

Creating Regionalism Amid Fragmentation

Mary Ellen Mazey

Introduction

Metropolitan regions across the United States increasingly face the challenge of competing in a globalized economy. This challenge of globalization is handicapped by features unique to the American landscape, from chaotic governmental structure to stringent environmental quality goals to even the social inequality manifested between the central cities and suburbs. Furthermore, problems compounded by regional fragmentation are faced by the larger metropolitan areas, such as Los Angeles, Chicago, and Philadelphia. Although at a different scale, medium-sized metropolitan areas must seek to resolve similar issues and problems. One such case is the metropolitan area of Dayton-Springfield, Ohio, located in southwestern Ohio and the subject of this case study on regionalism.

The Dayton-Springfield Metropolitan Area is a four-county region of approximately one million people who live in a highly decentralized environment. A 1990 ranking of 100 largest cities in the country found that the Dayton region was the eighth most decentralized metropolitan area. The decentralization rating measures the percent of the total metropolitan population that resides in the central city as compared to the suburbs. Of the region's nearly one million population, only 183,000, or approximately 20 percent, lived in the core

central city. The other 80 percent live in the nearly 160-170 general purpose governments and 50 school districts, plus 30 chambers of commerce served by the region. Of the four counties composing the metropolitan area, Montgomery County, in which the city of Dayton is located, composed only slightly more than one-half of the region's population. Therefore, this proliferation of governments scattered throughout four counties poses problems to regionalism efforts.

The fragmentation has prompted numerous regional efforts to be put forward from various segments of the community. This research analyzes a number of the past efforts along with some of the newest ventures. These efforts are evaluated based upon factors the literature indicates are needed for success.

The New Regionalism Movement

The new regionalism movement of the late 1980s and 1990s has grown out of the unsuccessful federal public policies, such as the Federal Housing Administration (FHA), the Veterans Administration (VA), the National Defense Highway Act, and the U.S. Supreme Court decision on busing. The FHA and VA programs promoted segregated neighborhoods with a value and philosophy in the real estate market that fostered seg-

regation. By providing low interest loans that spurred suburban housing development, the white middle class fled the central city to live the American dream. The real estate industry reaped the profit of this migration and benefitted greatly from keeping the suburbs segregated and land and housing values inflated.

The cheap cost of energy, providing inexpensive transportation costs, and the proliferation of the automobile worked as "pull" factors to spur the population migration from America's central cities to the suburbs. Added to this was the Supreme Court decision to institute busing which worked as a "push" factor to enhance the migration to the suburbs and exacerbate the problems associated with segregation. The federal government also subsidized the movement by giving a tax deduction on abandoned buildings and tax credits to new plants and equipment. With the building of industry in the suburbs, this, in turn, encouraged the migration of jobs to these outlying areas.

Therefore, the competitive advantage of the central city was being destroyed as government policies worked to foster decentralization and development in the suburbs. A further consequence of these policies was the federal government subsidizing of residential living and jobs for the middle class in the suburbs, while the central cities were becoming enclaves of poverty. This latter conclusion has been well documented in the urban studies literature since the 1960s and more recently in Judd and Swanstrom's work (Judd and Swanstrom, 1994).

Given these public policy developments, by 1980 twice as many people nationwide were commuting from suburb to suburb rather than from suburb to the central city. This has led to a greater polarization in the population of metropolitan areas at a time when urban researchers such as Neal Peirce and others have indicated that metropolitan regions will be the basic units for the global

economic competition. David Rusk, in his book, *Cities Without Suburbs*, finds that the more successful cities across the United States are the ones that are elastic and have the ability to expand through annexation or some other means. Those cities that are inelastic, such as Dayton, Ohio, that have not expanded their geographical size, have become surrounded by incorporated suburbs.

In addition, Rusk asserts that cities where the median income of the central city is less than 66 percent of the suburbs have an ever-increasing gap as socioeconomic disparities of the region's population increases. Dayton has a median income which is less than 66 percent of the suburban areas (Rusk, 1993, pp. 46-47). In fact, when the poverty rates of the 100 largest cities are compared, Dayton ranks sixth. If Dayton is to compete globally, Rusk's findings would suggest that the region must surmount its inelasticity to move toward a more regional framework.

