

GOVERNANCE AND SPRAWL A REVIEW OF THE LITERATURE

A REPORT TO THE NORTH CLACKAMAS ANNEXATION STUDY GROUP

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This report is a summary of current research on the relationships between governance and sprawl. It consists of two sections. The first section explores key questions relating to governance, service delivery, development patterns and economic development of potential concern in North Clackamas County. A question and answer format is used. The second section presents an article-by-article summary of the literature in the form of an annotated bibliography arranged alphabetically by author.

While the central issue guiding this project was the relationship between forms of governance and sprawl, a review of the literature revealed a number of related topics that set the context for this question and describe the major schools of thought. Related topics include other ways to control sprawl, current trends in governance structures, the pros and cons of various forms of urban service delivery and the relationships between regionalism and economic development.

SECTION 1: QUESTIONS AND ANSWERS

Question: Are particular patterns of governance or forms of government more associated with containing sprawl than others?

A statistical analysis conducted in 2000 of all North American metropolitan areas indicates that a lack of excessive governmental fragmentation is a necessary, but not sufficient, condition for compact development. Razin and Rosentraub (2000) found that very few areas with a highly fragmented governance structure had a low level of sprawl. Conversely, they did find that some metropolitan areas, such as Jacksonville, Florida and Albuquerque, New Mexico, had a low level of governmental fragmentation and a high level of sprawl. Thus, they concluded that “a lack of excessive fragmentation is a precondition for compact development in North America, although it is not a sufficient condition.”

The level of fragmentation of a given metropolitan area was determined by three factors: by the number of general purpose governments per 10,000 residents, the proportion of the population that lives in cities of more than 100,000 people, and whether or not there was a multi-purpose metropolitan government. Sprawl was also determined by three factors:

the percentage of dwelling units that are single-family detached homes, the geographic density of the population, and the number of housing units per square kilometer.

The authors found that areas that have a low level of governmental fragmentation and a high level of sprawl typically have large supplies of inexpensive land. For example, Jacksonville, Florida consolidated local governments under the banner of efficiency in the 1970s. The city is characterized by a large supply of inexpensive land, a political orientation that is private market-oriented and reluctant to impose development controls, and massive commercial and residential sprawl. One possible interpretation of this study is that control of sprawl is most likely to occur when the governing ability to control sprawl (as evidenced by a less fragmented governance structure) is accompanied by political agreement that controlling sprawl is desirable and the political will to do so.

Question: What are other ways to control sprawl?

Several authors argue for the use of regional land use controls, which already exist in the Portland Metropolitan region. This approach seeks to offset the ill effects of the fragmentation of land use powers among US metropolitan governments. Spillover development, which is characterized by fragmented growth patterns, results when local jurisdictions make land use decisions and implement growth controls that benefit the jurisdiction without considering the regional effects of the decisions (Byun and Esparza, 2005). One study found a strong relationship between a reduction retail sprawl and the presence of a type of urban growth boundary that limits growth at the periphery while promoting growth at the center (Wassmer, 2002). Downs (1994) proposes a range of ways to accomplish regionalized land use control in the absence of full metropolitan government. These range from voluntary cooperation to functionally specialized regional agencies.

Other authors advocate for a variety of measures that result in changing “the rules of the game” for economic development (Razin, 1998; Wassmer, 2002; Salinas, 1993). This general approach seeks to change the dynamics that result in jurisdictions competing for business and industry to boost local tax revenue. Economic competition among jurisdictions can result in redundant commercial and industrial sites, inefficient land use patterns and urban sprawl. One study (Wassmer, 2002) found that the degree of commercial sprawl was associated with an area’s dependence on sales taxes as a revenue source. The proponents for changing the rules of the game recommend approaches such as general revenue sharing, consolidated multi-jurisdictional industrial areas that generate revenues that are apportioned to the participating jurisdictions (Razin, 1998), measures that prevent local governments from using regulatory powers to boost their economic base (Salinas, 1993), and federalizing the delivery of services to the poor (Salinas, 1993).

There is evidence to suggest that the promotion of economic development activity at or beyond the edge of residential development encourages sprawl. A study of “edge cities” (major employment and commercial centers with scant housing located at the edges of metropolitan areas) found that people followed jobs more than jobs followed people

(Ding and Bingham, 2000). Thus, controlling the location of major employment centers may be a means to curb residential sprawl.

Question: What are the trends in governance structures in the US?

According to the Census of Governments, 1997, the total number of governments in the US decreased dramatically from 1952 (116,805) to 1977 (79,913) and then rose from 1977 to 1997 (87,504). The twenty-year increase is largely due to growth in the number of special districts, which rose by nearly 9,000. The number of county governments, townships and school districts remained nearly static from 1977 to 1997 (Hall, 2004).

