30.0	19,577	23,084	16,187	234.7
Oakwood, OH	9,215	4,333	584	13.5	2,389	7,271	-1,944	-21.1
Riverside, OH	23,545	10,804	1,114	10.3	6,521	19,262	-4,283	-18.2
Trotwood, OH	27,420	11,230	1,566	13.9	6,876	23,066	-4,354	-15.9
Vandalia, OH	14,603	7,535	2,095	27.8	13,862	20,930	6,327	43.3
West Carrollton, OH	13,818	7,198	1,042	14.5	7,370	13,990	172	1.2

Figure 6: Estimated Change in Daytime Population, 2000⁹⁷

What does this mean to the City of Dayton and those jurisdictions whose daytime population increases? Commuters may not use as many services as residents do, for example commuters generally do not use or are not affected by housing code enforcement, but they do use city services. Commuters take advantage of the local roads and snow removal services, safety and rescue services, road and transportation services, water and sewer services, and cultural and recreational services.

⁹⁷ Source: U.S. Census Bureau, Population Division, Journey to Work and Migration Statistics Branch December 06, 2005, < <http://www.census.gov/population/www/socdemo/daytime/daytimepop.html>>

Residents in Dayton and the surrounding communities exhibit a great deal of cross-border interaction between the neighboring jurisdictions. They cross jurisdictional boundaries to work. They cross jurisdictional boundaries to shop, play and socialize, as well. This is evident with the insurgence of large regional retail developed in the outer-ring suburbs (i.e., Meijer, WalMart, shopping malls, and multi-plex theatres).

Revenues

This section summarizes ten-year governmental funding trends for the municipalities in this study. Whenever possible, tax collection data are discussed on a per capita basis and adjusted for inflation⁹⁸ to standardize analysis. However, data were not available for each variable analyzed.

Municipal Income Tax

In 2003, the mean per capita municipal income tax revenue for the study area was \$582. Only two of the cities within the study area collect more than the average per capita income tax revenues. The City of Dayton collects \$53 (9.1%) more than the average and the City of Moraine collects \$1,482 (254.6%) more per resident than the average. Both of these cities witness significant daytime worker population shifts contributing largely to their increased income tax collections.

Most municipalities (6 of the 8) experienced little or no increase in municipal income tax collections during the period 1997 to 2003. Municipal tax collections decreased 7.9% or \$14.6 million (\$351 per capita)⁹⁹, while income tax rates rose 4.7%. Two of the jurisdictions experienced significant increases in municipal tax rates. Riverside increased income tax rates

⁹⁸ Implicit Price Deflator, Bureau of Economic Analysis, National Income and Product Account Table 1.1.9 Implicit Price Deflators for Gross Domestic Product (Index numbers, 2000=100), January 27, 2006.

⁹⁹ Harrison and Jefferson Townships do not collect income taxes.

by a half percent in 1999 from 1% to 1.5% and Huber Heights increased .2% from 1.75% to 1.95%, also in 1999.

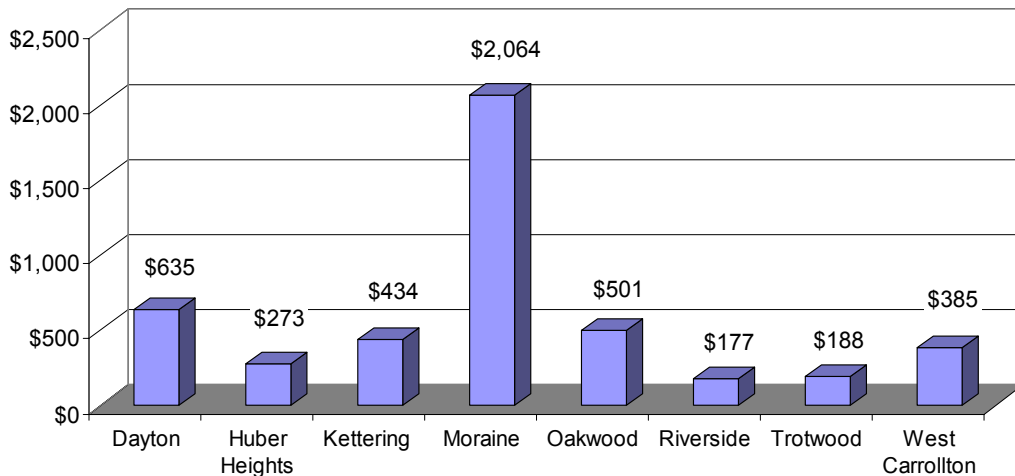


Figure 7: Capita Municipal Income Tax Collections, 2003

Real Estate and Public Utility Tax

Taxes charged on all real estate and on public utility tangible property within cities by all municipalities in the study area in 2004 were \$282 million on a total assessed value of \$4.1 billion. The gross amount of real estate and public utility tangible personal property taxes levied (before reduction factors) was \$401 million.¹⁰⁰

The per capita assessed value was \$15,756. Mean per capita taxes charged on all real estate and on public utility tangible property within the study area in 2004 were \$1,099. The average per capita real estate and public utility tangible personal property taxes levied (before reduction factors) was \$1,621.

¹⁰⁰ Ohio Department of Taxation. <<http://tax.ohio.gov/divisions>>.

In calendar year 2004, the City of Dayton had the largest amount of taxable value (\$1.5 billion), and taxes charged on all real and public utility property was \$108.5 million. However, Dayton has the lowest per capita values compared to all other study area jurisdictions. The per capita assessed value was \$9,547 and mean per capita taxes charged by Dayton were \$677 (v. \$1621 on average). The average per capita real estate and public utility tangible personal property tax levied was \$942.

In contrast, the City of Moraine had the smallest amount of taxable value, gross taxes levied and taxes charged, at \$165.3 million, \$14.8 million and \$11.6 million, respectively. But when examined on a per capita basis, the assessed value was \$24,528 — 56% greater than the mean value of \$15,756. The average per capita real estate and public utility tangible personal property taxes levied was \$2,202 and taxes charged were \$2,155.

Tangible Personal Property Tax

Tangible personal property taxes levied by all municipalities in the study area for calendar year 2004 totaled \$4.3 million on a total taxable value of \$533 million (after deduction of the \$10,000 exemption granted each taxpayer).¹⁰¹ The mean per capita tax levied on all tangible personal property by cities within the study area in 2004 was \$11 and the mean per capita total taxable value was \$2,533.

In calendar year 2004, the City of Dayton had the largest amount of total taxable value (\$287.2 million), and tax levied on tangible personal property was \$2.9 million. However, when the per capita values are examined, Dayton is one of six jurisdictions that reported a per capita tangible personal property value below the mean — \$1,792 (-29.3%) while the average per capita tangible personal property taxes levied was \$18, 63.7% higher than the mean.

¹⁰¹ Ohio Department of Taxation. <<http://tax.ohio.gov/divisions>>.

In contrast, the City of Oakwood, which has very little industry, had the smallest amount of taxable value and taxes levied, at \$1.7 million and \$19,585, respectively and when examined on a per capita basis, the per capita total taxable value was \$188 — 92.6% smaller than the mean value of \$2,533. The average per capita tangible personal property taxes levied was \$2, 81.8% under the mean.

Service Delivery and Expenditures

This study examined a variety of topics pertaining to the evaluation of local government service delivery — its efficiency and effectiveness.

In the past few years, there has been an interest in reorganizing local government resources and sharing services to cut costs.

This interest is being spurred by Ohio House Bill 66¹⁰² (HB66) and citizen pressure to maintain the level of services while not increasing the cost to citizens.

HB66 mandates that each jurisdiction with a population of one hundred thousand or more persons submit a report to the State Auditor describing efforts on the part of the county or city to reduce costs by consolidating services and engaging in regional cooperation. In addition, these reports must specify the cost savings resulting from these interlocal partnerships and describe future plans of cooperating with one or more neighboring jurisdictions.

While jurisdictions are required to report standardized financial information to the State Auditor, substantial variations among reporting methods and units of analysis still exist. The organization of the departments is also very different from jurisdiction to jurisdiction.

Jurisdictions share a common set of service functions. Expenditures by function, e.g. general government, public safety, parks and recreation, vary significantly. Variation is due in part to the different methods used by jurisdictions to allocate resources and due to local preferences.

¹⁰² Ohio House of Representatives, 126th General Assembly, House Bill No. 66, Section 557.12.01, p2278.
<http://www.legislature.state.oh.us/bills.cfm?ID=126_HB_66>

For this analysis, most calculations have been standardized on a per capita basis or per square mile.

Budget items discussed in this section refer to figures pulled from the Comprehensive Annual Financial Reports (CAFR) prepared by the individual jurisdictions as submitted to the Ohio Auditor of State for certification with the assumption that jurisdictions are reporting the same information in each of the represented program groups. Additional data for comparison were also collected from jurisdictions' websites, administrative offices, and state and national statistical organizations. Most of the jurisdictions in this study are responsible for:

1. Security of persons and property (police and fire protection services),
2. Leisure time activities (parks, recreation, and cultural facilities),
3. Community environment (planning, zoning, and public housing),
4. Transportation (street construction, maintenance and repair, storm sewers and drains, traffic signals and signs, parking facilities, and sidewalks), and
5. Public works (water, sewer, and sanitation services).

In this study, we compare basic operating characteristics across ten neighboring jurisdictions: the cities of Dayton, Huber Heights, Kettering, Moraine, Oakwood, Riverside, Trotwood, and West Carrollton and Jefferson and Harrison Township, see Figure 8. These eight cities and two townships also vary greatly in land area, the population served, size of government, and level of service provided to the public. No two jurisdictions offer the same level of service, but by far, the City of Dayton offers the most comprehensive array of services to its residents and visitors.

Jurisdiction	Population (2004)	Land Area (Sq. Mi.)	Total Perimeter (Miles)	Number of Employees
Dayton	160,293	56.3	130.3	2691
Huber Heights	38,229	20.4	23.7	65
Kettering	55,903	18.5	29.3	119
Moraine	6,741	9.4	29.9	No data avail.
Oakwood	8,817	3.0	7.6	91
Riverside	22,869	8.0	45.8	No data avail.
Trotwood	26,800	28.0	47.4	128
West Carrollton	13,299	6.6	18.1	No data avail.
Harrison Township	23,523	9.1	34.6	No data avail.
Jefferson Township	6,679	27.0	39.4	10

Figure 8: Jurisdictional General Characteristics Comparison

On average, in 2004 jurisdictions in the studied area spent \$1,075 per resident to provide government services. Two of these jurisdictions exceeded this average by more than fifty percent. The City of Moraine spent the most to provide services to its residents (\$2,980) — 51.3% more than the largest jurisdiction, Dayton (\$1,969), and 177% more than the mean. For a complete breakdown of total expenditures per capita, please refer to the following table.

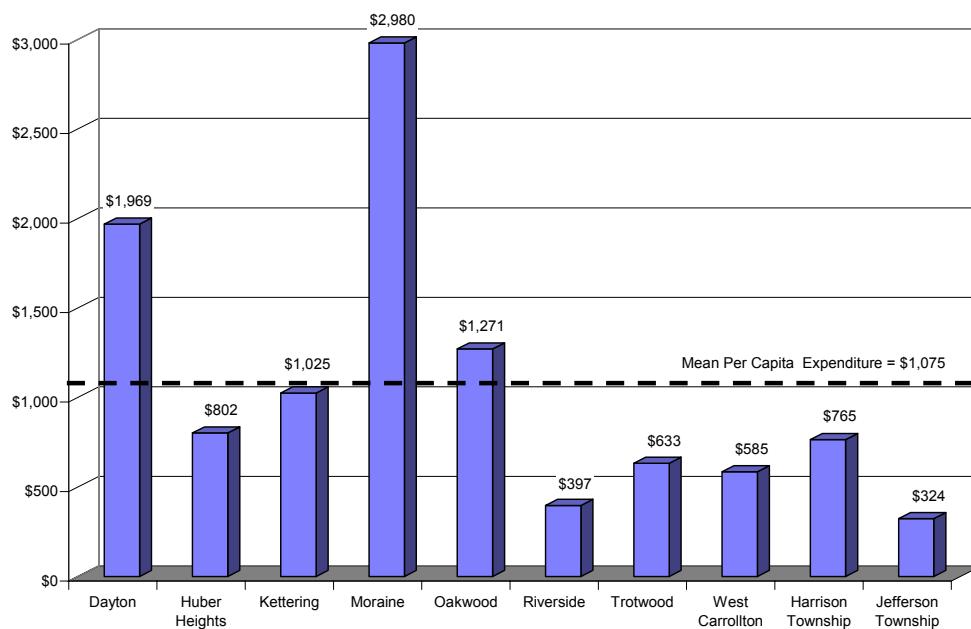


Figure 9: Per Capita Total Expenditures

General Government

General Government Services include those *services which provide for the day-to-day operations of the government not properly assignable to other programs.*¹⁰³ These include the daily operations of the government center and the administrative staff not covered in one of the other programs such as Community Environment or Leisure Activities.