The literature on the new regionalism movement indicates that successful regional efforts build on a strategic planning process that sets a common vision and goals, upon which various sectors of the community—public, private, and nonprofit—can reach a consensus (Wallis, 1994).

In fact, Allan Wallis, fresh from a long-term study of regional cooperation, writes that it is best not to invent new organizations but rather build on the strengths of existing organizations in order to foster regional initiatives (Wallis, 1994, p. 458). This paper will analyze the degree to which the Dayton area has followed the guidelines of Wallis as it has ventured forth on a number of regional endeavors.

These regional efforts include a strategic regional planning assessment initiated by the business community in 1987, a regional strategic planning process undertaken in 1989, a countywide volunteer tax-

sharing program initiated in 1989, a collective attempt in 1989 to offer fire services more efficiently, and, finally, initiatives targeted to coordinate economic development strategies with the creation of new organizations in 1995. These efforts will first be discussed on an individual basis and then analyzed in terms of their collective impact.

Historical Aspect of Regionalism

By the mid-1980s, the Dayton area, like other communities across the country, became increasingly concerned about its ability to compete economically with other metropolitan areas. A group of CEOs from major corporations and the presidents of the three major higher education institutions in the region met on a weekly basis to discuss items of common interest. This group, known as the Dayton Area Progress Council, commissioned a study by two Wright State University economists to interview the key business leaders in the region to determine the region's strengths, weaknesses, and opportunities. The conclusion of the study indicated that, historically, the region had been strong in manufacturing. It is the country's second largest employment center of General Motors. In addition, it caters to advanced technology through Wright Patterson Air Force Base, which is the Air Force's center of research and development.

However, the business community's report also stated that, even with these economic strengths and opportunities, the region's greatest weakness was its political fragmentation and its inability to work together for the "good of the whole." Therefore, the recommendation from the report was to create a regional strategic plan to assist in resolving this fragmentation and infighting (Community Factors Study, 1987). Out of this recommendation, the Dayton Area Chamber of Commerce, which at the time

viewed itself as a regional entity (its mission has changed after a problem with expenditure of public funding in 1993), commissioned the Center for Urban and Public Affairs at Wright State University to undertake a regional strategic planning process. This effort encompassed a year-long process of meetings of a 60-member steering committee composed of community leaders from all different segments of the region. Nine task forces met to discuss issues and set a regional agenda in the following substantive areas: education, economic development, technology and innovation, regional cooperation, infrastructure, resource enhancement, environment, transportation, and human relations/human needs.

A Regional Vision

The outcome of this effort was a regional vision with a target of 12 immediate major objectives. The report also recommended the creation of a regional leadership network to pursue these and other regional objectives. Such a network was composed of leaders of the public, private, and nonprofit sectors and was called the Challenge 95 Leadership Network. As a volunteer group with only minimal funding contributed by the four counties in the region, this regional effort continued through 1995 with the logistical support of Wright State University. However, since 1995 a number of new regional organizations have been created. These new organizations have led to newly created regional entities with paid staff.

First, out of the Challenge 95 Leadership Network grew a volunteer group of county commissioners from four of the region's counties (the four were involved in Challenge 95 but an additional county of the Metropolitan Statistical Area chose not to participate). This group, known as the County Caucus, was able to forge its resources to create a joint economic development office known as the Regional Office of Economic

Development, which, in turn, worked in partnership with a group of economic development practitioners known as the I70-75 Development Association. This group had been initiated during the time the regional strategic planning process was being undertaken and continued as a minimal-fee membership group of economic development practitioners and private sector members who generally came from small companies and sought a place to network.

The purpose of the I70-75 Development Association, in conjunction with the new Regional Office of Economic Development, was to work on collective marketing, site selection, business retention and expansion, and information gathering and dissemination. The public sector provides the office's entire financial support and a board representing the county commissioners of the participating counties oversees the new office. The staff includes a director, economic development practitioner, and a secretary.