One author (Wallis, 1994, cited in Hall, 2004) describes a three-stage evolution in the governance structure of US metropolitan areas in the latter half of the 20th century to the present. The stages are as follows:

- ◆ Consolidation and Annexation. The region during this stage was dominated by a single central city, and the main strategy was annexation/territorial expansion to create a bigger economic unit. Toward the end of this period, the trend was toward the creation of special purpose districts to provide for service needs.
- ◆ Fragmentation. Metro regions became polycentric structures with the dispersion of specialized economic functions into separate centers. Those who favor plurality, competition among areas to promote efficiency and multiplicity of choice favor this approach. Others point to severe problems that accompany fragmentation, such as exclusionary zoning, free ridership, and the lack of capacity to deal with regional problems. Some local governments develop cooperative arrangements to deal with specific regional issues.
- ◆ Responses to New Realities. This is the current phase, characterized by the interplay of demand and capacity factors. Capacity factors include: a) the significantly increased and direct involvement of the private and nonprofit sectors at a regional scale; b) elected leaders willing to negotiate and bargain; and c) use of facilitated decision-making processes to develop regional consensus on regional issues. Demand issues include: a) global capital pushing economic development activity toward regional competitiveness; b) allocative issues related to service delivery, infrastructure development and environmental protection; and c) redistributive issues related to disparities in fiscal health among municipalities

Question: What are the arguments for and against various forms of urban service delivery?

One school of thought (Purcell, 2004) argues that a regional approach to service delivery can more effectively redistribute and equalize resources in an area that has jurisdictions with very different tax bases and revenue streams. Regionalism also reduces the

problems and costs of political fragmentation, enhances policy coordination, and creates economies of scale for service delivery.

Another school of thought favors a more market-driven local public economy approach. Citizens are seen as being as consumers of urban services whose interests are best served when they have a variety of options from which to choose. A regional approach limits choice. The proponents state that research shows that metropolitan areas with a more fragmented governing structure (both many smaller local governments and many layers of government) tend to provide lower cost services than more “rationally organized” areas. While the services should be produced at whatever scale that is most efficient for that particular service (perhaps through public utilities or private sector firms), they should be provided at a small scale to allow for considerable citizen control. The proponents of the local public economy approach argue that the best way to address issues of equity is to raise revenues for the explicit purpose of redistribution instead of enlarging the service provision area to encompass economically diverse communities.

A survey in the Tri-County Detroit area found that most citizens believed that their services were delivered by their city or township regardless of what entity actually delivered them (Thompson, 1997). By a large majority, most preferred that services continued to be delivered in the manner that they believed that they were currently delivered, even if they were mistaken in how they were delivered. Those who favored change were the respondents who were most dissatisfied with the service.

Question: Are certain forms of governance more likely than others to promote economic development and/or a higher level of competitiveness in the international economy?

There appear to be two somewhat overlapping schools of thought on this topic. The first finds that cities and suburbs are becoming interdependent parts of shared regional economies (Pastor, Dreier, Grigsby and Lopez-Garcia, 2000; Pierce, 1993). This school argues that the region is the central organizing unit of economic activity because regions offer the minimum size at which markets and business networks can achieve an economy of scale necessary to compete in international markets. This approach advocates for regional planning and coordination. The Europeans are far ahead of their American counterparts at seizing the opportunity to organize around regional capacity to attain international economic competitiveness.

The second school of thought favors an approach to economic development that is not guided by regional planning. Large-scale regional economic plans are seen as ineffective or inappropriate at dealing with rapidly changing market forces (Razin, 1998). Alternative methods for intervening in the market are recommended. Razin recommends changing the “rules of the game” for attracting businesses by changing how revenue from development is apportioned to local governments and better controlling how local governments allow land to be developed for economic development. Revenue sharing would reduce competition among jurisdictions for business and result in business location

decisions that are more determined by business needs than the economic needs of local jurisdictions.

Others conclude that there is no single “correct” answer to the questions of whether the market should be allowed to function unhampered or with limited interference and whether some new forms of governance structure should be put in place to promote regionalism (Phares, 2004). Instead, Phares concludes that metro areas work out various formal and informal arrangements based on the problems that they face, their institutional structures and their traditions. He notes that there are more examples of incremental changes such as cooperative governance arrangements and special purpose districts and fewer multi-functional regional governments.