The average general government per capita expenditure of the studied jurisdictions in Fiscal Year (FY) 2004 was \$209. Six of the jurisdictions spent at least 54.5% less than the mean per capita expenditure of \$209. Four of the study area jurisdictions spent more than the average. But in particular, the City of Dayton spends 90.0% more and the City of Moraine spends 231% more than the mean per capita general government expenditure.

¹⁰³ Ohio Auditor of State, *Ohio Township Handbook*, 2005, pA-1-5.1.

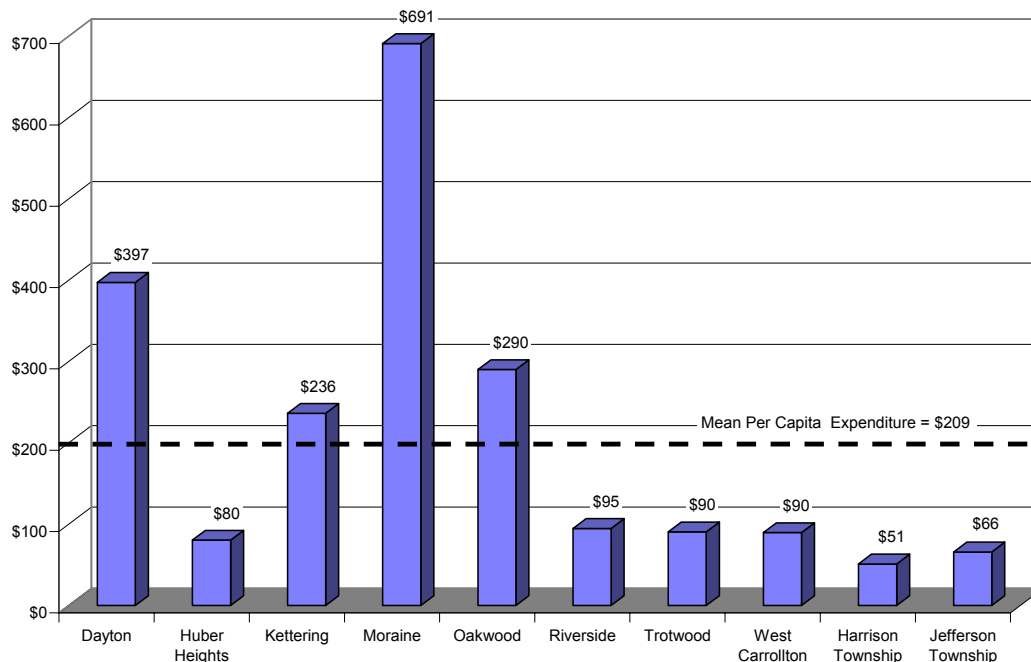


Figure 10: 2004 General Government Per Capita Expenditures

Security of Persons and Property

In this section, we examine the security of persons and property. Services covered in this program budget *include any activity which reduces the amount and effects of external harm to individuals, and in general to maintain an atmosphere of personal security from external events.*¹⁰⁴ These include the daily operations and maintenance of fire and emergency medial services and the police department, but exclude the costs of capital equipment expenditures and structures provided by capital outlay program funds.

In 2004, the average per capita cost of all public safety services among the ten studied jurisdictions was \$427. Three jurisdictions spent more than the average — Oakwood (\$493), Dayton (\$580), and Moraine (\$1,311). However, it is important to note that not all of the

¹⁰⁴ Ohio Auditor of State, *Ohio Township Handbook*, 2005, pA-1-5.1.

jurisdictions provide police safety services to their residents. While fire services are provided by each of the jurisdictions, police services are provided exclusively by the Montgomery County Sheriff for Harrison and Jefferson Townships.

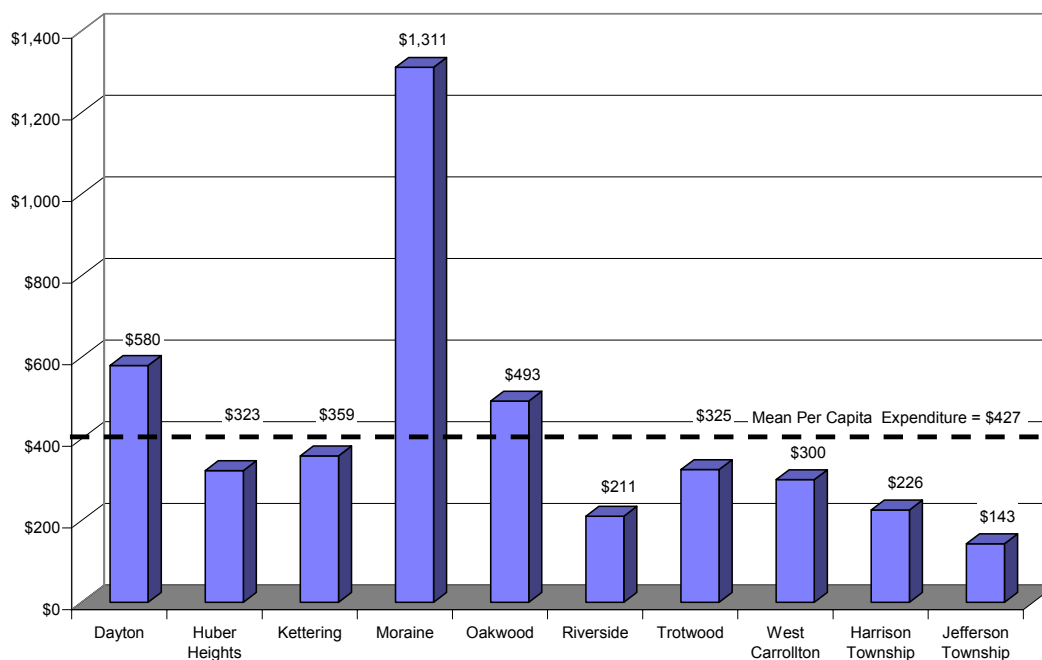


Figure 11: 2004 Security of Persons and Property Per Capita Expenditures

Yearly, the Department of Justice, Federal Bureau of Investigation collects data from law enforcement agencies across the United States to report the total number of sworn law enforcement officers and civilians in their agency as of October 31 of that fiscal year. The data are broken down for cities by cohort size, for comparison by number and rate of law enforcement personnel per 1,000 residents.

Jurisdiction	Population (2004)	Total Number of Local Officers	Officers per 1,000 Residents		
			Local Jurisdiction	Nationally	
				National Cohort (population)	Jurisdiction of Similar Population
Dayton	160,293	441	2.8	Group II (100,000 to 249,999)	1.9
Huber Heights	38,229	52	1.4	Group IV (25,000 to 49,999)	1.8
Kettering	55,903	83	1.5	Group III (50,000 to 99,999)	1.8
Moraine	6,741	33	4.9	Group VI (Under 10,000)	3.3
Oakwood	8,817	32	3.6	Group VI (Under 10,000)	3.3
Riverside	22,869	27	1.2	Group V (10,000 to 24,999)	1.9
Trotwood	26,800	52	1.9	Group IV (25,000 to 49,999)	1.8
West Carrollton	13,299	25	1.9	Group V (10,000 to 24,999)	1.9

Figure 12: Full-time Law Enforcement Officer as of October 31, 2004¹⁰⁵

The Uniform Crime Reporting (UCR) Program defines law enforcement officers as individuals who ordinarily carry a firearm and a badge, have full arrest powers, and are paid from governmental funds set aside specifically for sworn law enforcement representatives. The rate of law enforcement officers per 1,000 residents was 2.3 sworn officers in the United States in 2004 or 429,630 officers nationwide.

Three cities employ more than the national rate of the number of officers per 1,000 residents — Dayton, Moraine, and Oakwood. Nationwide cities of 10,000 or less in

¹⁰⁵ U.S. Department of Justice, Federal Bureau of Investigations, *Crime in the United States*, 2004. <http://www.fbi.gov/ucr/cius_04/law_enforcement_personnel/index.html>

population had the highest rate, 3.3 officers per 1,000 inhabitants in 2004. Both of the jurisdictions, Moraine (1.6 officers more) and Oakwood (0.3 officers more), which fall in this cohort, employ more than their national counterparts¹⁰⁶ do. Two city population groups, those with populations from 25,000 to 49,999 and those with 50,000 to 99,999 had the lowest rate, 1.8 officers per 1,000 inhabitants. The cities with populations from 100,000 to 249,999 residents averaged 1.9 officers per 1,000 in population and the City of Dayton exceeds this number of officers by approximately one officer per 1,000.

Crime rates are also an important measure of public safety effectiveness. However, these measures are not available for all of the jurisdictions examined here and further research is necessary to complete a comparison of public safety departments. Only data for four of the ten jurisdictions could be pulled from the U.S. Department of Justice, Bureau of Justice Statistics, and the *Crime & Justice Data Online*.¹⁰⁷ This method is preferred because the data are reported uniformly and the assumption can be made that a direct comparison can be made between variables.

According to the United States Department of Justice, violent crime involves force or threat of force and is composed of four offenses: murder and nonnegligent manslaughter, forcible rape, robbery, and aggravated assault. In 2004, there were an estimated 1,367,009 violent crimes nationwide or 465.5 per 100,000 inhabitants.¹⁰⁸

In 2004, three of the four local reporting jurisdictions experienced violent crime rates significantly lower than either the national or state average rates. The City of Dayton reported violent crimes at 1.5 times the national rate and twice the state rate, while reporting property crimes at twice the state and national rate.

¹⁰⁶ Group II cities, population 100,000 to 249,999

¹⁰⁷ U.S. Department of Justice, Bureau of Justice Statistics, *Crime & Justice Data Online*, <<http://bjsdata.ojp.usdoj.gov/dataonline/>>.

¹⁰⁸ United States Department of Justice. Federal Bureau of Investigation. *Crime in the United States Series*. <http://www.fbi.gov/ucr/cius_04/offenses_reported/index.html>

Property crime involves the taking of money or property, but there is no force or threat of force against the victims and includes the offenses of burglary, larceny-theft, motor vehicle theft, and arson. An estimated 10,328,255 property crimes were committed in the United States in 2004, a rate of 3,517.1 per 100,000 residents.¹⁰⁹

Not one of the jurisdictions reporting UCR statistics fell below the national property crime rate in 2004. The City of Dayton reported property crime rates nearly twice the national rate.

Reporting Agency	Violent Crime Rate	Property Crime Rate
United States-Total	713.6	3517.1
Ohio	485.8	3673.2
Dayton Police Department	1006.0	7868.0
Huber Heights Police Department	180.1	4086.9
Kettering Police Department	166.1	3773.3
West Carrollton Police Department	252.0	3707.3

Figure 13: Property and Violent Crime Rate, 2004¹¹⁰

According to the National Fire Protection Association (NFPA), fire killed more Americans than all natural disasters combined. Fire loss in the United States in 2004 resulted in 3,900 civilian deaths and 17,785 civilian injuries that occurred as the result of fire. One-hundred firefighters were also killed while on duty in 2004. Direct property loss due to fires was estimated at \$9.8 billion.

¹⁰⁹ United States Department of Justice. Federal Bureau of Investigation. *Crime in the United States Series*. <http://www.fbi.gov/ucr/cius_04/offenses_reported/index.html>.

¹¹⁰ Rates are the number of reported offenses per 100,000 population, FBI, Uniform Crime Reports, prepared by the National Archive of Criminal Justice Data.