A second regional group, the Regional Economic Strategies Forum, has formed since the Challenge 95 Leadership Network completed its work. This group sees its position as being a public educator. It holds public forums and meetings, disseminates a regional economic profile and markets specific economic strategies. This group does not have a full-time staff but utilizes two economics professors, one from Wright State University and one from the University of Dayton, to provide it with guidance and direction. This group is led by a state senator from the region.

Private Sector Initiatives

In addition to these two public sector-driven regional efforts, the private sector has developed its share of new initiatives. Since 1987, when the first regional assessment was commissioned by the business community, three new organizations have been formed to promote private sector agendas.

The Area Progress Council, mentioned earlier, continues to meet monthly to remain educated on important regional issues, but has no paid staff. A spin-off business group, known as the Dayton Business Committee, is composed of the 15 CEOs of the major large-scale corporations located primarily in the region's central core county. This group meets on a regular basis and has a paid staff of two—executive director and secretary. During the time of the regional strategic planning process, Challenge 95, this group became very concerned about the decline of downtown Dayton. It assisted in the creation of the Downtown Dayton Partnership, a not-for-profit corporation focused on the economic development of downtown Dayton. This entity was funded for three years by two governmental bodies, the City of Dayton and Montgomery County, but now has formed a special tax district to support it through the year 2000, with only downtown Dayton as its geographical boundaries. However, it has a core group of highly-paid professional staff people.

A third group, created and staffed in 1995, is the Miami Valley Economic Development Coalition with a purpose to develop the region's core strengths, including the Air Force Base and its spin-off industries and the automotive industry. This group has also taken charge of the region's lobbying effort at the state and federal levels of government. This entity has a director, one professional staffer, and a secretary.

Finally, a recent regional effort, begun in 1989 as the regional strategic planning process was taking place, was the creation of a study committee by local fire officials to determine how their services could be offered more efficiently on a regional scale. This effort included representatives from the fire and emergency medical providers (75 members) from four of the region's counties. The group first studied the present situation and then evolved into a new study group

consisting of township trustees and administrators, city managers, mayors, and Wright State University. This group spent 14 months studying the reports of the previous group and hiring an outside consultant for recommendations. The group decided that even though there would be a cost-savings benefit to merge all 33 fire departments, this could not be implemented for political reasons. Instead, a new council of governments known as the Miami Valley Fire/EMS Alliance was created and funded.

The alliance represents 20 fire departments and 27 local governments and is funded on a \$.24 per capita fee from the participating fire departments. This funding supports the office and staff which opened in 1995. This alliance can already report a saving for its members in shared purchasing programs. With eight standing committees, the organization is working to increase the efficiency and effectiveness of its members. Its number one issue is to eliminate duplication of service.

This group had a track record on which to build because the fire service had joined together in the past to create collaborative programs, such as the Dayton Regional Hazardous Materials Response Team, the Technical Rescue Response Team, and the Automatic Mutual Aid Response Program. The Alliance also benefits from its executive director's track record. He has been the fire chief of both the central city of Dayton and a major growing suburb in one of the outlying counties, which gives him credibility to work with the fire chiefs and city managers from throughout the region. In an odd twist, the Air Force Base's own fire department is prohibited from joining a regional cost-saving effort due to federal regulations.

Continued Support to Existing Councils

Given these new initiatives that recently have been created and implemented to build

regionalism in the Dayton-Springfield area, it is interesting to note that the region continues to support two prior existing councils of governments. One, the Miami Valley Regional Planning Commission (MVRPC), rose to national prominence in the 1970s for instituting a regional fair-share housing plan linked to federal funds and its ability to provide A-95 review. This organization has downsized, but still is in existence and is primarily providing members with services. The ISTEA (Intermodal Surface Transportation Efficiency Act) legislation revitalized it since it is the region's major transportation planning body.