ANNOTATED BIBLIOGRAPHY

Byun, Pillsung and Esparza, Adrian X. (2005). A revisionist model of suburbanization and sprawl. *Journal of Planning Education and Research*. 24: 252-264

General Overview: The authors argue for a more contemporary view of the causes of suburbanization and how it is connected to exurbanization. The authors argue that spillovers are a major cause. Spillovers are the fragmented growth patterns that result when local jurisdictions make land use decisions and implement growth controls that benefit the jurisdiction without consideration for the regional effects of their decisions. Residential development then flows to low-cost areas adjacent to highly desirable low density high cost areas. This process is fueled both by the consumer choices of homebuyers (demand) and the profit-maximizing tendencies of housing developers (supply). The model is not empirically tested.

Relevant Information: The paper has a succinct summary of the literature on suburbanization and also the literature that describes the path in which spillovers occur.

Ding, Chengri and Bingham, Richard D. (2000). Beyond edge cities: job decentralization and urban sprawl. *Urban Affairs Review*. 35:6, 837 – 855.

General Overview: The authors examine the impact of edge cities (major employment and commercial centers with scant housing located at the edges of metropolitan areas) on urban form. Specifically, they use a statistical model to analyze whether people follow jobs (whether edge cities promote the further spread of housing beyond the current developed metro residential area) or whether the jobs are following people (whether edge cities are primarily providing jobs for the people who already live in suburban areas).

The authors analyzed the impact of edge cities on the urban form of the Cleveland metro area. They found that a change of industrial location affects residential location choice, and that the impact on population is affected by the distance of the edge city from the central business district (CBD). In Cleveland, the impact of edge cities on residential patterns was greatest when the edge city was 10 to 12 miles from the CBD, and diminished when it moved either closer or farther away from the CBD.

Relevant Information: Encouraging suburban economic development activity may promote a trend toward residential sprawl.

Downs, Anthony. (1994). *New Visions for Metropolitan America*. Washington: The Brookings Institute, 1994.

General Overview: Downs argues that “solving growth-related problems requires somehow offsetting the ill effects of the fragmentation of land use powers among

US metropolitan area governments.” Acknowledging the entrenched opposition to full metropolitan government in the US, he offers seven alternatives for regionalizing land use planning and related regulatory and planning powers over development:

- ◆ Voluntary cooperation among local governments
- ◆ State government departments that control development-related programs such as highway construction, public transit, housing development finance agencies, etc.
- ◆ Public-private coordination
- ◆ Functionally specialized regional agencies
- ◆ Federally rooted regional agencies for allocation of funds supportive to development
- ◆ Imbedding the independent land use powers of local governments in a broader regional framework established by state government

Relevant Information: Downs is the principal proponent of using land use powers to control sprawl. His work (this and others) often cited by other authors.

Gainesborough, Juliet F. (2002). Slow growth and urban sprawl: support for a new regional agenda? *Urban Affairs Review*. 37:2, 728-744.

General Overview: The author analyzed the results of two media-sponsored telephone surveys conducted in 1991 in the greater New York area and in 1999 in the greater Los Angeles area to see who supported and who opposed slow growth. Researchers and commentators have hypothesized that the recent popularity of anti-sprawl and growth control initiatives nationally has signaled a trend to unite disparate interests (the center city and suburban residents, for example) around a new regional agenda of smart growth. In the past, urban centers were seen as the part of the metropolitan areas most negatively affected by rapid suburbanization. In the last decade, however, negative effects of growth have brought traffic congestion, pollution and other urban problems to suburban areas.

This article found that a more complicated picture existed. While suburban residents experiencing “city-like” conditions were more receptive to growth control measures, residents of center cities were much less supportive. Among suburbanites, African Americans, lower income residents and those with stronger ties to the city were shown to favor economic development over growth control.

Relevant Information: While the article does present interesting information about the challenges to forming a coalition around growth control measures, it appears that there may be some issues with how the questions were asked that might be coloring the results. In New York, respondents were asked if they favored encouraging growth to produce jobs and tax revenues or if they favored slowing growth because of the congestion and other problems it causes. In Los Angeles, they were asked if they favored slowing down growth and limiting development, even if it may hurt businesses and result in the loss of some jobs in

your community, or if they favored growth and economic development, even if that negatively affects living conditions and the quality of life in your community. In both cases, growth was associated with economic development. The questions do not allow for the possibility of growth control and changing the course of economic development. It seems only logical that people who have low earnings and live in low income areas would not want to endorse measures that may potentially curtail their upward mobility and that of their friends and family.

Gordon, Steven C. and Bauer, Leonard. (February 1991) *Annexation and urban growth management study*. Lane Council of Governments for Oregon Department of Land Conservation and Development.