Fire Department	Residential Fires	Dollar Loss	Average Loss Per Fire	Civilian			Fire Fighter Injuries	Response Time
				Injuries	Injuries per 1,000	Deaths		
Dayton	473	\$3,947,600	\$8,346	15	31.7	1	8	4.68
Kettering	39	\$524,800	\$13,456	6	153.8	0	3	6.18
Moraine	98	\$46,500	\$474	2	20.4	0	1	5.02
Riverside	29	\$315,000	\$10,862	0	0.0	0	0	5.72
Trotwood	60	\$313,700	\$5,228	2	33.3	2	4	6.83
West Carrollton	13	\$6,260	\$482	1	76.9	0	1	4.77
Harrison Twp	63	\$531,200	\$8,432	2	31.7	0	1	4.57
Jefferson Twp	20	\$180,500	\$9,025	0	0.0	0	3	7.11
<i>Study-area Mean</i>	<i>99</i>	<i>\$733,195</i>	<i>\$7,038</i>	<i>3.5</i>	<i>43.5</i>	<i>< 1</i>	<i>2.6</i>	<i>5.61</i>

Figure 14: Losses Due to Fire, 2004

Data could not be obtained for all of the jurisdictions within the Dayton area study group. The State Fire Marshall could report standardized statistics for eight of the jurisdictions being examined. There were no fire fighter reported fatalities. However, in the study area, three civilian deaths and twenty-eight civilian injuries occurred as the result of fire in 2004. On average 43.5 civilians were injured per 1000 fires. Only two jurisdictions witnessed injuries greater than the average from the reporting jurisdictions — Kettering (153.8 per 1,000) and West Carrollton (76.9 per 1,000).

Average property loss due to fires was estimated at \$7,038 per fire in 2004. Five of the eight jurisdictions examined here reported losses in excess of the area average per fire, \$7,038: Dayton, Kettering, Riverside, and Harrison and Jefferson Townships.

Average fire department response time for the study area jurisdictions was 5.61 minutes. Half of the jurisdictions reported response times greater than the average — Kettering (6.18), Riverside (5.72), Trotwood (6.83), and Jefferson Township (7.11). It is important to note that response time can be affected by many factors. Where jurisdictions rely heavily on volunteer forces, we would expect to see higher response times. Coverage

area and population density may also affect response time. Further data are necessary to draw conclusions.

Fire Department	Number of Stations	Active Firefighters Career	Active Firefighters Volunteer	Active Firefighters Paid per Call	Area (Square Miles)	Response Time
Dayton	12	340	0	0	56.3	4.68
Kettering	7	54	114	0	18.5	6.18
Moraine	3	51	0	0	9.4	5.02
Riverside	2	17	6	20	8.0	5.72
Trotwood	4	24	0	85	28.0	6.83
West Carrollton	2	8	0	44	6.6	4.77
Harrison Twp	1	62	0	0	9.1	4.57
Jefferson Twp	4	1	0	42	27.0	7.11

Figure 15: 2004 Fire Jurisdiction Characteristics

Leisure Time Activities

Leisure time activities include those functions *which provide leisure time opportunities for the citizenry which are accessible, dissimilar, safe, physically attractive, not overcrowded, and generally enjoyable.*¹¹¹ Most jurisdictions provide open-space, recreation facilities, cultural programs, youth and senior centers and programs, and parks. These public spaces may not necessarily be formal public spaces, but may include open areas to protect wildlife or flood plains.

In 2004, the mean cost per resident to provide recreational spaces and programs was \$88. Seven jurisdictions spent less than \$50 per resident to provide recreational services. Three jurisdictions: Kettering, Moraine, and Oakwood exceed the average. In fact, Kettering spent \$212 per resident or almost 2.5 times the average and Moraine spent almost five times the average (\$429 per resident).

¹¹¹ Ohio Auditor of State, *Ohio Township Handbook*, 2005, pA-1-5.1.

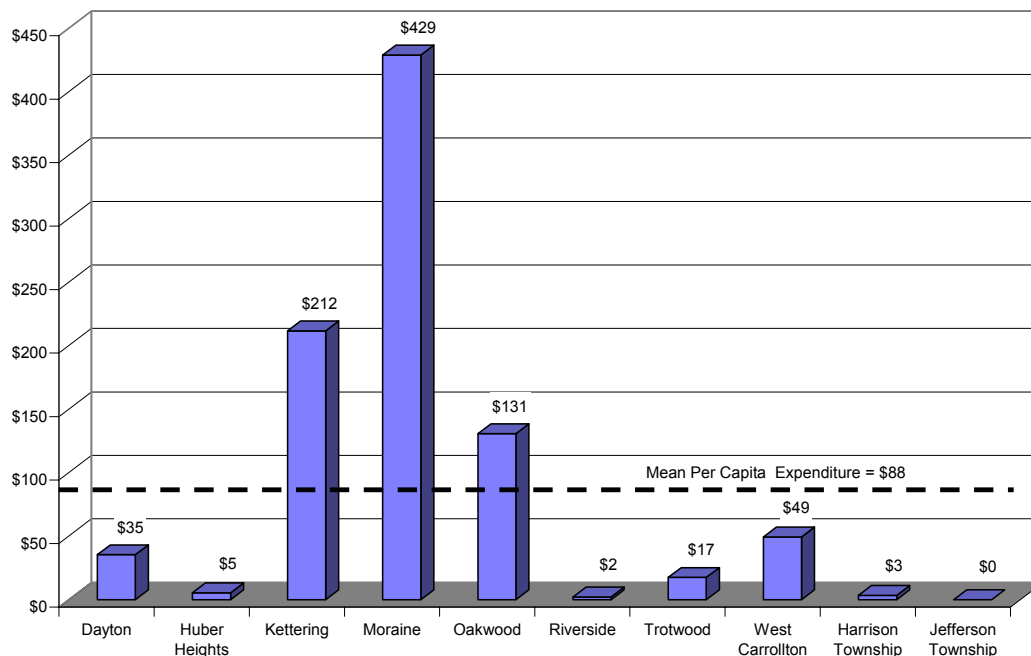


Figure 16: 2004 Leisure Time Activities Per Capita Expenditures

Important benchmark indicators for leisure time activities include: acreage of public park space, persons per acre, number and square footage of recreation, senior and youth centers per capita or per 1,000 residents. Data pertaining to these key indicators was not possible to obtain for most of the study area jurisdictions and further research is necessary to make adequate jurisdictional comparisons other than expenditure per resident.

Community Environment

Appropriations cataloged under the Community Environment Program are for services that *provide opportunities for satisfactory homes for the citizenry including provision for a choice, at affordable prices, of decent, safe, and sanitary dwellings in*

*pleasant surroundings, and to improve the economic environment of the community in general.*¹¹²

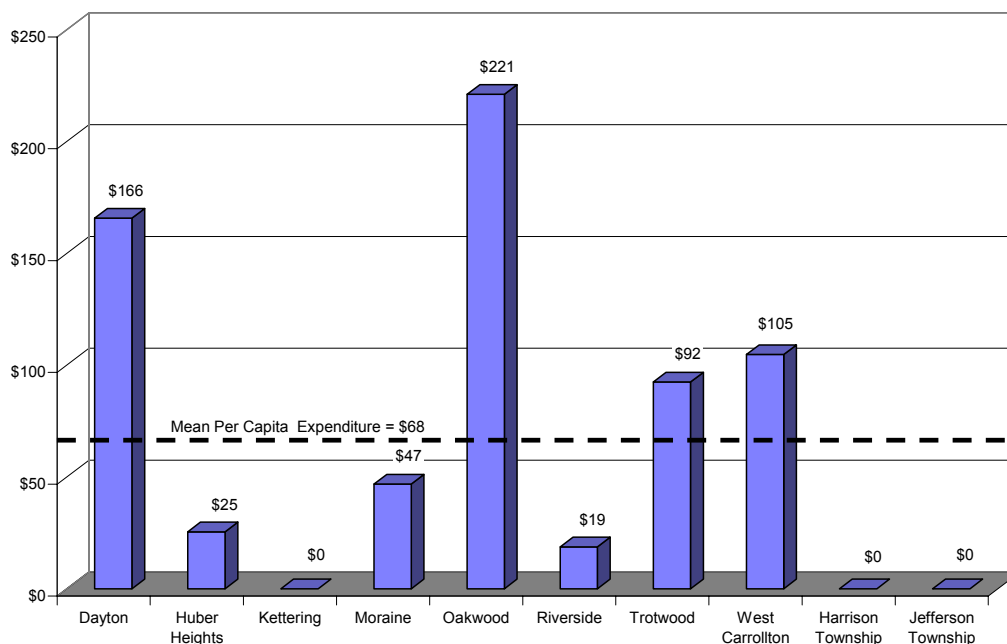


Figure 17: 2004 Community Environment Services Per Capita Expenditure

In 2004, the mean cost per resident to provide community environment services was \$68 per resident. Six jurisdictions spent less than \$50 per resident to provide community services. Four jurisdictions: Dayton, Oakwood, Trotwood, and West Carrollton exceed the mean. In fact, Oakwood spent \$221 per resident, more than three times the average.

Transportation

Transportation appropriations are intended for services that *provide facilities to transport needed amounts of various types of traffic quickly, safely, and pleasurably.*¹¹³ In

¹¹² Ohio Auditor of State, *Ohio Township Handbook*, 2005, pA-1-5.1.

¹¹³ Ohio Auditor of State, *Ohio Township Handbook*, 2005, pA-1-5.1.

particular these services provide street construction, maintenance and repair, storm sewers and drains, traffic signals and signs, parking facilities, and sidewalks.

The average per capita expenditure of the study jurisdictions in Fiscal Year (FY) 2004 was \$101. Seven of the jurisdictions spent less than the mean per capita expenditure. Three of the study area jurisdictions spent more than the average. But in particular, the City of Huber Heights spent 88.0% more and the City of Moraine spent 3.33% more than the mean per capita expenditure.

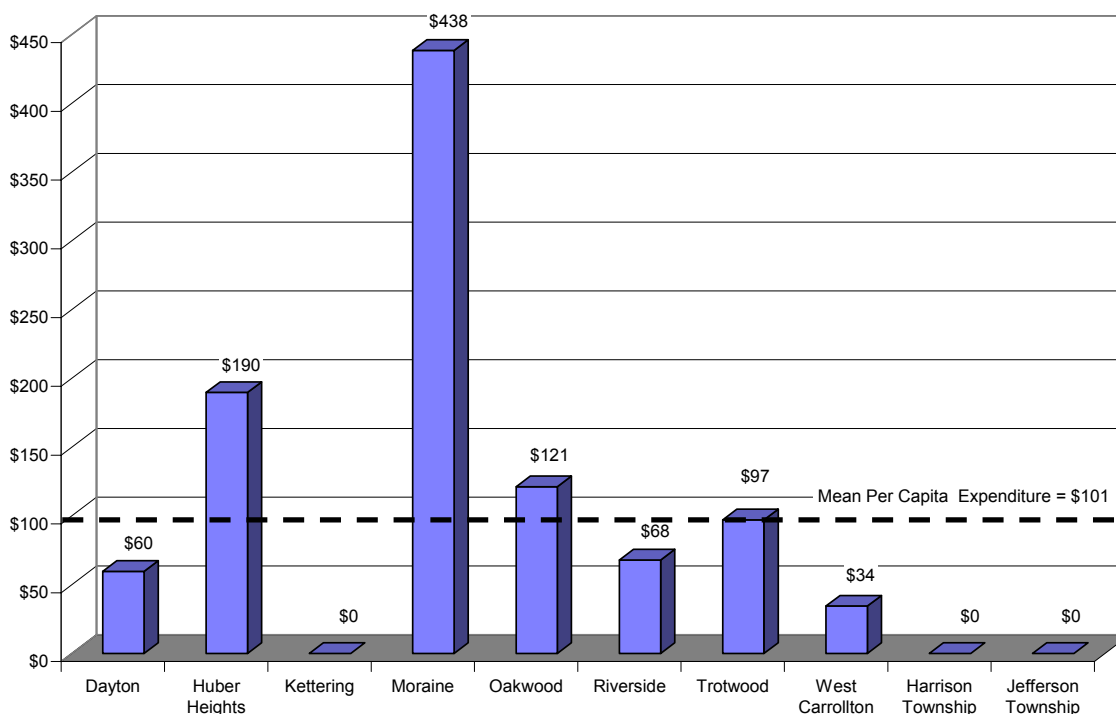


Figure 18: 2004 Transportation per Capita Expenditures

When asked to provide data pertaining to street maintenance and repair, storm sewers and drains, traffic signals and signs, parking facilities, and sidewalks, only half of the jurisdictions responded with some level of detail. The average per paved mile of road

expenditure of the study jurisdictions in Fiscal Year (FY) 2004 was \$19,874. Three of the five jurisdictions spent less than the mean per mile expenditure. Two of the study area jurisdictions spent significantly more than the mean. But in particular, the City of Huber Heights spent twice the mean per mile expenditure largely due to expansion projects to accommodate rapid development in the City.

