



## **The Impact Local Government Consolidation has on Community Goals: Experiences in Other Regions**

**Prepared by Eric Persons for the Onondaga Citizens League Study Committee  
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**Summary:** This document highlights the achievements, failures and policy choices regarding local government consolidation by summarizing selected scholarly studies concerning the issue. The purpose is to provide information in which civic leaders and organizations should consider given the community preferences and objectives, political constraints and local government structures present in Central New York. The literature examines the motivations behind consolidation, and assesses the impacts such reforms have had on metropolitan communities. This should not be considered a complete listing of the literature concerning regionalism, consolidation and metropolitan governance as other dimensions are not discussed here (i.e. legal considerations).

The findings of these articles generally suggest that efforts to consolidate various government structures and political processes has achieved improved regional land-use and economic development planning, while also improving the level of state and federal funding available to metropolitan communities. However, in the medium and long terms, these studies highlight several consequences of such reforms which (a) often contradict proponents claims regarding consolidation, (b) create greater social and fiscal constraints that seldom appear in public debate, and (c) highlight structural/organizational problems created by varying consolidated arrangements. A summary of the metropolitan regions examined in the following literature is contained in the appendix.

Though largely critical, these studies do not necessarily suggest that consolidation in its various forms is not an appropriate course of action. Rather, consolidation requires prudent analysis and planning in order to address the distinctive needs of each metropolitan region. Consolidation is not for every community, but could be a useful tool if administered under careful guidance.

### **Reading List**

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**Benton, J.Edwin and Gamble, Darwin (1984). "City/County Consolidation and Economies of Scale: Evidence from a Time Series Analysis in Jacksonville, Florida." *Social Science Quarterly*. Volume 65, pp. 190-98.**

The authors compared Jacksonville/Duval with non-consolidated Tampa, and found that the both taxes and public expenditures in Jacksonville increased after the merger. The long run ratio of per capita property taxes to expenditures increased by 47%, while in Tampa, it had dropped 10%. (Note: Serious flaw in this last claim. Property taxes are only one source of revenue. Thus, it doesn't really capture the full impact on revenue structures. Other studies mention property taxes have indeed declined in Jacksonville/Duval with greater reliance on user fees and sales taxes.)

**Blomquist, William and Parks, Roger (1995). "Fiscal Service and Political Impacts**

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**of Indianapolis-Marion County's Unigov." *Publius*, Volume 25, Number 4, pp. 37-55.**

The authors contend that, "There is evidence that central-city Indianapolis has enjoyed few financial or service delivery advantages, and a considerable loss of political influence." Authors claim that Unigov stabilized political leadership, but by establishing essentially a one-party control of local government. The system improved government's ability to manage and finance capital projects and other development programs, and increased the amount of federal and state funding, though the latter may also be due to other political factors. Improved planning and external funds contributed to the redevelopment of Central Township (former city of Indy). However, arguments that consolidation would bring in suburban tax base were wrong, based on how the final merger was structured: Unigov is not a complete city-county merger; tax and service districts remained separate; Central Township not only finances city-based services (social services are considered local, not county), but also Unigov's overall county operations; thus, the burden for financing Central Township's redevelopment fell on inner-city residents. The result has been that Central Township has the highest property taxes in the county. Furthermore, the region did experience job growth, but data is skewed because by definition, suburban regions are part of the Unigov system...in other words, it doesn't mean the city itself has improved.

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**Carr, Jered B. and Feiock, Richard C., editors (2004). *City-County Consolidation and Its Alternatives: Reshaping the Local Government Landscape*. Armonk, NY: M.E. Sharpe.**

Series of articles argue that city-county consolidations generally do not live up to claims made by consolidation proponents because

- (a) Not all services delivered by cities and counties are the same, thus, fundamental structural differences impede performance after consolidation;
- (b) Not all public services have the same cost structures, thus, not all will achieve economies of scale from consolidation;
- (c) Having a single, larger metropolitan government increases the overall transaction costs associated with delivering public services.

Transaction costs can be anything from the time it takes to implement a decision at the service level (and the money it takes to compensate for those problems), to increases in personnel costs. "Metropolitan government requires a much greater scope of coordination than traditional forms of local government."