General Overview: This urban growth management study is a comprehensive overview of the condition of Oregon's growth management system as implemented at the local level by an amalgam of counties, cities, and other entities. The report contains 51 conclusions and 31 recommendations. In general, the study concludes that growth management and the provision of urban services occurs in an overlapping and fragmented manner. The report cites a "crazy quilt pattern of statutory authority spread among land use, tax, special district and boundary change laws. In 1991, many UGBs had no plan or process for deciding ultimate service levels or responsibilities. As a result, development tends to occur where it can reap the greatest short term profits instead of being driven by a conscious effort to locate it where it would best serve the larger interests of the region. Recommendations include requiring fast-growing urban regions to prepare urban growth management plans. The report recommended that LDCD require UGBs to maintain a five year supply of vacant land with full urban services. The report notes that most counties, except for Clackamas, do not see themselves as providers of urban services.

Relevant Information: Documentation of fragmentation in Oregon in 1991.

Hall, John Stuart. (2004). Who will govern American metropolitan regions? In *Metropolitan Governance without Metropolitan Government?* Edited by Donald Phares. Burlington: Ashgate Publishing Company.

General Overview: Article provides useful facts and an overview of the major trends in regional governance. According to the Census of Governments, 1997, the total number of governments decreased dramatically from 1952 (116,805) to 1977 (79,913) and then rose from 1977 to 1997 (87,504). The twenty year increase is largely attributable to the rise in the number of special districts, which increased by nearly 9,000. The number of county governments, townships and school districts remained nearly static from 1977 to 1997.

The author describes AD Wallis's historical overview of the evolution of metropolitan areas, as presented in a draft 1994 publication for the National Civic League entitled *Inventing Regionalism*. The stages are as follows:

- ◆ Consolidation and Annexation. The region during this stage was dominated by a single central city, and the main strategy was annexation/territorial expansion to create a bigger economic unit. Toward the end of this period, the trend was toward the creation of special purpose districts to provide for service needs.
- ◆ Fragmentation. Metro regions became polycentric structures with the dispersion of specialized economic functions into separate centers. Those who favor plurality, competition among areas to promote efficiency and multiplicity of choice favor this approach. Others point to severe problems that accompany fragmentation, such as exclusionary zoning, free ridership, and the lack of capacity to deal with regional problems. Some local governments develop cooperative arrangements to deal with specific regional issues.
- ◆ Responses to New Realities. This is the current phase, characterized by the interplay of demand and capacity factors. Capacity factors include: a) the significantly increased and direct involvement of the private and nonprofit sectors at a regional scale; b) elected leaders willing to negotiate and bargain; and c) use of facilitated decision-making processes to develop regional consensus on regional issues. Demand issues include: a) global capital pushing economic development activity toward regional competitiveness; b) allocative issues related to service delivery, infrastructure development and environmental protection; and c) redistributive issues related to disparities in fiscal health among municipalities.

The author presents the three main challenges facing regions, as described by Peirce, Johnson and Hall in *Citistates* (1993):

- ◆ A torn social fabric characterized by immense economic and social disparities between geographic areas;
- ◆ The need to cope with the impacts of sprawl, as characterized by the environmental and economic costs of separating jobs from the people who need them.
- ◆ The governance gap that focuses on short-term solutions and a lack of a coherent regional approach.

The author also presents a list of guideposts for building strong urban regions, as described by Peirce, Johnson and Hall in *Citistates* (1993):

- ◆ “Recognize the indivisibility of urban regions
- ◆ Reaffirm the importance of the historic center city
- ◆ Focus on the link between social deprivation and work force preparedness
- ◆ Plan for a multicultural future
- ◆ Build a sense of regional citizenship
- ◆ Remember quality of life issues, including the environment
- ◆ Fight hard for fiscal equity
- ◆ Create work for everyone—even if public money is required
- ◆ Make governance work
- ◆ Under-gird governance with a strong citizen organization

- ◆ Plan for a profitable niche in the new world economy.”

Relevant Information: Describes dialogue between those who see unlimited low-density sprawl resulting from the unfettered pursuit of personal goals in the absence of regional controls (Tony Downs, 1994) and those who see spatial urban sprawl resulting from market-distorting government policies (P.D. Salins, 1993). The latter see the solution as being less intrusive government.

Hopkins, Lewis D., Xu, Xiaohuan and Knaap, Gerrit J. (2004) Economies of scale in wastewater treatment and planning for urban growth. *Environment and Planning B: Planning & Design*. 31:6, 879-894.

General Overview: Case study of alternative wastewater treatment consolidation strategies for metropolitan Chicago. Finds that carefully timed consolidation, even after development has occurred, can yield major savings in capital costs. Concludes that urban growth patterns can take advantage of economies of scale by relying on carefully timed transitions to fewer and larger treatment plants.

Relevant Information: See above. Chicago is flat; Clackamas County is not.

Leo, Christopher, Beavis, Mary Ann, Carver, Andrew and Turner, Robyne. (1998). Is urban sprawl back on the political agenda? *Urban Affairs Review*. 35:2, 1979-212.