In addition to MVRPC, the suburban governments created a council of governments, the Miami Valley Cable Council, to serve as a negotiator of their cable franchise fees. However, this organization has grown in functions and now coordinates training for the employees of suburban governments, plus houses their multijurisdictional crime prevention effort. Again, both of these councils of governments are primarily dependent on public funding for support and do not have a focused regional agenda.

ED/GE Program

The private sector's major regional unit prior to 1993 was the Dayton Area Chamber of Commerce. That organization was reorganized after the problems mentioned previously, and a number of its officials were forced to resign. Now the organization has new leadership and seems to be functioning with a more focused agenda. In 1989, it was the key organization that worked with the core county's (Montgomery) elected body to create the Economic Development/Government Equity (ED/GE) which is a volunteer tax-sharing program among the 33 different governmental units in only Montgomery County but including the central city of Dayton. This one county regional effort was based on a carrot-and-stick ap-

proach to involvement and long-term participation.

The county commission has set aside \$5 million annually for economic development projects, but in order to participate in the competition to receive these funds, a government must agree to put the new tax dollars earned from the economic development effort into a government equity tax-sharing pool. However, in order for the county to get the governments to join the tax-sharing fund, they guaranteed that no government would ever have more of their tax dollars go into government equity than they received from the economic development competition. The private sector was very supportive of this program and supported an increase in the county sales tax in order to fund it. A board composed of elected officials and private sector leadership decide on the allocation of the economic development funds.

Therefore, the private sector now has a role in making decisions on the county's tax dollars. This program is still relatively new with only about five years of allocation and tax sharing having taken place. The amount of tax dollars that has actually been shared between governmental jurisdictions is small, but at least communities are working together cooperatively on the program. The program was only instituted for 10 years, but, based on its successes thus far, it will in all likelihood be renewed for 10 more years.

Evaluation of Regional Initiatives

As stated previously, the Dayton area is extremely decentralized and governmentally fragmented. It is not surprising that the regionalism generated from the existing metropolitan region is equally fragmented. In fact, a common problem cited is lack of leadership for a unified regional area. Presently, different organizations and individuals want

to be in control of the power and resources on a regional scale. Groups, especially the business community, keep creating regional leadership control mechanisms that only serve to feed a more uncontrollable situation. With such fragmentation, the region continues to decline economically when compared to other metropolitan regions across the country and continues to foster greater economic disparity particularly between the central city and suburbs.

However, given the degree of fragmentation, the Dayton region should pride itself upon the amount of risk-taking and major regional cooperative initiatives it has undertaken in such a short time frame during the past 10 years. The volunteer tax-sharing program and the Miami Valley Fire Alliance are models for generating regional cooperation among governments, enhancing and saving tax dollars, and generating an awareness of the problems of the core central city. As long as these efforts produce results, they will continue.

However, the public and private sectors need to question how many different organizations they feel are essential to support regional economic development efforts. The more such organizations that are created to focus upon the entire region or any part of it, such as downtown Dayton, the more difficult it becomes to coordinate and sustain a return on the costs of staff and facilities. If the private sector is supporting multiple economic development organizations, where will they find the funds to focus on regional concerns such as the high poverty rate in the core city? Most of the new organizations have small staffs, but additional resources were needed to fund the efforts. In addition, as was stated earlier in the paper, Wallis contends that regional efforts should build on the resources and efforts of existing organizations. Therefore, the Dayton area should question its affinity to create new regional entities.

In the future, the region needs to examine what other states have accomplished regionally. Ohio, with seven major cities, is often referred to as the state of city-states, and all of Ohio's city-states have experienced their new growth on the metropolitan periphery rather than near the urban core. Thus, the economic disparity within the metropolitan regions only continues to increase.

A number of states are addressing these disparities. For example, the state of Oregon has adopted a statewide land use plan and mandates that regional plans be created in conformity to the statewide plan. Implementation of this mandate has created a unique governmental body in the Portland Metropolitan Area. With the adoption of the Metro Charter, Portland changed its rather traditional council of governments into a regionally-elected body. This Metropolitan Service District was given the power in its charter to:

1. develop and adopt a 50-year comprehensive vision for the region by 1995; and
2. adopt a regional framework plan for regional transportation and mass transit systems, management and amendment of the urban growth boundary, and other regional matters such as housing densities, water resources, and storage by 1997. This regional plan complies with statewide planning goals and requires that local comprehensive plans and implementing regulations comply with the regional framework plan within three years after its adoption (Metro Charter, 1992).