However, book does suggest that efforts to consolidate functions incrementally and in different ways may be more appropriate. Functional consolidation and intergovernmental cooperation can be used to isolate individual public services in which economies of scale can best be achieved. Consolidating municipal governments horizontally (cities with cities/towns) via annexation may be more appropriate than consolidating vertically (cities with counties) because cities/towns have similar structures that deliver similar services.

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**Condrey, Stephen E. (1994). "Organizational and Personnel Impacts of Local**

**Government Consolidation: Athens-Clarke County, Georgia.” *Journal of Urban Affairs*, Volume 16, pp. 371-83.**

The Athens-Clarke County merger provided city-county employee protection by ensuring personnel would not be directly eliminated. Any reductions in personnel would come through attrition. Furthermore, personnel benefits would be equalized, essentially by applying the most generous plan to all workers. Given these protections, the author surveyed personnel to assess what the bureaucratic response had been to consolidation. Initial problems developed due to transition costs associated with merging. New government by law was not permitted to exceed spending of the 2 former governments, thus, there was pressure to find other ways to eliminate costs. Surveys showed that employee morale declined post merger, largely as a reaction to increase cost-cutting pressures. Further strains resulted from combining 2 organizational cultures into one... city employees and county employees did not “mesh” all that well.

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/ **Dolan, Drew (1990). “Local Government Fragmentation: Does it drive up the Cost of Government?” *Urban Affairs Quarterly*, Volume 26, Number 1, pp. 28-45.**

Dolan argues that the debate over local government fragmentation is all too often centered on intuitive and impressionistic arguments, and less on empirical evidence. In order to strengthen the discussion and fill a void in research, he examines fragmented government in Illinois communities (102 counties), including the highly decentralized Chicago metro area. He finds that overall, there is a positive relationship between fragmentation and cost of government, meaning that IN GENERAL, the greater number of governments in a region increases the cost of government. BUT, this finding essentially compares apples to oranges – it includes rural areas, where public services are minimal, and urban areas where more services are demanded and provided. In controlling for different living environments (comparing urban areas to urban areas), the cost of government actually declines with greater fragmentation. Dolan also uses a third approach, examining the pattern of expenditures among specific units of government in a region...don’t ask what this means – it’s a rather complicated statistical method beyond the scope here – but he finds a more direct relationship in which a greater degree of centralization (i.e. consolidated arrangements) increases the cost of government. This third approach, he admits, needs further development.

Note: By fragmented government, Dolan implies (1) multiple incorporate areas in one region, (2) overlapping municipal and county services, (3) the existence of special service and school districts distinct from municipal government, and (4) the extension of boundaries beyond county and state lines for one particular region.

/ **Durning, Dan (1995). “The Effects of City-County Consolidation: The Perspectives**

**of United Government in Athens-Clarke County, Georgia.” *Public Administration Quarterly*, Volume 19, Number 3, pp. 227-98.**

The author surveys city and county workers, pre (1991) and post merger (1992-93), in Athens-Clarke County, Georgia. Despite early expectations that the new consolidated government would function better, respondents generally viewed the new government unfavorably. “Their perspectives provide evidence to support the arguments of consolidation opponents that mergers do not increase efficiency, effectiveness, fairness or responsiveness.” Although, the author also admits there may be flaws in the survey that don’t fully capture respondents’ understanding of the issue or potential biases resulting from changes in pay, job descriptions, etc.

**Durning, Dan and Nobbie, Patricia D. (2000). “Post-Transition Employee Perceptions of City-County Unification: The Case of Athens-Clarke County.” *Public Administration Quarterly*, Volume 24, Number 2, pp. 140-68.**

Durning expands upon his 1995 article (above) with another survey conducted in 1997, given to the same respondents of his earlier surveys. He and Nobbie find that responses in 1997 are generally more favorable than the earlier post-consolidation surveys in '92 and '93, but overall, employees remain negative compared to earlier optimistic expectations expressed in the pre-merger 1991 survey. But as the authors note, “One drawback of using the opinions of employees to evaluate the effects of unification is that employee views do not represent those of all residents. Their opinions may or may not accurately reflect how well the new government is functioning and may instead be influenced by the disruptive and instability that follow a system-wide change or threats to their pay, benefits or status in the organization. These personal impacts--if negative--might cause the employees to view all aspects of unification in a negative way.” In comparison, a poll of residents in the community showed that only 10% were dissatisfied with the quality of community life. Post merger approval ratings for various public services ranged from 70% to 86%.