General Overview: The authors argue that the apparent ineffectuality of efforts to control urban sprawl is in some part a result of failure to distinguish between growth controls and regional growth management. The authors state that growth controls “have a well-earned reputation as at thinly-disguised form of NIMBYism,” and that regional growth management “involves an attempt to set out rules for development that are designed to preserve the livability, viability and attractiveness of an urban area as a whole.” This is an essay that assesses the significance of a shift in favor of political forces that support regional growth management.

Lopez, Russ and Hynes, H. Patricia. (2003). Sprawl in the 1990s: measurement, distribution and trends. *Urban Affairs Review*. 38:3, 325-355.

General Overview: The authors present a “sprawl index” as a means of providing a quantified definition of sprawl, and apply it to an analysis of US Metropolitan Areas using 2000 Census data. The article also describes various other qualitative and quantitative efforts to define sprawl, and analyzes their strengths and weaknesses.

Qualitatively, sprawl has been described as containing one or more of the following elements:

- ◆ Low density development
- ◆ Separation of land uses

- ◆ Leapfrog development
- ◆ Strip retail development
- ◆ Automobile-dependent development
- ◆ Development at the periphery of an urban area at the expense of its core
- ◆ Employment decentralization
- ◆ Loss of peri-urban, rural agriculture, and open space
- ◆ Fragmented government responsibility and oversight.

Other authors have identified specific dimensions of sprawl: density, continuity, concentration, compactness, centrality, nuclearity, diversity and proximity. Some rely solely on density, others use job decentralization, and still others use a combination of density and distance from the center point of a metro area.

These authors propose a sprawl index that is based on a ratio of the number of low density census tracts (those with 3,500 – 200 people per square mile) to the number of high density census tracts (those with more than 3,500 people per square mile) in a metropolitan area. The scores are mathematically manipulated so that a score of 100 means that all of the census tracts are low density, whereas a score of 0 means that all of the census tracts are high density. A higher score means more sprawl; a lower score means less sprawl.

Using this index, they found that the US has a sprawl index of 49 overall, and the Portland-Vancouver region has a sprawl index of 40.99. Las Vegas has a sprawl index of 25.54 (indicating less sprawl), which is lower than Portland's. (Note: I think this index is faulty. One of its problems is that it penalizes areas that have large urban parks or high concentrations of industrial land.)

The western region of the US has the lowest sprawl index (52.45), and the south has the highest (78.8). From 1990 to 2000, most net growth in population in the US occurred in metropolitan areas with lower sprawl index scores.

Relevant Information: Challenge of defining sprawl.

Miller, D.W. (2000). The new urban studies. *Chronicle of Higher Education*. 46:50, A15-16.

General Overview: Interviews with scholars of the Los Angeles School, including Michael Dear and Edward Soja, who argue that LA may be the harbinger of things to come with respect to urban form.

Relevant Information: Members of the LA School hypothesize that weak formal political institutions has led to the rise of grass roots activism, primarily organized around issues of equity. They also hypothesize that urbanism is going postmodern, and LA is a leading example. Postmodern urbanism implies that cities are not developing in standard or predictable ways that follow the old logic of urban development. What results is not chaos, but new forms of urbanism. An

example of the expression of this new kind of urbanism are the growing ethnic hybridism of LA neighborhoods.

Parks, Roger B. and Oakerson, Ronald J. (1989). Metropolitan organization and governance: a local public economy approach. *Urban Affairs Quarterly*. 25:1, 18-29.

General Overview: A local public economy approach to metropolitan organization and governance champions citizen choice, public entrepreneurship and complex multi-jurisdictional metropolitan areas. The authors state that research has shown that metropolitan areas with more fragmented government (both many smaller local governments and many layers of government) tend to be more efficient than more “rationally organized” areas. By efficient the authors mean that this arrangement leads to lower cost services. With citizen control, metropolitan area governments tend to develop multilevel and multi-scale arrangements. For example, school districts might provide regular elementary and secondary education, but create a multi-district entity to provide education for students with special vocational aspirations.

The authors distinguish between units that provide services, and units that produce services. They advocate for self-governance and believe that self-governance produced diversity. They argue that local citizens often prefer small units for service provision to enhance citizen control and increase choice within a metropolitan area, but are amenable to the most efficient scale of unit for production.

The authors state that the preferred way to address issues of equity in a local public economy approach is for overlying jurisdictions to raise revenues for the explicit purpose of redistribution. They prefer this method to the more orthodox approach of enlarging the size of the jurisdiction to encompass economically diverse communities and thus creating a broader tax base that allows for redistribution to poor areas.