	Transportation	Paved Roads (Miles)	Cost per Mile
Dayton	\$9,570,123	855	\$11,193
Huber Heights	\$7,253,184	174	\$41,805
Moraine	\$2,955,562	276	\$10,709
Riverside	\$1,554,731	231	\$6,730
Trotwood	\$2,603,908	90	\$28,932
Mean	\$4,787,502	325	\$19,874

Figure 19: Paved Mile Expenditures, 2004

Public Works

Public Works services *provide for adequate utility services such as sanitary water supply, sewage disposal, electric power, and in some instances collection and disposal of solid waste.*¹¹⁴ Not all of the study area jurisdictions report expenditures for public works because Montgomery County provides all or some these services for their residents.

Six jurisdictions reported expenditures in 2004 — Dayton, Huber Heights, Kettering, Moraine, Harrison Township, and Jefferson Township. The mean per capita expenditure of these jurisdictions was \$166. Three jurisdictions exceeded the mean, but Dayton exceeded the mean by the largest margin, 165%.

¹¹⁴ Ohio Auditor of State, *Ohio Township Handbook*, 2005, pA-1-5.1.

Jurisdiction	Per Capita Public Works Expenditure
Dayton	\$440
Huber Heights	\$154
Kettering	\$213
Moraine	\$40
Harrison Township	\$87
Jefferson Township	\$62
<i>Mean Per Capita Expenditure</i>	<i>\$166</i>

Figure 20: 2004 Public Works Per Capita Expenditures

Conclusions

As mentioned in the Introduction of the report, Dayton sustains a service system for the population it once had (262,332), but the resources to support the existing service system come from a much smaller (160,293) and less affluent population. Over the years, the first ring suburbs built infrastructures and added services, replicating the system Dayton built, but on a smaller scale enticing population and employers to relocate to the suburbs. But just as Dayton experienced, other jurisdictions in the study area began to exhibit similar trends in population decline. Even though these suburbs have not experienced population or job losses proportional to the City of Dayton, all feel the impact as the region's population continues to drift outward and manufacturing jobs decrease.

In general, service delivery systems are similar; however, the City of Kettering is unique in its reliance on volunteer firefighters. The City of Moraine is also unique in the amount per capita spend on leisure activities. There is also a significant difference in the cost per mile for road improvements in Huber Heights as compared to four other cities. Differences may indicate areas of opportunity as opposed to barriers to interlocal service delivery.

Services are critical to a quality economic and social life and the tax bill for maintaining existing services continues to climb. Municipal income tax collections in the study area decreased 7.9%, or \$14.6 million (\$351 per capita), from 1997 to 2003 , while income tax rates rose 4.7%. Overall, municipal Real Property taxable value decreased \$80.7 million while taxes levied increased \$45.3 million from 1996 to 2004 (Refer to Appendix F).

Large differences in cost to provide services to their residents exist between the study area jurisdictions. Findings are unclear. Jurisdictions report both revenues and expenditures in different manners and a direct comparison cannot be adequately drawn. Cost per capita is an acceptable gauge for overall comparison, but additional data and the establishment of consistent metrics is necessary to complete a more detailed analysis of expenditures, particularly at the department level. Direct cost per employee or production ratios could not be established in almost all cases, further inhibiting direct cost comparison (Refer to Appendix F, Cost per Service Tables).

Opportunities for cooperation for the study area jurisdictions exist where resources can be used more efficiently or elimination of overlapping areas of responsibilities occur, but particularly where residents cross boundaries to receive these services.

Where area residents obtain services or amenities, such as recreation, has little relevance to where they live. Residents in Dayton and the surrounding communities cross jurisdictional boundaries to work, shop, play, and socialize. Jurisdictions count on area residents to cross these boundaries to support the facilities they build.

For example, one swimming pool per 20,000 people is recommended by Lancaster in Park, Recreation, *Open Space and Greenway Guidelines*, a nationally recognized publication of recreation standards. However, when the City of Moraine constructed the Splash Moraine facility for a population of 6,934 residents, City Administrators were obviously counting on cross-border traffic to sustain the waterpark.

When regional facilities, such as parks and pools are constructed, cooperative agreements may be drawn to share the cost of construction and maintenance and allow neighboring jurisdictions who participate in the agreement to offer use of facilities with admittance fees or memberships at the “resident” or reduced cost.

Further collaboration between purchasing departments to achieve a local economy of scale is another example. Joint Economic Development Agreements are still additional possibilities, saving Dayton and surrounding jurisdictions the cost of expanding the existing infrastructure by using or connecting to the existing. Finally, fleet maintenance is yet another opportunity where additional local jurisdictions could continue to cooperate and reduce the cost to taxpayers for service utilizing the City of Dayton’s Maintenance Department.

This page intentionally left blank.

VI. Conclusion

The Alignment of Past with the Present

Over one hundred years ago, John Patterson called for a local government that better fit a new economy and the challenges of improving the living standards of Daytonians. Seventeen years later Dayton adopted a business model for conducting the work of government. Dayton became a leader and model for other cities. Today, the challenges are not the same, yet not different. Dayton, and now many other municipalities and townships, must deal with economic change to sustain a high quality of life for all citizens. Today is different than Patterson's era, though. Dayton and the region are not being lifted by a wave of industrial growth; we are drifting, in search of new industries to replace well paying jobs. Another difference is Dayton's influence in the region. Today, the city is surrounded by suburbs. Some have begun to experience loss of population and wealth and some are growing and prospering. All share a common challenge of providing quality services and of balancing strained budgets, but each has own constituencies to serve. Finally, today there is not a *John Patterson* that can influence decisions; power is as diffused as urban growth, and there has not been a catalytic event like the 1913 flood that unites citizens, business, and government in a common cause.

There is, though, a common feeling that local government must change to adjust to the new economy and rising governmental costs. The call for change is not really new, but the pressure put upon government by the global economy is high and keeps increasing. Government reform, in general, has been a high priority since Jimmy Carter became president. Local government became a target after E.S. Savas wrote *How to Shrink Government: Privatizing the Public Sector* in 1982. Academic books and journals, practitioner magazines and newsletters, and popular media have been filled with ideas about alternatives to public services and reinventing government. The methods are as interesting as the ideas: entrepreneurialism, tax revenue sharing, neighborhood empowerment, citizen

capacity building, total quality and performance management, and public-private partnerships to name just some. All of these ideas and methods for more efficient and effective government have some degree of merit, and there is some evidence that the methods have had positive results for communities.

Yet, the structure of local government today is based on organizational principles dating back to John Patterson; the business model. Division of labor, efficiency, and a strong chief executive characterize this model. The 20th century business model does not fit very well in the 21st century. Today's growth industries have learned to compete through partnerships and shared resources. For example, Booz Allen & Hamilton described information services as evolving from organizational consolidation to supply side and then to demand side management. In the 1990s, escalating costs pushed corporations to adopt shared information services and resulted in significant cost savings and gains in professionalism, quality and productivity. In translation, a new local government structure would be based on new principles such as flexibility, risk, and sustainability in addition to existing principles of accountability, economy, and professionalism. The current structure is focused more on operational design than operational innovation and outcomes. The new structure would be based more on sharing assets, expertise and information rather than simply managing them.

History then provides us with several important lessons. One, Dayton did not wait for indisputable proof that a city-manager commission system would result in better government and higher living standards. Community leaders took risks and it paid off. Dayton stood above other cities as innovators – “the model city.” Two, the decision to adopt a business model was really not revolutionary; it was evolutionary. Government learned from businesses (e.g., NCR/John Patterson) that had adopted new management systems to become more competitive. Today, business models are changing to compete in the global economy and government must change too. The metropolitan model defined by OECD firmly supports democracy, and, in fact, attempts to expand participation and extend higher

living standards. The model does not call for governmental consolidation or single solutions, but it does call for a metropolitan vision and local government service cooperation and coordination among other things.

Dayton Has a Firm Foundation to Start the Change Process

Our conclusion is that *interlocal service delivery is no longer just an option; it is now critical to the economic health and vitality of our communities*. Two recent reports, “Playing to Win” and “Prescribing Future Health,” lay out convincing cases for interlocal cooperation. Case studies tell us that the starting point should not be consolidation or, for that matter, interlocal cooperative service delivery. Instead, local governments need to come together and share their visions of the future and their goals for meeting community needs. Based upon this common understanding and respect for local autonomy, discussions of interlocal service delivery can gain momentum. To sustain that momentum communities need to assess their internal capacity, begin with a core group of like-minded communities, act, and measure progress.

Capacity to Make Changes

This report considered a wide array of successful interlocal, cooperative efforts in service delivery. Local governments throughout the world have been very entrepreneurial in developing methods, structures, and models for how local government services can be cooperatively delivered. Structures developed by local governments fill the spectrum from the creation of an entirely new government entity to mergers of existing functions. Similarly, methods of service delivery range from very formal and precise contracts to very informal agreements. Almost every type of service that is delivered by local governments has been delivered on a cooperative, interlocal basis. In short, as evidenced by the case studies in this report, there is virtually no limit to how, when, why, and where local governments can cooperatively deliver local services and address local needs.

The Dayton region has a long and rich history of working cooperatively on public issues. One only has to examine the hundreds of examples listed in the appendices of this report to see a very recent history of cooperative efforts on interlocal service delivery. With all of the success that has been achieved locally, however, one critical area which appears to be missing in the region's specific culture of cooperation is a sense of long term partnership and vision on a larger scale. Without an ongoing sense of common identity, shared goals, and joint vision, the area has relegated itself to struggling with the resolution of specific problems in an ad hoc, piecemeal fashion. A more effective model for local governments within the region is to develop and sustain a mechanism to build consensus around a common vision and goals, common threats/challenges/needs, and a real sense of being part of something larger than individual organizational units. In this regard, barriers to interlocal cooperation, while not eliminated, are reduced in their influence on local government action.

Begin With Core Communities

The report focused on first ring suburbs. Dayton and the first ring suburbs comprise the region's core communities. As the data reveals, the communities share common development patterns. Dayton has a much longer history of relationships with these communities due to their proximity and state and federal programs. While each community has unique interests, they do share policy priorities that support urban reinvestment, brownfield redevelopment, vacant properties, and other issues. Most importantly, the first ring suburbs have developed services and infrastructures that are becoming more difficult to maintain fiscally. First ring suburbs are a starting point. Similar to the Carthage, New York, case, other communities could be and should be included at any time in discussions of vision, goals, and interlocal cooperation.

Act Now

There is an exhaustive body of knowledge about the “how to” of interlocal service delivery. Dayton and the region can and should utilize that information. For instance, the DMG-MAXIMUS study, detailed earlier in this report, is a virtual primer on the necessary basic elements to improve the effectiveness and efficiency of local government service delivery. The study considers existing conditions, political environment, citizen/business involvement, analysis of opportunities, structural alternatives, and evaluation of selected methods.

Also, there are many other studies that could be reviewed. For example, Wayne Faust and Chris Dunning prepared a report titled, *Sharing Government Services: a Practical Guide*. This report was funded by the University of Wisconsin Cooperative Extension program. This report provides worksheets, sample agreements, and a fourteen step process from rationale for shared services to pursuing funding. The New York Office of the Comptroller also produced a manual for local governments considering cooperation titled, *Intermunicipal Cooperation and Consolidation: Exploring Opportunities for Savings and Improved Service Delivery*. New York’s process identified eight stages and provides helpful hints throughout the report. Specific to Ohio, Beth Honadle and Robin Weirauch produced an informative report on local government options titled, *Local Government Options: a Practical Toolkit for Customized Local Government Structuring in Ohio*.