**Feiock, Richard C. and Carr, Jered B. (1997). “A Reassessment of City-County Consolidation: Economic Development Impacts.” *State and Local Government Review*. Volume 29, Number 3, pp. 166-71.**

Feiock and Carr use a time series analysis to compare economic trends in consolidated Jacksonville/Duval County to (a) metropolitan Tampa/Hillsborough – a non-consolidated region similar in size and having a similar governing structure before the 1967 Jacksonville merger; and, (b) all other non-consolidated counties in Florida. Specifically, they looked at changes in manufacturing, retail and service establishments since the Jacksonville merger in which county-wide data is easy available.

The results of their study show no statistically significant relationship between consolidation and economic growth. While the authors contend that consolidation may improve regional planning, it does not directly cause regional economic growth. Rather,

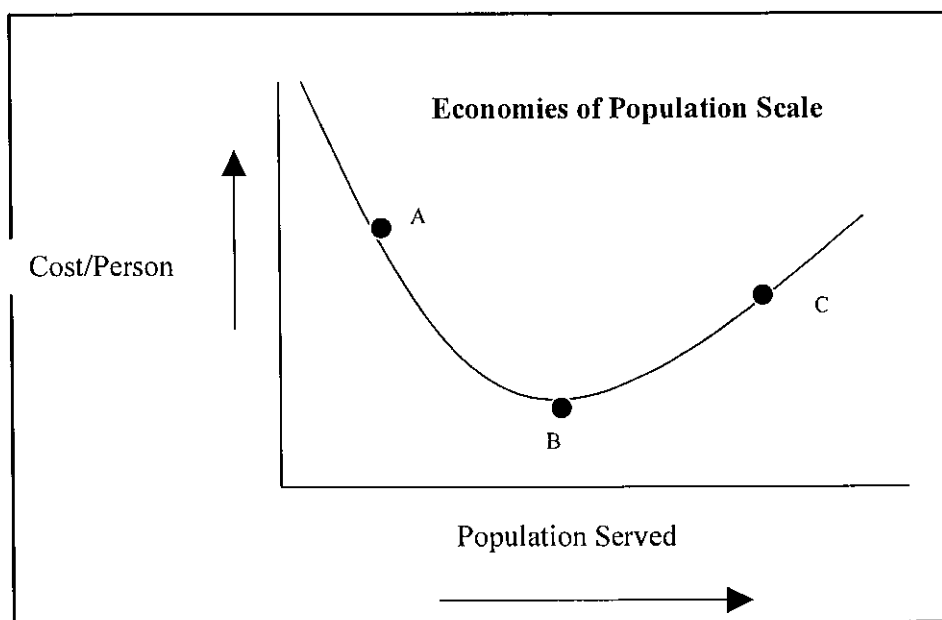
there may only be certain sectors within the economy that benefit (although, they admit that should be for further study). They contend that the persistence of city-county consolidation as an option for local government reform throughout the country may largely then be explained by narrow interests who see consolidation as a way to advance their agenda. These narrow interests can range from intellectual elites who would like to see their ideas tested, to rent-seeking economic interests wishing to reduce costs.

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**Fisher, Ronald (1996). *State and Local Public Finance, 2<sup>nd</sup> Edition*. Chicago: Richard D. Irwin. pp 126-127.**

This section in Fisher's book describes the typical costs structures for public service delivery at the local level, and the economic theory behind economies of scale. It has strong policy implications concerning consolidation and its impact on government efficiency:

The challenge in using consolidation to achieve greater efficiency is determining which services have the cost structures suitable for consolidation. Below is a typical cost curve for providing a public service. Government agencies operating at Point A may benefit by consolidating into one agency serving a larger portion of the population at Point B, where costs of service delivery are less per person; thus, achieving an economy of scale. However, consolidation may also move agencies already operating efficiently at Point B to Point C in a *diseconomy* of scale with higher costs.