Relevant Information: This article does a good job of articulating positive aspects of the local public economy approach which favors local choice and control, sometimes at the expense promoting greater divides between the haves and the have-nots.

Pastor, Manuel Jr., Dreier, Peter, Grigsby, J. Eugene III, Lopez-Garcia, Marta. (2000) *Regions that Work: How Cities and Suburbs Can Grow Together*. Minneapolis: University of Minnesota Press.

General Overview: Cities and suburbs are becoming interdependent parts of shared regional economies. The region has emerged as a central organizing unit of economic activity because they may offer the minimum size at which markets and business networks can achieve an economy of scale necessary to compete in international markets. Three hypotheses:

- Regional economies would benefit from a better incorporation of the concerns of the poor because, in a new economy in which collaboration matters, you are only as strong as your weakest link.
- Poor communities would benefit from being more strongly connected to regional economies and regional opportunities.
- We can do better at linking regional economies and poor communities than we have in the past.

Case study of three successful regional economies that, to a greater or lesser degree, exhibit rapid growth and relative improvements in equity in the 1980's:

- Greater Boston Area: combined growth and anti-poverty policy. During tight labor market period, it adopted policies to ensure some benefits of development assisted lower income residents and communities.
- Greater San Jose Area: High level of regional consciousness on part of dynamic business sector, but did little to directly help poor. Improvement on poverty front came from burgeoning economy.
- Greater Charlotte Area: Strong attempt to keep city and suburbs linked jurisdictionally. Led to anti-poverty efforts.

Relevant Information: Regional approach leads to stronger economic development opportunities in global marketplace. But working regionally means stronger working partnerships between poor areas and the regional economy.

Phares, Donald. (2004). Governance or government in metro areas? In *Metropolitan Governance without Metropolitan Government?* Edited by Donald Phares. Burlington: Ashgate Publishing Company.

General Overview: This is the editor's introductory chapter to a book that looks internationally for patterns and information about metropolitan governance. The central questions asked are: "Should the market be allowed to function unhampered or with limited interference, or is there a need for some sort of public remediation? Should new forms of government structures be put in place to promote regionalism? Or, on the other hand, can metro area problems be dealt with in the context of less formal governance arrangement absent the formal legal and political structure?" The author concludes that there is no single, simple answer to these questions, but that metro areas work out various formal and informal arrangements based on the problems that they face, their institutional structures and their traditions. The author does note that there seem to be more examples of incremental changes such as cooperative governance arrangements or special purpose districts and fewer formal multi-functional regional governments. In the US, he concludes that evidence suggests that regional changes will be driven by incremental governance changes more than major government restructuring.

Relevant Information: Distinction between government and governance. Trend toward incremental governance changes in the US.

Purcell, Mark. (2004). Regionalism and the liberal-radical divide. *Antipode*. 36:4, 760-766.

General Overview: Information about book **Regions that Work: How Cities and Suburbs Can Grow Together**. Presents new take on regionalism. Old argument was that a regional approach could more effectively redistribute and equalize resources, reduce problems and costs of political fragmentation, enhance policy coordination, and create economies of scale for service delivery. This book also argues that regions, regional capacity and regional coordination are of growing importance in the global economy.

Relevant Information: Importance of regional approach to global economic competitiveness.

Razin, Eran. (1998). Policies to control urban sprawl; planning regulations or changes in the rules of the game? *Urban Studies*. 35:2, 321-340.

General Overview: The author argues that “urban sprawl, fueled by powerful market forces, is unlikely to be controlled by macro-scale regional plans or by comprehensive reforms of the local government map.” Instead, the author recommends intervening in the development process by changing the rules of the game by using two mechanisms: how revenue from development is apportioned to local governments, and the process by which local government allows land to be developed. While this argument is based on a qualitative analysis of development in Israel, it has some applicability to the US.

The author argues that revenue sharing at the regional or metropolitan scales helps to restrain pressures promoting urban sprawl by reducing intergovernmental competition for business and thus the land needed for competition among jurisdictions in the region. The author presents two models for revenue-sharing at the local level. The first is an ad-hoc approach consisting of local governments working together to create a multi-jurisdictional industrial area, with the proceeds being shared among participating jurisdictions according to a pre-negotiated formula. This approach reduces competition among jurisdictions and results in larger industrial areas instead of scattered, less efficient areas. Experience shows that this approach is subject to tension as local leadership changes. The second model involves tax sharing on a wider geographical scale, such as part of a metropolitan area where a common interest of economic development can be identified. In this approach, all or some portion of the revenue generated by non-residential property is shared within the region. The best-known example of US local tax base sharing is the Minneapolis-St. Paul metropolitan area, which allocates 40% of the net gain in local tax revenues generated by industrial and commercial property to a pool which is redistributed according to a formula based on the population and fiscal capacity of the local jurisdictions.