Measuring Progress

Our study of Dayton and surrounding communities exposed the need for meaningful measurements and performance comparisons. How can opportunities for service cooperation be uncovered when each community measures costs and performance in different ways? ICMA has already attempted to tackle this problem and has made progress that could benefit future analysis. Measuring and benchmarking progress locally and with peer urban areas are

essential for any successful interlocal service delivery effort. Without appropriate metrics (measurement tools), there is no evidence to calculate the results of any cooperative effort. Without benchmarks (standards of performance), there is no ability to judge how well the effort performed.

* * *

The next section provides recommendations that seek to bring communities together, as a first priority, and then to engage stakeholders in a discussion of interlocal cooperation and service delivery.

VII. Future Opportunities and Recommendations – Next Steps

Begin and continue formal dialogue

This *Creative Government* report, *Playing to Win*, and other reports provide enough information to move forward to substantive discussions. Consistent with the Dayton culture for intergovernmental cooperation, stakeholders from the region should be invited to join a deliberative process. Convening the group initiates Phase II. The conveners should be representatives of the core communities and the business community. A schematic of Phase I and II and other Phases can be found below.

The name of the stakeholders could be the Creative Government Committee. The goal of this engagement should be to develop a long-term relationship and understanding between local government agencies and their stakeholders. Strong consideration should be given to inviting citizens, state policy makers, local government policy makers, local government service employees, business, and civic leaders (e.g., school board members, school superintendents, the Miami Valley Regional Planning Commission, Dayton Regional Network). Local government officials and service employees should come from the core communities; however, if other local governments wish to participate they should be included.

Fill Information Gap

Any discussion of changing the way local government works and changing the way services are provided needs to be informed by what citizens and service employees think about these questions. Citizens pay the bills and consume the services. Service employees will feel threatened and undervalued unless they are involved in discussions of their work and operations. Further, service employees are the experts and best understand opportunities for improvements and possible interjurisdictional cooperation, and service employees will be

charged with implementing interlocal cooperation agreements and their support is crucial for success.

Engagement Outcome

The outcomes will be whatever the Creative Government Committee decides; however, there needs to be clear objectives in mind even if they are not achieved. Expected outcomes include the following.

- A cohesive feeling of being “on the same team.” A mission can be developed through discussions of issues of common concern such as development and redevelopment; vacant properties; housing; brownfields; changing demographics; shrinking budget resources; and interlocal service delivery. The discussion would include examination of how other metropolitan areas have begun to deal with core community issues.

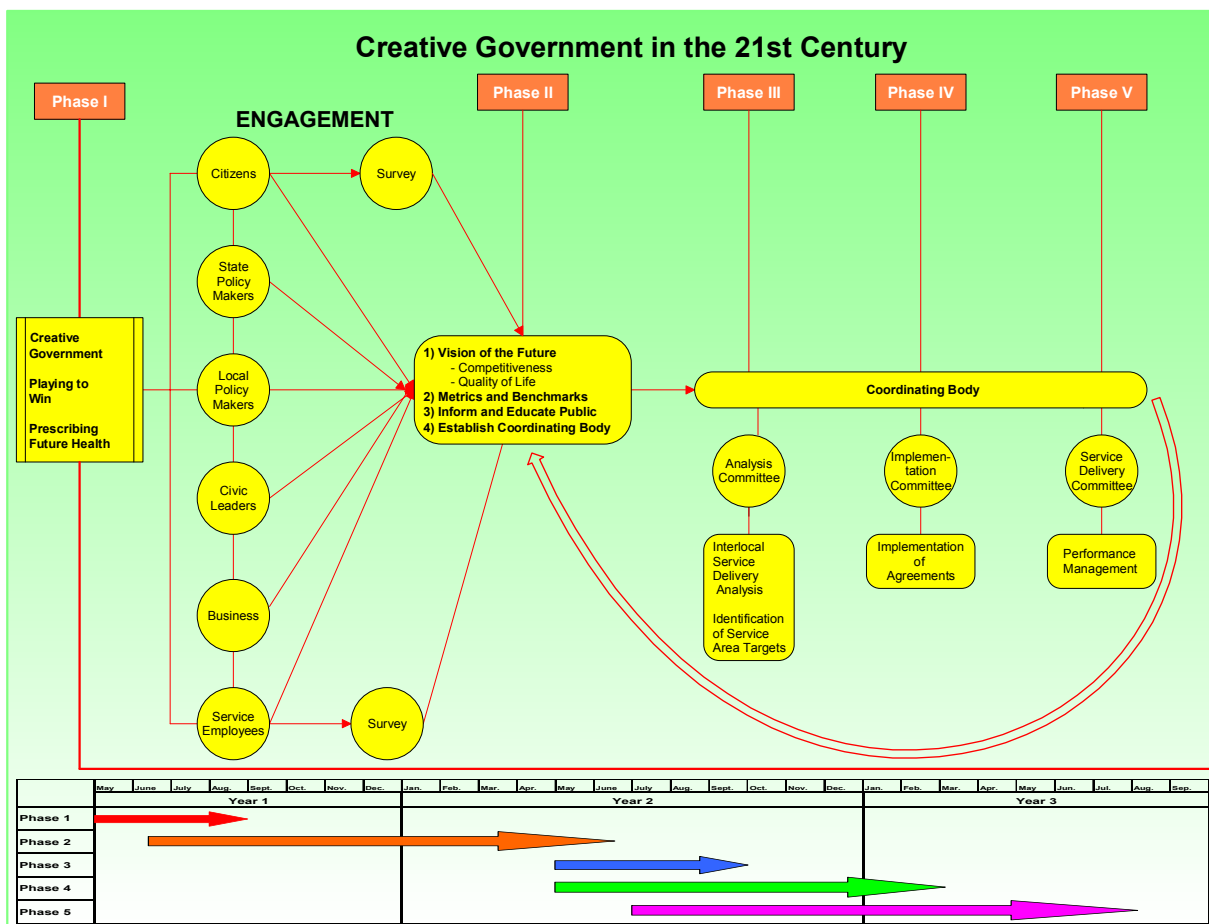


Figure 21: Creative Government Process

- Logical, practical, and creative ideas for interlocal service delivery. The sources cited in the Conclusions section provide detailed steps to deliberate and make decisions. *This outcome is the core mission of the Creative Government Committee.*
- Initiate a local intergovernmental effort to standardize how data is collected and reported. For instance, a uniform “chart of accounts” (major revenue and expenditure categories) in each government’s CAFR. The effort should extend to creating and maintaining uniform statistics for all of the major functions of local government.

- Establish benchmarks to measure regional progress and to compare our community with other regions. The emerging ICMA format could be utilized as a starting point for discussions regarding benchmarks. This will allow for comparison of local government services on an equivalent basis, as well as giving local governments the ability to compare the quality of their services to other governments around the country.
- Create a coordinating body that would provide oversight for interlocal service development, continued dialogue, and eventually broaden the mission of the Creative Government Committee to other governance issues. Oversight by the coordinating committee might include:
 - work toward the reduction of organizational barriers;
 - develop and sustain cross jurisdictional relationships;
 - review progress on goals; and
 - inform and educate stakeholders about successes, challenges, and new opportunities.

Select services that can bring quick success and can be easily implemented

Phase III proposes to conduct a detailed examination and comparison of local government services (service by service) to determine whether or not there are opportunities for interlocal service agreements. Previously in this report it has been noted that functional areas producing public services with relatively large amounts of capital and smaller amounts of other inputs are apt to exhibit economies of scale. Services that could produce cooperation quickly include the following.

- Dayton's Fire Garage – explore cooperative agreements for vehicle mechanical services with suburban departments.
- Police Dispatch - Explore an areawide police dispatch system. Opportunities rank higher for surrounding jurisdictions and jurisdictions that may be considering dispatch equipment upgrades and or investments.

- DIBRS/NIBRS - Dayton has a significant investment of both technological and intellectual capital in this area that could benefit smaller law enforcement agencies in the region.
- Road Analysis – Kettering has significant expertise utilizing external analysis of roads. Economies of scale could benefit other communities by reducing road analysis costs and utilizing the data.

Seek support from the state

Several of the successful interlocal service delivery efforts, e.g., Alberta and New York, included the participation of the state government. This participation resulted in financial support as well as providing advisory support. Given that the State of Ohio considered incentives for interlocal cooperation during biennial budget negotiations, gaining the support of the State appears reasonable. Of equal or potentially greater value to local governments would be the State's support in enacting specific legislation that facilitates and rewards interlocal service delivery efforts.

Investigate high reward opportunities

The economic health of Dayton and its neighboring governments are inextricably linked. It is also true that inner ring suburbs experience similar economic problems due to housing over production, aging housing, vacant strip centers, brownfields and so on. A new interlocal economic development effort should be considered to enhance the economic viability of the core communities and, thereby, benefit the entire region. The Cuyahoga County initiative to develop and redevelop vacant commercial properties, discussed earlier in the report, deserves close attention. The Creative Government Committee should consider our strengths, weaknesses, strategic advantages, and our opportunities for developing such a program. The key issues from the Cuyahoga County experience that are relevant here include:

- Area-wide identification and agreement on core community development and redevelopment;
- Broad-based and inclusive regional involvement (public, private, philanthropic) in identifying strategic solutions;
- Significant new funding from a variety of sources, both public and private, to implement solutions which create major, immediate, and long lasting impact;
- Utilization of any economic “windfall” from the new program to sustain the effort; and
- Formation of an ongoing oversight and evaluation partnership comprised of civic and business leaders.

Continuing dialogue and expanding the scope and composition of the committee

Finally it is important to reiterate that without a sense of common vision and goals throughout the region and the will to sustain that vision through dialogue and celebrating interlocal cooperative successes, overriding interlocal competition will return. Interlocal competition will not and should not go away. Interlocal cooperation diverts energy from interlocal competition to mutually benefit local government stakeholders. Hence, a delicate balance needs to be struck between continued focus on improving services for each community’s well being and a shared sense of purpose – higher standard of living for all. It should be remembered that it will take the support, the creativity, and the commitment of all citizens, businesses, civic organizations, and local governments to succeed in the global economy.

Bibliography

Department of Local Government. *A Vision for Local Governance in New Brunswick*. June, 2001. <<http://www.gnb.ca/0370/0361/0005/0001-e.asp>> (12 December 2005).

Abraham, Anish. Joburg shows Congo the ropes. 3 October 2005. <http://www.joburg.org.za/2005/oct/oct3_congo.stm> (14 October 2005).

Alberta Urban Municipalities Association Shared Service Strategy. Final Report. Price Waterhouse Coopers. July 12, 2001.

Alexander, Frank S., Land Bank Authorities. A Guide for the Creation and Operation of Local Land Banks. Fannie Mae Foundation Local Initiatives Support Corporation, April 2005.

Allegheny County: Boards. 2006. <<http://www.county.allegheny.pa.us/boards/>> (March 2006).

Allegheny Regional Asset District, Allegheny County, Pennsylvania. 2006. <<http://www.radworkshere.org/>> (March 2006).

Andrulis, Dennis P., Hailey M. Reid and Lisa M. Duchon. June 2004. Quality of Life in the Nation's 100 largest Cities and Their Suburbs: New and Continuing Challenges for Improving Health and Well-Being. The Social and Health Landscape of Urban and Suburban America Report Series.

Annexation or Consolidation. Facts and Issues in Randolph Township. Dayton, Ohio: Community Research, Inc.

Babcock, Jim. "Heights Manager Clarifies city's position; Says officials don't initiate annexation, but welcome anyone." Dayton Daily News. March 20, 2003. LexisNexis Academic. <<http://80-web.lexis-nexis.com.ezproxy.libraries.wright.edu>> (Feb 2006).

Babcock, Jim. "Jurisdictions to cooperate, no fight." Dayton Daily News. January 18, 2001. LexisNexis Academic. <<http://80-web.lexis-nexis.com.ezproxy.libraries.wright.edu>> (22 February 2006).