Two important lessons emerge: First, a complete merger of governments into one metropolitan government may only benefit select services already operating at Point A, but will harm those already functioning at Point B. Second, it will be more efficient to

have multiple agencies in multiple jurisdictions delivering the same service at Point B than one agency operating at Point C.

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**Fleischmann, Arnold (2000). "Regionalism and City-County Consolidation in Small Metro Areas." *State and Local Government Review*, Volume 32, pp. 213-26.**

Author examines the political processes in consolidation referendums in Georgia – successful campaigns in Athens and Augusta, not successful in Macon and Brunswick. The keys to a successful campaign were minority support, public sector employee support, and the claim that local services will be improved and unaltered in a negative way. On this last point, he finds notions of regionalism fail to resonate among voters – they generally care only about whether or not their own local services will be affected. Thus, issues of metropolitan growth, unity and regional efficiency carry less weight. The articles does not examine the overall impacts of consolidation, but it does mention survey data that does reflect favorable views from Athens and Augusta; specifically concerning the ability of consolidation to remove political conflict on issues such as police protection, intergovernmental cooperation and double taxation.

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**Foster, Kathryn (1993). "Exploring the Links between Political Structure and Metropolitan Growth." *Political Geography*, Volume 12, Number 6, pp. 523-47**

Foster examines growth data from 1962-1982 under a new set of measures for local government fragmentation. She finds that evidence supporting either the "public choice" argument or the "institutional reform/consolidation" is mixed. However, she claims that the preponderance of information does suggest that integrated structures (i.e. consolidation) may cause faster rates of growth. However, she acknowledges that to assess a political structure's impact on growth is problematic because across the United State, metropolitan regions display varied local government structures while displaying strong variations in growth patterns. In other words, consolidated arrangements may be suited for growth strategies, but don't bet on it. "In any metropolitan area, the effect of a political structure on growth will be conditioned by simultaneous changes in other dimensions of political structure, as well a local circumstances and conditions of leadership, demographics and development policies." (p. 542) Note: Foster's last comment highlights an important aspect in reform being a bottom-up process. If not all local elements are aligned and prepared to work under new governing structures in a way that reflects a community's objectives, then there may be an increased risk in failure.

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**Foster, Kathryn, and Perry, David et al. (1996). "Appendix A: Review of Research on the Significance of Local Government Arrangements." *Governance in Erie County: A foundation for Understanding and Action*. Buffalo, NY: State**

**University of New York at Buffalo.** Found on the Internet at [http://regional-institute.buffalo.edu/gove\\_repo/contents.html](http://regional-institute.buffalo.edu/gove_repo/contents.html).

Suggests the basis for rearranging government structures boils down to a set of community values and approaches to reforming government. Reformers/civic leaders must first recognize the dominant values/goals in a community before developing a plan for reorganization. Otherwise, proposals to reform local government may never achieve the kind of community support and understanding that is needed to achieve meaningful reform. (Note: There is a strong connection to Leland and Thurmaier (2004) regarding how political campaigns are structured. See below.) These core values and approaches to reform are

- Efficiency I – public or private sector service delivery
- Efficiency II – centralized vs. decentralized local government arrangements
- Equity – Ability to pay vs. you pay for what you get
- Accountability and responsiveness
- Political participation
- Regional economic growth

Problem for policy makers/civic leaders is that no convincing evidence exists to support one alternative approach to another. i.e. While fully centralized government arrangements can achieve fiscal equity and achieve some level of efficiency with select public services, more decentralized systems are cheaper and more responsive. “Thus, an appropriate course for local officials and policymakers in any region is to understand tradeoffs between dimensions of governance, ascertain which of these dimensions takes precedence within the region at a particular time, and craft alliances and systems of local governance accordingly.”