The second mechanism to reduce sprawl in Israel has a parallel in the US. In Israel, the transfer of land from a regional council to a city in effect marks it for

rezoning from rural to urban land uses. The author argues that planning should take place before the transfer occurs. In practice, the boundary commissions that make decisions about boundary changes often have incomplete information on land ownership, development plans and their feasibility. Similarly, it appears that annexations precede planning in the US, even though decisions about annexations are not usually made by a centralized boundary commission.

Relevant Information: a) In addition to lessening competition among municipalities for industrial uses, revenue sharing may also lead to less sprawl by using land more efficiently. b) This author does not view the establishment of upper-tier metropolitan municipalities as an effective means to prevent the decentralization of people and jobs. He cites Canada as an example. Even though Canada established strong metropolitan municipalities, most of the development and population growth occurred in the outlying suburban areas, often beyond the boundaries of metropolitan governments. Cites Rothblatt as source of information.

Razin, Eran and Rosentraub, Mark. (2000). Are fragmentation and sprawl interlinked? North American evidence. *Urban Affairs Review*. 35: 6, 821-836.

General Overview: Based on a statistical analysis of all North American metropolitan areas with at least 500,000 inhabitants, the authors found a weak but statistically significant association between fragmented government and sprawl. Fragmentation was determined by the number of general purpose governments per 10,000 residents, the proportion of the population in cities of more than 100,000 people, whether there was a multi-purpose metropolitan government. Sprawl was determined by the percentage of dwellings that were single-family detached homes, the geographic density of the population and the number of housing units per square kilometer.

The authors found that a large number of metropolitan areas with a low level governmental fragmentation had a high level of sprawl. These areas typically have large supplies of inexpensive land, and include places such as Jacksonville, FL, Norfolk, VA, and Albuquerque, NM. Conversely, there were very few areas with a high level of fragmentation but a low level of sprawl. Thus, the authors conclude that “a lack of excessive fragmentation is a precondition for compact development in North America, although it is not a sufficient condition.”

Relevant Information: See above. One possible interpretation of the analysis is that the ability to control sprawl (as evidenced by a less fragmented governance structure) needs to also be accompanied by policies aimed at controlling sprawl to result in the reduction of sprawl. For example, Jacksonville, Florida consolidated local governments under the banner of efficiency. The city is characterized by inexpensive land, an anti-growth control policy orientation and massive commercial/residential sprawl.

Authors provided informal definition of sprawl as “uncoordinated low-density development frequently “leapfrogging” over green space and open land.” Other noteworthy quotes:

“Low-scale development has not emerged as a drag on the US economy (Gordon and Richardson, 1997).” “The level of intergovernmental service delivery arrangements that exist today (Thompson 1997) also suggest that fragmented governments are neither necessarily wasteful nor unable to cooperate (Parks and Oakerson, 1989).”

Salins, Peter D. (1993). Metropolitan areas: cities, suburbs and the ties that bind. In *Interwoven Destinies*. Edited by Henry G. Cisneros. New York: W.W. Norton and Company, 1993.

General Overview: Salins argues that economic forces create a natural progression of land uses and conglomerations of households of similar income in metropolitan areas. He further argues that jurisdictional boundaries are the problem and create an unequal distribution of resources among local governments. “The fact that a matrix of jurisdictions is superimposed on the organic unity of an American metropolitan area has profound and troublesome practical consequences. The jurisdictional fragmentation of our metropolitan areas, and the typical pattern of that fragmentation, have seriously distorted residential and employment markets and bedeviled decades of government attempts to implement effective ‘urban’ policies” (p. 150).

The author says that decentralization is not a problem in and of itself, but that it becomes a problem when combined with governmental fragmentation. This leads to an unequal division of revenue, which causes a spiral of decline for central cities and the low income households who live in them. Those who can (except for “yuppies” and the very rich who own inner city estates) move to the suburbs, promoting more suburban development.

As an antidote, Salins recommends federalizing the delivery of services to the poor, preventing local jurisdictions from using their regulatory powers to boost their economic base, assuring some level of equity among local revenues, and encouraging central cities to promote devolving urban service delivery to the neighborhood level.

Relevant Information: This article views the combination of governmental fragmentation and sprawl as a chief cause of an uneven distribution of resources.

Savitch, H.V. and Vogel, Ronald K. (2004). Suburbs without a city. *Urban Affairs Review*. 39:6, 758-791.