Such a coordinated intergovernmental approach gives regionalism the political legitimacy it needs to act with legal authority between the state government and the multiplicity of local governments in the metropolitan area. Anthony Downs, in his book *New Visions for Metropolitan America*, advocates the creation of urban growth bound-

aries as a means to control urban sprawl and foster the development of a functioning metropolitan governmental/planning framework. Without such a growth boundary in operation, the problems the Dayton area and other Ohio cities have developed will continue and exacerbate in the future, while all the time and financial resources spent on regional efforts really become nothing more than rhetoric, persuasion to cooperate for the good of the whole metropolitan area, or development of regional marketing mechanism.

Recommendations for Future Urban/Metropolitan Development

As the Dayton-Springfield Metropolitan region and other metropolitan regions throughout Ohio and the rest of the nation move forward, it is incumbent upon them to initiate and implement policies that will foster regionalism. To institute public policies that will ultimately change the development of metropolitan areas and work toward a less segregated metropolitan environment with fewer spatial disparities, the following 12 recommendations, based upon others' work in regionalism, are proposed:

1. Create a metropolitan growth boundary through a regional land use planning process, which is mandated by state government that requires conformity of all local governments.
2. Designate an agency at the metropolitan level to plan and manage all federal aid entering a metropolitan region, with the exception being that paid directly to individuals.
3. Work to modify current federal policies such as the capital gains tax and home mortgage deduction that place central cities at a disadvantage and encourage the metropolitan population to decentralize.

4. Support "brownfield" legislation in order to make central cities more competitive with suburbs for development.
5. Eliminate tax abatement policies that promote competition between central cities and suburbia.
6. Establish a regional mechanism that concentrates jobs in designated nodes such as the downtown.
7. Intersperse higher density housing, both single-family and multi-family, with low density development.
8. Create a job information network throughout the metropolitan area with information centers in blighted city neighborhoods.
9. Reduce the number of school districts in order to create more administrative efficiency and increase the number of front-line employees to work with students.
10. Make available comprehensive social services through the school system for child development.
11. Develop more school-to-work programs that enhance workforce skill development.
12. Develop incentives for more training programs for the underskilled and underemployed and link these programs directly to job opportunities.

These 12 recommendations seek to address the regional problems that have been created through years of public policies that have directly exacerbated the central city/suburban situation. The recommendations

are intended to address the issues in multiple domains from the federal to state to local governments. The recommendations transcend traditional regional land-use planning, and they focus on the creation of a labor force that serves an entire metropolitan area and knows no political boundaries. By providing assistance to individual needs, the region will develop a productive citizenry for future economic, social, and governmental needs. ■

References

- Blair, John and Robert Premus. 1987. *Community Factors Study*. Wright State University, Dayton, Ohio.
- Downs, Anthony. 1994. *New Visions for Metropolitan America*. Washington, D.C.: The Brookings Institution.
- Judd, D., and T. Swanstrom 1994. *City Politics: Private Power and Public Policy*. New York: Harper Collins College Publishers.
- Mazey, Mary Ellen. 1991. "Creating A Model for Regional Cooperation Through Citizen Participation." *National Civic Review*, (Spring), Metro Charter. 1992. Metro Charter Committee, "Portland Metropolitan Service District."
- Rusk, David. 1993. *Cities Without Suburbs*. Baltimore, Maryland: Johns Hopkins University Press.
- Wallis, Allan. 1994. "Inventing Regionalism: A Two Phase Approach." *National Civic Review*, (Fall-Winter), 447-468.

Mary Ellen Mazey is director of the Office of University Partnerships at the Department of Housing and Urban Development. She is on professorial leave from Wright State University, Dayton, Ohio, where she is professor of urban affairs and geography.