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**Gerth, Joseph (February 18, 2005). “Mayor, council get good job review: Approval high in post-merger world” *The Courier Journal*.**

Cites poll in Louisville-Jefferson County that gives an 81% approval rating to Mayor Jerry Abramson (D), and 72% to the Metro Council. 88% of Democrats approve of Abramson, and 78% of Republicans. Abramson had approval ratings as high as 91% in 1990 -- before the merger.

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**Leland, Suzzane and Thurmaier, Kurt editors (2004). *Case Studies of City-County Consolidation: Reshaping the Local Government Landscape*. Armonk, NY: M.E. Sharpe.**



A series of articles examines 13 metropolitan areas and their efforts to consolidate the central city with counties. Less than 15% of proposed mergers succeed, and those that succeed generally come after repeated failed attempts. The book does not focus, nor does it provide extensive evidence on whether consolidation achieves the results proponents claim. Rather, it describes the political process to find why consolidation proposals either fail or succeed in relationship to the prevailing values, norms and organizations within metropolitan communities.

Authors find that most referendums fail because the political elite remain divided, constituents do not recognize the need for reform, or they do not understand the process. Political stakeholders, thus, become more concerned with possible consequences of merger (i.e. power loss, changes in representation, changes in demanded services) rather than proponents claims. Successful efforts generally are built around effective leadership who can rally the political elite, build upon a theme that resonates in the community (specifically, economic development/growth), and limit opposition by deflating their influence and arguments.

Note: Some of the case studies do allude to studies which seem to support the claim that consolidation produces mixed results at best. Full description of chapters involving successful mergers can be found in another document...contact Eric Persons.

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**Lowery, David (2001). "Metropolitan Governance Structures from a Neoprogressive Perspective." *Swiss Political Science Review*.**

This and other relevant articles by Lowery can be found on the Internet at [http://www.unc.edu/depts/polisci/lowery\\_page.html](http://www.unc.edu/depts/polisci/lowery_page.html).

Lowery provides a general argument/rationale for metropolitan government/city-county consolidation as a way to address the social, economic and fiscal discrepancies between cities and suburbs. He traces the consolidation movement from the progressive era in early 20<sup>th</sup> century which saw stronger, more professional government bureaucracy as a tool to end corruption and the influence of political machines in local government. Neoprogressives see modern problems of urban plight, concentrated poverty, and racial segregation between cities and suburbs as the major challenges to local governance, and thus, see stronger, centralized systems of government as ways to address these disparities. Lowery acknowledges that Tiebout (see below) may have been right in terms of dollar value in running a government, but in considering the social problems that result, the costs are indeed higher.

Note: Lowery's argument (see his website for other published work) highlights an important dilemma common in cost-benefit analysis. Proponents of metropolitan government will argue that the social costs of fiscal, racial, economic segregation between cities and suburbs justifies the need to form a metropolitan government. The fiscal costs of fragmented government are less, but these other, sometimes immeasurable social costs, must be considered. The challenge, thus, for policy makers and civic leaders is determining whether or not the community as a whole will accept these notions, and would be willing to accept consolidation or other metropolitan reforms as corrective



measures. Oakerson and Parks (2000) attempt to resolve this dilemma given the various obstacles to structural reform in local government...see below.

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**Oakerson, Ronald J. and Parks, Roger B. (2000). "Regionalism, Localism and Metropolitan Governance: Suggestions from the Research Program on Local Public Economies." *State and Local Government Review*, Volume 32, Number 3, 169-179.**

The article argues for metropolitan *governance*, not metropolitan government. The authors warn that before a community attempts regional reform, it must have a strong awareness of the complexity of local government. They contend that centralized, metropolitan governments are more costly, less efficient than fragmented systems (not to mention, politically difficult to even receive approval). Because of this, the federal government has moved away from pushing for regional, consolidated systems of local government and back toward supporting fragmented systems.

Despite coming across as defenders of fragmented systems, the authors do recognize the need for metropolitan reform in order to address the disparities between cities and suburbs. Such reforms should be directed at improving the provision of public services (for example, intergovernmental grants and transfers) while maintaining the production of public services at a level which is most efficient (see appendix for more information on this distinction). Improving local *governance* generally depends on improving "voice" in the political process, particularly for minority communities. Greater voice will help to better understand which issues have a regional impact/cost, and which do not. Reforms should target the political institutions and processes that limit discourse, and limit the adequate *provision* of public services to poorer, minority communities; reforms should not target the institutions that produce government services.