Babcock, Jim. "Merger on paper doesn't create unity; Riverside's geography isolates citizens." Dayton Daily News. November 27, 1994. LexisNexis Academic. <<http://80-web.lexis-nexis.com.ezproxy.libraries.wright.edu>> (22 February 2006).

Barlow, I.M. 1981. *Spatial Dimensions of Urban Government*. Chichester, New York, Brisbane, Toronto: Research Studies Press.

Bashford, Howard. et al. The City of Mesa Benchmarking Study. Tempe, AZ: 2001.

Behn, Robert D. "The Replication Challenge." Management Insights. February 8, 2006. <<http://www.governing.com/manage/mi/insight.htm>>, (1 March 2006).

"Benchmarking Ohio's Economic Competitiveness." Ohio Chamber of Commerce. January 2005.

Berger, Anna and Bill Thomas. "The South Carolina Municipal Benchmarking Project." Public Policy & Practice. USC Institute for Public Service and Policy Research (October 2002): 16-23.

Bertram, H. "Double transformation at the eastern border of the EU: the case of the Euroregion pro Europa Viadrina." GeoJournal 44, no. 3 (1998): 215-224.

"Best Practices Briefs. City to City Cooperation." Best practices. Database in improving the Living Environment. 1996-2002.

<<http://bestpractices.org/bpbriefs/city2city.html>> (4 September 2005).

"Best Practices Reviews." State of Minnesota. Office of the State Auditor. 2004.

<<http://www.auditor.state.mn.us/default.aspx?page=bestpractices>> (29 August 2005).

“Beyond Merger: A Competitive Vision for the Regional City of Louisville.”

Brookings Institution Center on Urban and Metropolitan Policy. 2002

<<http://www.brook.edu>> (15 August 2005).

Birrel, Derek and Amanda Hayes. “Managing Cross-Border Cooperation Between Voluntary Organizations in Ireland.” Nonprofit Management & Leadership 15, no.1 (Fall 2004): 41-53.

Bitter Smith, Susan. “Cooperation between cities will benefit park, everyone.” The Arizona Republic online. 30 August 2005,

<<http://www.azcentral.com/arizonarepublic/northeastvalleyopinions/>> (8 September 2005).

Boutilier, Guy. “The Importance of Working Together. Alberta Planning Exchange.” The Newsletter of the Community Planning Association of Alberta. June 2003.

Bowman, Nancy and Mehul Srivastava. “Boundary debate re-ignites; Huber Heights, Bethel Twp. Residents uneasy.” Dayton Daily News. March 10, 2005. LexisNexis Academic. <<http://80-web.lexis-nexis.com.ezproxy.libraries.wright.edu>> (22 February 2006).

Bowman, Nancy. “Bethel Twp. trustees taking annexation appeal to top court; Lower courts allow loss of 37 acres to heights.” Dayton Daily News. March 26, 2003. LexisNexis Academic. <<http://80-web.lexis-nexis.com.ezproxy.libraries.wright.edu>> (22 February 2006).

Breckenridge, Tom. “Cuyahoga leaders back mutual development fund.” The Plain Dealer. January 27, 2006. <<http://www.cleveland.com>> (1 March, 2006).

Breckenridge, Tom. “Plan: Share taxes to nurture industry.” The Plain Dealer. December 10, 2005. <http://www.cleveland.com> (1 March, 2006).

Campbell, Richard W. and Sally Coleman Seldon. "Does City-County Consolidation Save Money? The Unification of Athens-Clarke County Suggests it Might." Public Policy Research Series. Carl Vinson Institute of Government 1, no.2. March 2000. <<http://www.cviog.uga.edu>> (16 September 2005).

Carmin, JoAnn et al. Leveraging Local Action. Grassroots Initiatives and Transboundary Collaboration in the Formation of the White Carpathian Euroregion." International Sociology 18, no.4 (December 2003): 703-725.

Carr, Jered B. and Feiock, Richard C. City-County Consolidation and Its Alternatives: Reshaping the Local Government Landscape. 2004. <http://www.suce.syr.edu/community/ocl/ocl_studies/2005/Alternatives_to_City-County_Consolidation_1.pdf> (20 October 2005).

Carr, Jered B. and Richard C. Feiock. "Who Becomes Involved in City-County Consolidation? Findings from County Officials in 25 Communities". State and Local Government Review. 34, no. 2 (2002): 78-94.

Carstarphen W.H. "Georgia city-county consolidation progressing rapidly." Nation's Cities Weekly 19, no.36 (1996): 2.

Castleman, C. Open Space. Guidelines & Standards. A Guide to Understanding the New versus the Old. 1996. National Recreation and Park Association.

Cities for Citizens: Improving Metropolitan Governance. 2001. France: OECD.

Cities, Regions and Competitiveness. Second Report from the Working Group of Government Departments. The regional Development Agencies. London, June 2003.

City of Omaha and Douglas County. <<http://www.omaha.ne.us>> (February 2006).

City of Sylvania and Sylvania Township, Ohio. "Consolidation of Services Analysis." Sylvania Area Community Improvement Corporation. May 12, 2005. <<http://www.sev.org/CICStudy/Study.pdf>> (9 November 2005).

"City of Springfield and Springfield Township Development Agreement (CEDA)." City of Springfield, Ohio. 19 October 2004. <<http://www.ci.springfield.oh.us/news/ceda.htm>> (10 November 2005).

"City/Township partnering to establish JEDD." The City of Miamisburg, Ohio News. 19 July 2005. <<http://www.mvcc.net/miamisburg/mbnews.htm>> (15 November 2005).

"City-to-city cooperation." UN-HABITAT. 2003. <<http://www.unhabitat.org/programmes/agenda21/c2c.asp>> (18 October 2005).

"City-to-City Cooperation: Issues Arising from Experience." United Nations Centre for Human Settlements (Habitat) and United Towns Organization (UTO/FMCU) on behalf of the World Associations of Cities and Local Authorities Coordination (WACLAC). Nairobi, 25 May 2001. <<http://www.sustainabledevelopment.org/learning/transfers/city-to-city.pdf>> (4 September 2005).

Church, Andrew and Peter Reid. Urban Power, International Networks and Competition: The Example of Cross-border Cooperation." Urban Studies 33, no.8 (1996): 1297-1318

Clark, Jill et al. Growth and Change at the Rural-Urban Interface: An Overview of Ohio's Changing Population and Land Use. The Ohio State University. March 2003.

Clawson, David L. and Merrill L. Johnson. 2004. *World Regional Geography. A Development Approach*. New Jersey: Pearson Education, Inc.

Cohesive Thinking Towards a Sustainable Future. Report of the Sustainable European Regions Network. 2004.

Colaesi, Michael. "When Doves Cry: International Rivalry, Unreciprocated Cooperation, and Leadership Turnover." American Journal of Political Science 48, no. 3 (2004): 555-570.

Commissioners Annexation Manual. County Commissioners Association. October 2001. <<http://www.ccao.org/Annexation/index.htm>> (September 2005).

"Consider a city-county police merger." Dayton Daily News. January 11, 2004. LexisNexis Academic. <<http://80-web.lexis-nexis.com.ezproxy.libraries.wright.edu>> (22 February 2006).

Consolidation of Services: Pueblo County and City of Pueblo. Final report. Study and Recommendations. Governance Task Force of the 2010 Commission. Pueblo, Colorado. May 8, 2002.

Conte, Marc. Dare to Share: A Review of Tax-Revenue Sharing in the United States. A Report of the Ohio Chapter of the Sierra Club. March, 2001.

"Cooperate, Collaborate, Consolidate Option for local Government in Monroe County." Center for Governmental Research, Inc. 2003. <<http://www.crc.org>> (October 2005).

"Cooperation protocol. Twin Cities Uppsala and Tartu. 2001-2002." City of Tartu. 10 October 2005. <http://www.tartu.ee> (18 October 2005).

Cooperation not Consolidation: The Answers for Milwaukee Governance. Volume 15, Number 8. Wisconsin Policy Research Institute. November 2002. <<http://www.wpri.org>> (August 2005).

Cost-sharing for Success: A Pro-active Approach. Report. AAMD&C/AUMA Rural/Urban Cost-Sharing Task Force. 2002.

Cowing, Thomas G. and A.G. Holtmann. The Economics of Local Public Service Consolidation. D.C. Heath and Company, 1976, p. 29-76.

Cox, Phyllis. "Municipalities explore merger." Dayton Daily News. April 7, 2005. LexisNexis Academic. <<http://80-web.lexis-nexis.com.ezproxy.libraries.wright.edu>> (22 February 2006).

Craig, Gary and Jill Manthorpe. "Unequal Partners? Local Government Reorganization and the Voluntary Sector." Social Policy and Administration 33, no. 1(1999): 55-72.

Cross Border Co-operation in the Balkan-Danube Area. An analysis of Strengths, Weaknesses, Opportunities and Threats. 2003. Council of Europe.

Cummings, James. "Communities were ready for punch." Dayton Daily News. 1 April, 2006.

"Danube-Drava-Sava Euroregional Cooperation." Osijek-Baranja County. <<http://www.obz.hr/eng/clanstva1.htm>> (15 November 2005).

Deaton, Angus and Christina Paxson. "Economies of Scale, Household Size, and the Demand for Food." Journal of Political Economy 106, no.5 (1998): 897-930.

Department of Justice. Federal Bureau of Investigation. Crime in the United States 2004. <http://www.fbi.gov/ucr/cius_04/offenses_reported/index.html> (December 2005).

New York State Department of State. 2004.

<<http://www.dos.state.ny.us/lgss/pdfs/intergovt.pdf>> (14 September 2005).

Diamond, Douglas B., Jr and George S. Stolley. 1982. *The Economics of Urban Amenities*. New York: Academic Press.

Dodson, Marvin E. III and Thomas A. Garrett. Inefficient Education Spending in public School Districts: A Case for Consolidation. Working Paper Series. The Federal Reserve Bank of St. Louis. April 2003.

Eduardo Alvarez et al. 1999. *Beyond Shared Services: e-Enabled Service Delivery*. Booz-Allen &Hamilton Inc.

Ehlers, Nicole. "The utopia of the binational city." *GeoJournal* 54 (2001): 21-32.

Elected Officials Handbooks. 1994. Washington DC: International City/County Management Association.

Elling, Duane M., "Community organizers seek impact on issues of land use, poverty, regional equity." Pathways out of Poverty. Charles Stewart Matt Foundation.

Elliot, Bill and Rae Runge. "Alberta Government Services, Edmonton, Alberta, Canada. The Alberta Spatial Information (SPIN) System (2001-Single Process)." URISA Journal 17, no.2 (2005): 7-11.

Epstain, Paul et al. "Government Service Efforts and Accomplishments Performance Reports: A Guide to Understanding." July 2005. Governmental Accounting Standards Board of the Financial Accounting Foundation.

Erb, Robin. "Rumbling heard for city, county to unite services." 17 August 2003. Carl Vinson Institute of Government. <<http://www.cviog.uga.edu/spotlight/news/>> (17 October 2005).

“Euroregions.” Council of Europe. 2004.

http://www.coe.int/T/E/Legal_Affairs/Local_and_regional_Democracy/Transfrontier_cooperation/Euroregions (25 October 2005).

Exploring the Issue of Merger. Brookings Institution. 2004. <<http://ci.clayton.mo.us>> (November 2005).

Faludi, Andreas. 2002. *European Spatial Planning*. Cambridge, Massachusetts: Lincoln Institute of Land Policy.

Faludi, Andreas. “The European Spatial Development Perspective – What Next?” European Planning Studies 8, no. 2 (2000): 237-250.

Feasibility study for consolidation of police services. Prepared for the cities of Grover Beach and Arroyo Grande. ICMA. March, 1994.

Feiock, Richard C. and Jered B. Carr. 1997. Reassessment of City/County Consolidation: Economic Development Impacts. Askew School of Public Administration and Policy. Florida State University.

Feiock, Richard C. and Jered Carr. “Private Incentives and Public entrepreneurs: The Promotion of City/County Consolidation.” Public Administration Quarterly 24, no.2 (2000): 223-245.