General Overview: Article is very critical of the City-County merger in Louisville-Jefferson County. While city-county consolidation is promoted as a type of good government reform that encourages efficiency, equity and accountability and reduces growing disparities between central cities and suburbs, these outcomes are rarely measured. The authors argue that these purported improvements did not occur in Louisville. What did occur is a change in power relations. This article presents a case study of Louisville, KY and analyses three realignments: shifts in territorial boundaries, management reforms and political rules. Concluding quote: “The major consequence of city-county consolidation in Louisville is likely to be a more internally cohesive regime, coupled to weakened city neighborhoods that are less able to influence the development agenda and more rather than less urban sprawl.”

Relevant Information: This article provides a more detailed account of Louisville’s progress toward city-county annexation. The intermediate step of a compact may be of interest in Clackamas County. What was missing was an agreement on how to restore balance/parity after it was lost over time.

Approximate timeline:

- 1982: Failed consolidation attempt. Proponents were the business elite. Opponents were a Black-White working class alliance.
- 1985’s: Annexation wars continued. Louisville Board of Alderman approved a bold annexation bill to annex all remaining unincorporated areas in the County into the City. This seriously threatened county revenues. Most city/county revenues came from an occupational tax levied on employees at their place of work.
- 1986: Created a compact that called for sharing fiscal resources and cooperating on agency management. A comprehensive interlocal agreement that put an end to annexation wars, established cooperating institutions and was renewable after the first 12 years. Split occupational tax according to the average actual collections over the last 3 years (city got 58% and county got 42%). Established Joint Office of Economic Development. Divided agencies. City gained Emergency Services, Human Relations Commission, Zoo and Museum. County gained Crime Commission, Planning, Health, and Air Pollution. Joint agencies included Library, Transit Authority, Metropolitan Service District and Parks.
- 1990s: The balance sought after by the compact began to totter. City’s fiscal position and prosperity improved dramatically. While County grew rapidly, it did not benefit from this growth due to occupational tax split. The City’s fiscal position grew brighter than County’s.
- 2000: Business community rallied around merger and formed UNITY (led by business, banking, law and public utility interests). Opposition came from rag-tag grass roots group called COST, which represented interests opposed to merger due to concerns about increased taxes, voting rights, local democracy, shifts in power. UNITY outmaneuvered and out-fundraised COST and merger occurred. Eighty small cities around Louisville stayed intact after the merger.

Issues with consolidation in Louisville-Jefferson County:

- Major shift in power that benefited suburban interests. 2/3 of metro council reps were elected from suburban districts.
- Differential service districts legitimized differences in levels of service and taxation for different areas.
- Sheer impracticality of trying to govern over such a large area led to the creation of smaller boxes within the large one.
- Redistribution was not a goal of this merger.
- City's unique qualities, autonomy and power were homogenized into a larger entity.
- Strong mayor form of government, with Mayor making major administrative and committee appointments without Commission approval. Mayor garnered extensive power over the economic development process.

General Research on Consolidation:

- National Research Council study report in 1999 concluded that consolidation has not reduced costs and may have increased total local expenditures.
- Research conflicting on whether there is a relationship between economic development and consolidation. Two 1999 studies reached different conclusions.

Thompson, Lyke. (1997). Citizen attitudes about service delivery modes. *Journal of Urban Affairs*. 19:3, 291-302.

General Overview: The author conducted a random telephone survey of 1200 residents of the Tri-County Detroit area to determine citizen attitudes toward service delivery. The research found that most residents believed that their services were delivered by their city or township, regardless of whether they were or not. By a large majority, they prefer services to continue to be delivered through the same mode as they believe it to have been delivered in the past. Many citizens do not understand how they get services and underestimate the percentage of services provided through alternative means such as cooperative agreements among jurisdictions, special service districts, or private sector providers. Citizens dissatisfied with the service were the ones most likely to prefer to change to another method of delivery.

Relevant Information: This article raises the question of whether North Clackamas County residents are more or less knowledgeable than those surveyed in Detroit about service delivery, and if they, too, are resistant to what they perceive to be change.

Wassmer, Robert W. (2002). Fiscalization of land use, urban growth boundaries and non-central retail sprawl in the western United States. *Urban Studies*. 39:8, 1307-1327.

General Overview: This research paper finds that reliance on general sales taxes as a major source of local discretionary revenue contributes to greater amounts of retail sprawl in Western US states. The research also finds that the most restrictive kind of urban growth boundary, one that limits growth at the periphery and promotes growth at the center, reduces decentralization of retail sales in metropolitan areas. Retail sprawl is defined as retail activity that is greater in a metropolitan area's non-central places than the non-central places' population, population growth, demographics, land prices and income warrant. Multiple regression (fixed effect ordinary least squares) was the statistical method used.

Relevant information: Oregon has no sales tax; the Portland-Vancouver SMSA has the most restrictive kind of urban growth boundary. Thus, Clackamas County already has the benefits of the two elements show to be associated with less retail sprawl.