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**Rosentraub, Mark (2000). "City-county Consolidation and the Rebuilding of Image: The Fiscal Lessons from Indianapolis's Unigov Program." *State and Local Government Review*, Volume 32, Number 3, pp. 198-212.**

Rosentraub contends that the 1970 merger had a direct impact on the redevelopment of downtown Indianapolis. The primary reason he gives is that that planning for the region was consolidated under one body under Unigov. Having one metropolitan planning agency directed funding and projects supported by local funds away from suburbs and toward the downtown area. In doing so, Unigov was able to attract federal, state and private investment to the downtown area....for every \$1 spent by Unigov, \$5.82 came in from other sources.

Despite these achievements, Rosentraub warns that fiscal inequities were never fixed by the consolidation. Unigov maintained separate fiscal/taxing districts so individual communities under Unigov could continue to deliver separate services, such as police and fire protection. As a result, the burden for financing Unigov's development efforts was placed on the poorer communities in the old city of Indianapolis and not shared with the

other wealthier jurisdictions of Unigov. Specifically, Rosentraub describes how empowerment zones and other tax abatement programs were successful in attracting development, but non abated neighborhoods and property owners living in the Central Township picked up a greater tax burden. (Note: Lesson being that empowerment zones, centralized regional planning will work, but to be fully efficient and equitable, fiscal revenues must be collected from other communities.)

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**Rusk, David (2003). *Cities without Suburbs, Third Edition: A Census 2000 Update*. Washington, DC: Woodrow Wilson Center Press.**

Major claim is cities that can consolidate or annex suburban territory ("elastic" cities) are more equitable, cheaper and more economically vibrant than older, fragmented metropolitan regions ("inelastic" cities). Rusk provides detailed statistical evidence based on census data to back his claims. Data shows that economic decline, segregation, and the legal/structural constraints to do anything about it are much greater in the inelastic cities, most common in the Northeast.

Note: Rusk does a good job of describing the conditions of fragmented government arrangements in declining metropolitan regions, BUT he gathers a lot of scholarly criticism in that he assumes "causality" without employing proper statistical tools. There is nothing wrong with the data he uses, but how he uses it. His methodology and assumptions are way off. He assumes that being "inelastic" *causes* cities to struggle; but he does not acknowledge that other factors may have contributed to conditions in which cities now have the appearance of inelasticity. For example, industrial cities in the NE may be declining because of labor mobility, lack of diversification in the economy, geography, etc. The "elastic" cities, conversely, may be experiencing growth because they have more green space to develop, different available economic resources to offer, and other factors that attract businesses and people. Hence, the reverse causal relationship may be true: the influx of people and investment may have created the conditions in which cities become elastic. This critique has valuable policy implications, as there may be more fundamental problems with local governance that structural reform in government may not address.

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*rec'd 10/11/05*

**Savitch, H.V. and Vogel, Ronald (2004). "Suburbs without a City: Power and City-County Consolidation." *Urban Affairs Review*, Volume 39, Number 6, pp. 758-90.**

A fairly detailed critical assessment of the merger process of Louisville-Jefferson County. Authors criticize merger proponents for neglecting empirical evidence which suggests

city-county consolidations never achieve efficiency, equity, and economic development. Instead, the greatest impact of mergers is a power shift away from minorities and residents in central cities and toward suburban interests. They claim city-county consolidation persists as an alternative because it is driven essentially by journalists and politicians who fail to either understand or acknowledge the data and scientific theory that highlight various consequences of central, metropolitan government (specifically, Rusk and Neil Pierce). And by selling the message of merger based on the “one voice” argument, what proponents don’t realize is that one voice generally means eliminating minority interests from the public policy process.

Note: Authors don’t really offer alternatives. In fact, they implicitly criticize fragmented arrangements in arguing that the Louisville model, borrowed from Indianapolis, maintains separate taxing and service districts. They claim these systems never resolve fiscal and service discrepancies between the city and suburban areas. Their overall point is that the merger is not a true merger, thus inner city minorities are short-changed...it’s part of their power realignment argument.