Finley, Price D. “Cooperative Economic Development Made Easy With JEDDs and CEDAs.” Bricker & Eckler LLP. July/August 2004.

<<http://www.bricker.com/LegalServices/Industry/PolSubDiv/municipalrc/oms164.as>> (15 November 2005).

Five Rivers Metro Parks, Dayton, Ohio. <<http://www.metroparks.org>> (March 2006).

Forming a Metropolitan Government: The Hows and Whys of Local Government Consolidation in Tennessee. September 2003. Tennessee Advisory Commission on Intergovernmental Relations Staff Information Report.

Frolik, Joe. "Shifting gears to the Third Frontier." The Plain Dealer. November 24, 2002. <<http://www.cleveland.com>> (1 March 2006).

Galambos, Eva C. Sandy Springs: A Case Study on Centralization of Local Government. Georgia Public Policy Foundation. <<http://www.gppf.org>> (February 2006).

Gottschlich, Antony J. "Franklin group wants to study possible merger; Goal is to protect city, township from annexation." Dayton Daily News. February 1, 2003. LexisNexis Academic. <<http://80-web.lexis-nexis.com.ezproxy.libraries.wright.edu>> (22 February 2006).

Governmental Consolidation in the Plymouth Community. Report 233. Citizens Research Council of Michigan. 1968. <<http://www.crc.org>> (October 2005).

Gray, Andrew, et al. 2003. *Collaboration in public service: the challenge for evaluation*. New Brunswick, New Jersey: Transaction Publishers.

Greater Dayton Regional Transit Authority. <<http://ww.mvrta.org/about.>> (6 February 2006).

Greenstein, Rosalind and Wim Wiewel. 2000. *Urban-Suburban Interdependencies*. Cambridge, Massachusetts: Lincoln Institute of Land Policy.

Grossback, Lawrence J. "The Problem of State-Imposed Mandates: Lessons from Minnesota's Local Governments." State and Local Government Review 34, no.3 (Fall 2002): 183-197.

Hackler, Darrene. "The information Technology Industry and Telecommunications: An Empirical Analysis of Cities in the Minneapolis-St. Paul and Phoenix Metropolitan Areas." Journal of Urban Affairs 11, no.3, (2004): 35-59.

Hamilton, David K. "Regimes and Regional Governance: The Case of Chicago." Journal of Urban Affairs 24, no. 4 (2002): 403-423.

Harnik, Peter. Inside City Parks. Washington, D.C. 2000.

Harris Blake. "Making Sense of Shared Services." Government Technology's Public CIO 3, no.3, (2005): 28-32.

Harris, Richard. The Real City: Community Perceptions about City and County Consolidation. UTSA Metropolitan Research and Policy Institute. 2002.
<<http://mrpi.utsa.edu>> (August 2005).

Heath, Seth Warren. Consolidation of the City of Albuquerque and the County of Bernalillo. <<http://www.swheath.com>> (August 2005).

Heim, Carol. Border Wars: Tax revenues, Annexation, and Urban growth in Phoenix. Political Economy Research Institute, January 2006.

Hein, Susan S. "The Future of Government Consolidation in Milwaukee County." Wisconsin Interest. Winter 2003: 35-41.

Henk van Houtum and Anke Struver. "Borders, Strangers, Doors and Bridges." Space & Polity 6, no.2 (2002): 141-146

Henk van Houtum and Anke Struver. "Where is the Border?" The Journal of Creative Geography 4, no.1 (Summer 2002): 20-23.

Hernandez, Carol. "Trotwood council makes move toward merger." Dayton Daily News. November 22, 1994. LexisNexis Academic. <<http://80-web.lexis->

nexis.com.ezproxy.libraries.wright.edu> (22 February 2006).

Hershberg, Ted. "The Case for Regional Cooperation." The Regionalist 1, no. 3 (1995).

Hevesi, Alan G. 2005. Intermunicipal Cooperation and Consolidation. Exploring opportunities for Savings and Improved Service Delivery. Office of the New York State Comptroller. Division of Local Government Services & Economic Development.

Hevesi, Alan G. November 2003. Local Government Management Guide. Intermunicipal Cooperation. Office of the New York State Comptroller. Division of Local Government Services & Economic Development.

History of the National Partnership for Reinventing Government. Accomplishments, 1993-2000. A Summary. UNT Libraries: CyberCemetery Home 12 January 2001. <<http://govinfo.library.unt.edu/npr/whoweare/appendixf.html>.> (4 March 2006).

Honadle, Beth Walter and Robin R. Weirauch. 2004. Local Government Options: A Practical Toolkit for Customized Local Government Structuring in Ohio. Center for Policy Analysis and Public Service at Bowling Green State University.

Honadle, Beth. Participatory Research for Public Issue Education: A Strategic Approach to a Municipal Consolidation Study. Journal of Vocational & Technical Education, 27, no.1, (1996): 56.

Hooghe, Liesbet and Gary Marks. "Unraveling the Central State, but How? Types of Multi-level Governance." American Political Science Review 97, no. 2(May 2003): 233-243.

Howard Bashford et.al., "The City of Mesa Benchmarking Study." 2004, <http://www.cityofmesa.org/building_safety/pdf/Homepage/Benchmarking_Study_2004.pdf. (February 2006).

Hudson, Christine. Regional development partnership in Sweden: a way for higher education institutions to develop their role in the processes of regional governance? Kluwer Academic Publishers. Netherlands 2004.

Hudson, Christine. Regional Development Partnerships in Sweden: Putting the Government Back in Governance? Umea University. Sweden.

Huq, Naheed. Making Joint Public service Work in the 21st Century. Intergovernmental Cooperation: Case Studies in Southeast Michigan. SEMCOG/MAC. March, 2004.

Iannone, Donald T. "Regional Cooperation isn't enough." The Plain Dealer. July 22, 2002. <http://www.cleveland.com> (1 March, 2006).

IBM Center for The Business of Government. The Business of Government Sixth Anniversary Issue. Summer 2004. <www.businessofgovernment.org> (February 2006).

Implicit Price Deflator, Bureau of Economic Analysis, National Income and Product Account Table 1.1.9 Implicit Price Deflators for Gross Domestic Product (Index numbers, 2000=100), January 27, 2006.

Innes, Judith E., and Gruber, Judith. "Planning Styles in Conflict." Journal of the American Planning Association 71, no. 2, (2005): 177-188.

"Intergovernmental Agreements." Municipal Research & Services Center of Washington. <<http://www.mrsc.org/>> (29 August 2005).

International City/County Management Association. The Municipal Year Book 2004. Volume 71. 2004.

“International co-operation between cities.” City of Vantaa. 15 March 2004. <<http://www.vantaa.fi/en>> (18 October 2005).

Jensen, Brian K, and James W. Turner. “Act 77: Revenue Sharing in Allegheny County,” Government Finance Review, December, 2000.

Johnson, Linda S. and Richard C. Feiock. City-County Consolidation: A Qualitative Comparative Analysis Approach. <<http://www.fsu.edu>> (September 2005).

Jonsson, Christen, Sven Tagil and Gunnar Tornqvist. 2000. *Organizing European Space*. London, Thousand Oaks, New Delhi: SAGE Publications

Katsuyama, Byron. Is Municipal Consolidation the Answer? Municipal Research News. Municipal Research and Service Center. Summer 2003.

Kelley, Joseph T. 1986. *Costing government Services: A Guide for Decision Making*.

Kent, Calvin A., and Kent Sowards. Local Government Consolidation: Lessons for West Virginia. Final Report. Marshall University. Center for Business and Economic Research. February, 2005.

Kepple, David. “3 seek mayor post; Clayton merger top issue.” Dayton Daily News. October 2, 1997. LexisNexis Academic. <<http://80-web.lexis-nexis.com.ezproxy.libraries.wright.edu>> (22 February 2006).

Kepple, David. “Merger panel to wrap up.” Dayton Daily News. July 31, 1996. LexisNexis Academic. <<http://80-web.lexis-nexis.com.ezproxy.libraries.wright.edu>> (22 February 2006).

Kepple, David. "North merger feud stalled." Dayton Daily News. November 9, 1996. LexisNexis Academic. <<http://80-web.lexis-nexis.com.ezproxy.libraries.wright.edu>> (22 February 2006).

Kepple, David. "Officials plan for merger." Dayton Daily News. June 12, 1996. LexisNexis Academic. <<http://80-web.lexis-nexis.com.ezproxy.libraries.wright.edu>> (22 February 2006).

Multi-Agency Benchmarking Project Executive Summary. King County Department of Natural Resources Technical Publications Unit. 1999.

Kitson M., Martin R. and Peter Tyler. The Regional Competitiveness Debate. University of Cambridge.

Krugman, Paul. Increasing Returns and Economic Geography. The Journal of Political Economy 99, no. 3. (1991): 483-499.

Lafayette City-Parish Consolidated Government: Home Rule Charter. Lafayette City-Parish Charter Commission. April. 1992/ Nov. 1998.

Laffan, Brigid and Diane Payne. "INTERREG III and Cross-Border Cooperation in the Island of Ireland." Perspectives on European Politics and Society 4, no.3 (2003): 447-473.

Lancaster, Roger A. Recreation, Park and Open Space Standards and Guidelines. 1990. National Recreation and park Association.

Lawson, Michael. "The World Is Flat for Local Governments, Too. Why Performance Matters." Public Managers 88, no. 3 (2006): 8-12.

Leontidou, Lila. "The Boundaries of Europe: Deconstructing Three Regional Narratives." Global Studies in Culture and Power 11 (2004): 593-617.

“Less is more, voters say in urging merger.” Fire Districts. The san Diego Union-Tribune. 10 November 2004. <http://www.sosdmail.com/uniontrib/20041110/news_lzled10bottom.htm> (14 October 2005).

Lidstrom, Anders. Commuting and citizen participation in Swedish city-regions. Umea University. Sweden. 17 December 2004.

Lidstrom, Anders. Multi-level governance-the case of Umea. CERUM Working Paper 70:2004. Umea University. January 2004.

Lobao, Linda and Kraybill David S. “The Emerging Roles of County Government in Metropolitan Ares: Finding From a National Survey.” Economic Development Quarterly. The Journal of American Economic Revitalization. 19, no.3 (2005): 245-259.

Lowery, David. “A Transactions Costs Model of Metropolitan Governance: Allocation Versus Redistribution in Urban America.” Journal of Public Administration Research and Theory 10, no.1 (2000): 49-78.

M van der Velde and H van Houtum. 2000. *Borders, Regions, and People*. London: Pion Limited.

Manross, Mary, et. al., “Promoting bioscience puts cooperation first among cities.” The Business Journal Phoenix. April 23, 2004.
<<http://www.bizjournals.com/phoenix/stories>> (23 August, 2005).

Margerum, Richard D. “Getting Past Yes. From Capital Creation to Action.” Journal of the American Planning Association 65, no.2 (Spring 1999): 181-192.

Margerum, Richard D. “Getting Past Yes: From Capital Creation to Action.” Journal of the American Planning Association 65, no. 2, (1999): 181-192.

Marlin, John T., Ness, Immanuel and Collins, Stephen T. 1986. *Book of World City Rankings: The Quality Of Life and Work in Over 100 Urban Centers*.

Martin, Lawrence L. 1999. *Contracting For Service Delivery: Local Government Choices*. Washington D.C.: ICMA.

Mavroyannis, Maria. "Is Bigger Better? Recent Experiences in Municipal Restructuring." *Canadian Tax Journal* 50, no. 3 (2002): 1011-1018.

"Miami Township-Dayton Joint Economic Development District." *City of Dayton, Ohio*. 2001. <<http://www.ci.dayton.oh.us/ed/default.asp>> (14 November 2005).

Miami Valley Communications Council. MVCC History. 2005.
<http://www.mvcc.net/index.php?option=com_content&task=view&id=23&Itemid=74> (March 2006).

Minnesota Statutes. Section 471.59.

Montiel, Lisa M., Richard P. Nathan and David J. Wright. August 2004. *An Update on Urban Hardship*. The Nelson A. Rockefeller Institute of Government.

Morin, Richard and Jill Hanley. "Community Economic Development in a Context of Globalization and Metropolization: A Comparison of Four North American Cities." *International Journal of Urban and Regional Research* 28, no.2 (June 2004): 369-383.