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**Savitch, H.V. and Vogel, Ronald, editors (1996). *Regional Politics: America in a Post-City Age*. Thousand Oaks, CA: Sage Publications.**

Part III has case studies on Miami/Dade, Minneapolis/St. Paul, Jacksonville and Portland. See appendix for additional information on Miami and Minneapolis/St. Paul.

**Miami/Metro Dade County (Author – Genie Stowers):** Describes Miami’s 2-Tier system as somewhat antiquated and overburdened. Set up in 1957, Metro Dade was the sole governing authority to unincorporated areas representing 35% of the county population, while also providing other regional and traditionally municipal services to cities. Today, a majority of Dade’s population lives in these unincorporated areas (53% in 1990, over 60% expected in 2005)...thus, its capacity to govern is increasingly limited. Metro Dade is finding it more difficult to provide local services to unincorporated areas and continue to service and finance urban needs in cities at the same time. (Side note: American City Business Journal recently ranked the city of Miami as one of the most fiscally distressed in the nation in 2005). Suggestions have included creating new cities so that unincorporated areas can have a more responsive, local government. Other problems have been representation (wasn’t until 1993 when voting districts were created allowing minorities on the County Commission), weak executive leadership (though article is unclear about this), and growth of metro region to include Broward and Monroe Counties (there is pressure to expanding regional planning and other governing functions across the 3 counties).

**Minneapolis/St. Paul (Author – John Harrigan):** Article credits the Twin Cities Metropolitan Council for regional development achievements in 60’s and 70’s, but criticizes its lack of response to inner-city decay in the 80’s and 90’s. Minneapolis-St. Paul has had moderate economic success in post-industrial age, experiencing overall population and job growth. However, since 1980, central/core cities of Minneapolis-St. Paul have seen increased concentrated poverty levels and elimination of manufacturing

jobs. These conditions have made it more difficult for poor and minority communities in central cities to find adequate, upward-mobile jobs. The Council had been successful in resolving sewage and water service, land planning and regional development, but since 1980, author contends the Council loss power/influence as a result of changes in leadership/support in the legislature and business communities. In 1994, the state granted the Council operating authority in addition to policy making authority for specific regional issues, but its members were not elected and thus not accountable. It's hard to tell how the author connects the Council with the economy, but the implied message seems to be that the power shifting in the 80s and 90s seems to have a relationship with central cities' population decline and increases in concentrated poverty....he seems to argue that the Council could have, should have done more.

**Jacksonville (Author – Burt Swanson):** Author claims the consolidation process was built upon 4 sometimes contradictory principles: economic efficiency, accountability, administrative effectiveness, and political and social equity. You can't be accountable without adding cost to government. You can't be efficient without risking equity. Hence, Jacksonville failed to live up to consolidation proponents claims. **Demographics:** Reformers claimed the population in 1980 would be 885,000; it was 672,971. Wasn't until the 1980s when population began to increase, but it actually declined in the central city...only 20% of metro population now live in the former city of Jacksonville. The region remains one of the most racially segregated in the nation...Author claims consolidation did not cause this, but it hasn't helped it either. **Finance and Economy:** Consolidation removed double taxing, reduced property taxes, but increased reliance upon user chargers...shifting the burden onto individuals (and thus, less equitable) in order to make the area attractive to economic growth and development. Residents generally feel there are large discrepancies between services delivered to cities and suburbs. **Politics/Power:** Consolidation never achieved the kind of unity between the socioeconomic and political systems that many reformers assumed. Electoral participation has declined by 17%; racial divisions exists in party affiliation; minorities from central city have been elected to county seat, but power diluted by white, suburban members. "Consolidation in Jacksonville did little to shift power from elites to the masses. Instead, it replaced the old guard political clique with economically elite reformers..."

**Portland (Author – Arthur Nelson):** This article describes the work of the Metropolitan Service District (MSD or "Metro") rather than its impact. MSD was first created in 1970 to manage the region's solid waste disposal. In 1977, the Oregon legislature expanded MSD's role in the Portland region. It now oversees the regional zoo, solid waste disposal, regional development, and tourism. It's composed of an executive officer and the Metro Council, the only directly elected regional governing board in the U.S. Each council member is elected for 4-year terms, yet remains nonpartisan. Note: The land-use policies have recently been receiving criticism in the popular press because the inability to build new housing has driven up housing costs dramatically, and concentrated poverty is beginning to emerge in certain areas...Further investigation is needed in this area.

municipality attempts to get the most “bang for the buck.” Thus, efficient government is achieved.

2 major critiques of Tiebout’s argument. (1) Not all citizens have the same ability to move and choose which jurisdiction they want to live in; they don’t all have the same ability to pay for what they want. (2) The consequence (“negative externality”) of such arrangements is segregation among races and income levels, even though fiscally, evidence seems to support that fragmentation does indeed lower the cost of local government.

## **Appendix**

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### **Oakerson and Parks’ Provisional Level vs. Production Level of Local Government From Oakerson and Parks (2000)**

Central to their analysis is dividing public service delivery into a “provisional level” and a “production level.” The provisional level refers to the decision making process which determines which public goods and services to provide, how to finance them, and how to insure they are produced efficiently and effectively. The production level determines

where and how services are delivered. "Production means transforming input resources to make a product or render a service."

The authors argue that multiple provisional units are needed: bigger provisional units to decide upon and finance regional objectives, and smaller provisional units to appeal to smaller interests in cities, towns, and villages. Likewise, multiple production units are needed...bigger units to achieve economies of scale, when available, and to perform regional functions. Smaller production units are needed where response time is important (i.e. police, EMS) and demanded service levels vary. Thus, having a single metropolitan government removes the diversity that is needed in the provision and production of public goods and services. To address the fiscal and service inequities among poor and wealthy communities, it would thus be better to improve redistribution among different provisional units....for example, through intergovernmental grants and transfers.

### **From Savitch and Vogel (1996)**

**Miami/Metro Dade County:** It is a 2-Tier system created in 1957 to provide various regional services (ie. tax collection, law enforcement, parks/recreation) and other metro services (public transportation, public works, traffic engineering, airports, etc) across all areas of the county. A consolidation attempt failed in 1953. Incorporated cities remained autonomous and provide their own local services in addition to what Metro provides. In unincorporated areas, Metro Dade is the sole governing authority providing both county-wide and local services.

**Minneapolis/St. Paul:** The Twin Cities Metropolitan Council was first established in 1967 to address sewer and water problems in the region, then gradually increased its authority (granted by the state legislature) over land planning, economic development, transportation and other select regional issues. The Council sets policy, largely through special commissions it appoints, but leaves it to local governments to implement its policies.

### **Summary of Case Studies Examined**

City	Community Values Achieved?	Comments
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	E f f i c i e n c y	E q u i t y	E c o n o m y	P l a n n i n g	P o l i t i c a l P a r t i c i p a t i c i p a t i o n	A c c o u n t a b i l i t y	
Indianapolis	-	-	+	+	?	-	Never a full consolidation. Only at the decision-making level.
Jacksonville	-	-	-	-	-	+	After 30 years, consolidation has never achieved stated objectives. Has achieved a level of growth, but no different than non-consolidated areas.
Louisville	?	?	?	?	+	?	Too early to tell, but merger and leadership widely popular.
Minneapolis -St Paul	?	-	+	+	?	-	Non-elected council oversees regional policy making; portion of regional tax revenues pooled to finance regional needs, but central cities in decline.
Miami	-	-	-	-	?	-	2-tier system has failed to adjust to population changes.
Athens, GA	+	?	+	+	+	+	Small size has its advantages. Consolidation movement experienced few political and structural obstacles.
Portland, OR	?	-	+	+	+	+	Strict planning guidelines have directed growth, but showing signs of concentrated poverty as cost of living escalates.
<p>+ Has achieved objectives or positive results.</p> <p>- Has not achieved objectives or conditions are worse.</p> <p>? Conflicting evidence or little information is available in selected reading. Additional research may be needed.</p>							