Morley, Elaine, Bryant, Scott P. and Hatry, Harry P. 2001. *Comparative Performance Measurement*.

Muller, Peter O. "Transportation and Urban Growth. The Shaping of the American Metropolis." *Focus* 36, no.2 (Summer 1986): 8-17.

Muller, Thomas and Grace Dawson. 1972. *The fiscal impact of residential and commercial development: A case study*. Washington, D.C.: The Urban Institute.

Municipal Research and Service Center of Washington. 2005.

<www.mrsc.org/Subjects/planning/intragov.aspx> (18 September 2005).

Newman, David. "The lines that continue to separate us: borders in our 'borderless' world." *Progress in Human Geography* 30, no.2 (2006): 143-161.

Nolan, John. "Delphi wants to close four local plants." *Dayton Daily News*. 1 April, 2006.

Norris, Donald F. "Prospects for Regional Governance Under the New Regionalism: Economic Imperatives Versus Political Impediments." *Journal of Urban Affairs* 23, no.5, (2001): 557-571.

Ohio Auditor of State, *Ohio Township Handbook*, 2005.

Ohio Department of Taxation. <<http://www.tax.ohio.gov/divisions>> (January 2006).

Ohio House of Representatives, 126th General Assembly, House Bill No. 66, Section 557.12.01, p2278. <http://www.legislature.state.oh.us/bills.cfm?ID=126_HB_66> (January 2006).

"Olmsted Falls and Olmsted Township Joint Economic Development District." *City of Olmsted Falls, Ohio*. <<http://www.olmstedfalls.org/jedd.php>> (14 November 2005).

O'Neil, Robert J. "Trust, Leadership, and courage: Keys to local Innovation." *Management Insights*. March 29, 2006.

<<http://www.governing.com/manage/mi/insight.htm>>, (1 March 2006).

Organization for Economic Co-operation and Development. Better Understanding Our Cities: The Role of Urban Indicators. 1997.

Osborne, David and Ted Gaebler. Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector. 1992.

Papadopoulos, Yannis. Cooperative forms of governance: Problems of democratic accountability in complex environments. European Journal of Political Research 42, no. 4, (2003): 473-501.

Pataki, George E. and Treadwell Alexander F. Intergovernmental Cooperation. New York: James A. Coon Local Government Technical Series, 1998.

<<http://www.dos.state.ny.us/lgss/pdfs/intergvt.pdf>> (September 2005).

Perkmann, Markus. "Cross-border regions in Europe. Significance and drivers of regional cross-border co-operation." European Urban and Regional Studies 10, no.2 (2003): 153-171

Phil Gordon, Hugh Hallman and Boyd Dunn. "Agreement brokered among cities-as it should be." The Buisness Journal Phoenix. May 6, 2005.

<<http://www.bizjournals.com/phoenix/stories>> (27 February, 2006).

Poel, Dale H. "Amalgamation Perspectives: Citizen Responses to Municipal Consolidation." Canadian Journal of Regional Science 23, no.1 (Spring 2000): 31-48.

Porter, Douglas R. and Allan D. Wallis. 2002. *Exploring Ad Hoc Regionalism*. Cambridge, Massachusetts: Lincoln Institute of Land Policy

Porter, Michael E. and Debra van Opstal. U.S. Competitiveness 2001: Strengths, Vulnerabilities and Long-term Priorities. Council on Competitiveness. Washington DC. January 2001.

Powell, Chuck. A Brief Analysis of City/County Consolidations. August 14, 2002. <<http://www.ci.omaha.ne.us>> (September 2005).

Prescribing Future Health: A Strategic Financial Plan for the City of Dayton. The Final Report of the Strategic Financial Plan Study Committee. May 2005.

Profile in Local Government Service delivery Choices. International City/County Management Association. 1997. <<http://www.icma.org>> (21 January 2006).

Profile in Local Government Service delivery Choices. International City/County Management Association. 2002. <<http://www.icma.org>> (21 January 2006).

Quigley, John M. "Urban Diversity and Economic Growth." Journal of Economic Perspectives 12, no.2 (Spring 1998): 127-138.

Raphaelson, Arnold H. 1998. *Restructuring State and Local Services: Ideas, Proposals, and Experiments*. New Hampshire: Greenwood Publishing Group.

Rees, Nicholas. "Inter-regional cooperation in the EU and beyond." European Planning Studies 5, no.3 (June 1997): 385-407.

Regional Issues. Mid-Ohio Regional Planning Commission. 28 September 2005, <<http://www.morpc.org/web/publpolicy/regionalissues>> (8 February 2006).

River Area Council of Government. <<http://www.racog.org>> (8 February 2006).

Rodgers, Anika. "Roadblocks hold up consolidation of services in Peach County." 13 July 2003. Carl Vinson Institute of Government. <<http://www.cviog.uga.edu/spotlight/news/>> (17 October 2005).

Ruchelman, Leonard I. 1989. *A Workbook In Redesigning Public Services*. Albany, NY: State University of New York Press.

Rusk, David. Consolidating Wheeling and Ohio County: A Review of City-County Consolidation (Unigov) Experiences Regarding Central City Health and Regional Economic Growth. 2004. <<http://davidrusk.com>> (January 2006).

Rusk, David. Acting as one – Not becoming one (that is, city-county merger). A presentation to the Pittsburgh Interfaith Impact Network (PIIN). Pittsburg. March 25, 2004.

Rusk, David. Tucson-Pima County: Becoming One or Acting as One? May 14, 2004. <<http://www.gamaliel.org>> (August 2005).

Rusk, David. Governing Greater Albuquerque: A Report to the Unification Exploratory Group of the City of Albuquerque and Bernalillo County. October 18, 2002. <<http://www.gamaliel.org>> (August 2005).

Rusk, David. The David Rusk Document Library. <<http://www.gamaliel.org>> (September 2005).

Samms, White. Cooperation not consolidation. The Answer for Milwaukee Governance. Wisconsin Policy Research Institute Report 15, no. 8. November 2002.

Sartin, V. David. "Suburbs study value of merged fire departments." The Plain Dealer. March 10, 2006. <http://www.cleveland.com> (15 March, 2006).

Savas, E.S. Privatizing the Public Sector. How to Shrink Government. New Jersey: Chatham House Publishers, Inc., 1982.

Savitch, H.V. and Ronald K. Vogel. "Suburbs Without a City: Power and City-County Consolidation." Sage Publications 38, no. 10. (2004): 1-33.

Scott Allen J. "Creative Cities: Conceptual Issues and Policy Questions." Journal of Urban Affairs 28, no.1, (2006): 1-17.

Sealander, Judith. *Grand plans: Business Progressivism and Social Change in Ohio's Miami Valley, 1890-1929*. Lexington: University Press of Kentucky, 1988.

"Shanghai Expands Cooperation with Friendship Cities." People's Daily Online. 20 September 2000. <<http://www.english.people.com.cn/english/>> (18 October 2005).

Source Water Protection. Dayton, Ohio. U.S. Environmental Protection Agency. 20 June 2005, <<http://www.epa.gov>> (3 February 2006).

Spitzer, Eliot. April 2005. Making Government Work. Intergovernmental Cooperation, Partnering and Consolidation in New York State. State of New York. Office of the Attorney General.

Stryjakiewicz, Tadeusz. "The changing role of border zones in the transforming economies of East-Central Europe: The case of Poland." *GeoJournal* 44, no 3 (1998): 203-213.

Summary of Municipal Service Alternatives. Villages of Carthage and West Carthage. New York, DMG-MAXIMUS, Framingham, Massachusetts, July 14, 1999.

"Sustainable development co-operation between the cities of Mwanza and Tampere." City of Tampere. 5 July, 2005. <<http://tampere.fi/ir/mwanza/>> (15 September 2005).

"SWAT merger encouraging sign of times." Dayton Daily News. June 30, 2003. LexisNexis Academic. <<http://80-web.lexis-nexis.com.ezproxy.libraries.wright.edu>> (22 February 2006).

Sylvania Area community Improvement Corporation. 2005. City of Sylvania and Sylvania Township, Ohio Consolidation of Services Analysis.

Tepper Marlin, John. 1984. *Contracting Municipal Services. A guide for purchase from the private sector*. New York: Council on Municipal Research.

The EU Initiative INTERREG and future developments. December 1997.

Association of European Border Regions.

The Financial Implications of Consolidating the City of Grand Blanc and Grand Blanc Township. Citizens Research Council of Michigan. No. 1078. January 2005.

The International City Management Association. Service Delivery in the 90's: Alternative Approaches for Local Government. 1989.

The International City Management Association. Special Data Issue: Public Works: Service Delivery Choices.

“The Regional Cooperation Dunare - Cris - Mures – Tisa Protocol.” Euroregional cross-border cooperation. <<http://dkmt.regionalnet.org/docu/ep.php>> (15 November 2005).

Thomas, David. “A Tale of Two Cities? A Cincinnati-Dayton metropollex could be a reality after the census.” Business Courier. May26, 2000.

Toland, Bill. Louisville Becomes Lean, Less Mean After City/County Merger. September 7, 2003. <<http://post-gazette.com>> (August 2005).

Ullmer, Katherine. “Centerville, Washington Twp. Consider merger.” Dayton Daily News. February 12, 1998. LexisNexis Academic. <<http://80-web.lexis-nexis.com.ezproxy.libraries.wright.edu>> (22 February 2006).

Ullmer, Katherine. “Letter explains merger study issue for; Township officials ask legal council to clarify Issue 8.” Dayton Daily News. October 13, 2005. LexisNexis Academic. <<http://80-web.lexis-nexis.com.ezproxy.libraries.wright.edu>> (22 February 2006).

Ullmer, Katherine. "Merger petition draws fire; Commission would study combining Sugarcreek Twp., Bellbrook." Dayton Daily News. March 10, 2005. LexisNexis Academic. <<http://80-web.lexis-nexis.com.ezproxy.libraries.wright.edu>> (22 February 2006).

Unifying voices, confronting challenges: A resource guide for Developing Regional Collaborations of FIRST TIER SUBURBS. National League of Cities First Tier Suburbs Council, December 2005

University of Minnesota Extension Service. 2005.

<www.extension.umn.edu/distribution/citizenship/components/6451_05.html> (14 September 2005).

U.S. Department of Justice, Federal Bureau of Investigations, Crime in the United States, 2004.

<http://www.fbi.gov/ucr/cius_04/law_enforcement_personnel/index.html> (December 2005).

U.S. Department of Justice, Bureau of Justice Statistics, Crime & Justice Data Online, <<http://www.bjsdata.ojp.usdoj.gov/dataonline/>> (December 2005).

UW Faculty Web Server. Economic Geography Glossary. 1999.

< <http://faculty.washington.edu/krumme/gloss/e.html> > (8 May 2006).

Vacant Properties and Smart Growth: Creating Opportunity from Abandonment. Livable Communities @ Work 1, no.4 (2004): 1-12.

Vojnovic, Igor. "*Laissez-faire* governance and the archetype *laissez-faire* city in the USA: exploring Houston." Geografiska Annaler 85 B, no. 1 (2003): 19-38.

Vojnovic, Igor. "Municipal Consolidation, Regional Planning and Fiscal Accountability: The Recent Experience in Two Maritime Provinces." Canadian Journal of Regional Science 23, no.1 (Spring 2000): 49-72.

Vojnovic, Igor. "The Transitional Impacts of Municipal Consolidations." Journal of Urban Affairs 22, no.4, (2000): 385-417.

Walker, David B. "From Metropolitan Cooperation to Governance." National Civic Review 76, no.1 (1987).

Wartman, Scott. Merging counties, cities may build boom. The Herald-Dispatch. 17 February 2005. <<http://www.herald-dispatch.com>> (24 August 2005).

Weber, Rachel. Do Better Contracts Make Better Economic Development Incentives? Journal of the American Planning Association 68, no.1 (Winter 2002): 43-55.

Wheeler et al. *Economic Geography*. 1998. 3rd. ed. New York: John Wiley & Sons, Inc.

"Workgroup on Joint Economic Development Districts." 14 October 2004. City of Akron, Ohio. <<http://www.ci.akron.oh.us/2025/Reports/jedd.html>> (14 November 2005).