



Governance in Erie County:

A Foundation for Understanding and Action

The Governance Project
State University of New York at Buffalo
January 1996

Governance in Erie County:

A Foundation for Understanding and Action



UNIVERSITY AT BUFFALO
STATE UNIVERSITY OF NEW YORK

Department of Planning
School of Architecture and Planning
Hayes Hall
3435 Main Street
Buffalo, New York 14214-3087
(716) 829-2133 Ext. 109
Fax (716) 829-3256

January 1996

Professor William R. Greiner
Office of the President
State University of New York at Buffalo
501 Capen Hall
Amherst, New York 14260

Dear Professor Greiner:

We are pleased to submit this initial report of The Governance Project, **Governance in Erie County: A Foundation for Understanding and Action**. An Executive Summary precedes the report.

This effort has been pursued in response to your direction that The Governance Project, a multi-disciplinary collaboration within the university, advance an improved understanding of and perspective on the Western New York region. We have begun this important task with an attempt to critically analyze structures and issues of governance, particularly within Erie County, home of the University at Buffalo.

The report is the result of the exceptional help and expertise of many people inside and outside the university. Your own initiative and support have been a source of encouragement to all of those involved.

As members of The Governance Project, we look forward to working with you in the cause of making the University at Buffalo a genuine partner in the future of this region and the State of New York.

Respectfully submitted,

Kathryn A. Foster

David C. Perry

Alfred D. Price

John B. Sheffer, II

Henry Louis Taylor, Jr.

Governance in Erie County:

A Foundation for Understanding and Action

**The Governance Project
State University of New York at Buffalo**

**Kathryn A. Foster, Project Director
David C. Perry
Alfred D. Price
John B. Sheffer, II
Henry Louis Taylor, Jr.**

January 1996

Acknowledgments

We owe a debt of gratitude to many people who helped with this project. We thank first and foremost Dr. Muriel A. Moore, UB Vice President for Public Service and Urban Affairs, through whose office The Governance Project has received funding since its inception. We also thank the Center for Urban Studies at the University at Buffalo for consistently capable administration and financial management of the project.

In early 1994 we embarked on our investigation of governance in Erie County with the charge to gather, monitor, analyze, and interpret information on the structures and issues of governance in the region. It was clear from the outset that we would have to rely upon others for assistance, materials, knowledge, and wisdom. We have done so liberally.

Early in the project we were aided by and hereby extend our thanks to Professor Ronald J. Oakerson of Houghton College, an expert in metropolitan governance, who helped us define the scope of project phases and warned us of research landmines along the way. The early stages of the effort were devoted to gathering materials and information from national and local sources, a process assisted by experts within the region who illuminated the often complex structures and issues of governance in the area. In return for candid insights we promised anonymity, which we hereby honor. We also received help during this phase from a former colleague from the UB Department of Geography, Professor Michael M. Batty, who assisted with technical expertise on mapping and computer systems. We extend sincere thanks to these contributors for saving us from numerous errors of fact and interpretation; those errors that undoubtedly remain are ours alone.

We also owe a debt of appreciation to numerous graduate assistants who assisted with data collection, fact checking and map making along the way. Thanks are due to Jennifer Englert, James Goveia, Gerald Inglut, Jr., Sherry McDuffie, Patrick Metzger, and Jill Norton, all from the UB Center for Urban Studies, Elizabeth Kent, then with the Department of Economics, and Thomas J. DeSantis, Daniel Hess, Fan Li, and Robert J. Tronetti, all from the UB Department of Planning. Special thanks are due to Tom DeSantis who has been with the project from its inception and who contributed administrative and intellectual assistance throughout. We also thank Dr. Kathryn Bryk Friedman who, through her service to the UB Office of the Vice President for Public Service and Urban Affairs, has assisted greatly with arrangements for public presentations of this work.

Kathryn A. Foster
David C. Perry
Alfred D. Price
John B. Sheffer, II
Henry Louis Taylor, Jr.

January 1996

Governance in Erie County

A Foundation for Understanding and Action

Contents

Transmittal Letter to the University President	iii
Acknowledgments	v
Executive Summary	ix
1. Introduction	1
Part I: The Places and People of Erie County	
2. Where We Live: The Places of Erie County	7
3. Who We Are: The People of Erie County	29
4. How We Live: Reconciling Places and People	49
Part II: Framework for Governance in Erie County	
5. Historical Framework	75
6. Legal Framework	83
7. Financial Framework	91
Part III: Patterns of Service Delivery in Erie County	
8. Service Delivery	113
Planning	121
Economic Development	129
Transportation -- Airport, Rail, Port, Transit	143
Roads	155

Housing	165
Water	179
Sewer	191
Solid Waste	203
Fire Protection	217
Emergency Medical Services	227
Police	235
Courts	245
Social Services	251
Health Services	263
Libraries	273
Parks and Recreation	281

Part IV: Assessment and Next Steps

9. Assessing Regionalism in Erie County	291
10. How We Compare: Governance Elsewhere	305
11. Next Steps: An Action Agenda	319
 Appendix A: Review of Research on the Significance of Local Government Arrangements	 A-1

Executive Summary

Governance in Erie County: A Foundation for Understanding and Action

Introduction

- *Governance in Erie County* is the first major product of The Governance Project, an effort of the University at Buffalo to marshal data, monitor trends, and analyze information on structures and issues of governance in the Western New York region.
- The report focuses on governance within Erie County, particularly with respect to the public sector. This more narrow scope is appropriate given the central legal, financial, and political roles for the public sector in service delivery and policy.
- The fundamental premise of the report is that good information is a prerequisite for understanding, which is essential for good decision making. Within Erie County, good information exists but much is dispersed and inaccessible. In some instances, good information is not currently available.

Part I: The Places and People of Erie County

Where We Live: The Places of Erie County

- Erie County comprises 1 county, 3 cities, 25 towns, 16 villages, 29 school districts, 49 independent special-purpose governments, and parts of 2 Native American Reservations.
- Within Erie County there are also nearly 900 dependent special-purpose districts that serve as tax assessment accounting areas for street lighting, sewer, drainage, and other services. Dependent districts are not autonomous local governments, but are creations of a parent government (city, town, or village) which governs and administers them. As a consequence, it is misleading to suggest that there are "1,000 governments" in Erie County.
- Every county resident lives within a minimum of six local governments: the county, a city or town, a school district, and three countywide special-purpose governments. Depending on location a resident may also reside in up to six more local governments: a village, fire district, housing authority, independent sewer or water authority, and a municipal IDA.

- The structure of governance in Erie County is neither particularly fragmented nor integrated compared to other metropolitan areas in the nation and New York State.
- Government arrangements are one of numerous factors affecting how metropolitan regions function. Research on the significance of government arrangements and values of governance (such as efficiency, equity, participation, accountability and responsiveness, and economic growth) reinforces that there is no single optimal arrangement because values of governance often conflict (Appendix A).

Who We Are: The People of Erie County

- As of 1990, Erie County had 968,500 residents, 8 percent more than in 1950. Of that total, the City of Buffalo had 328,000 persons, 43 percent fewer than in 1950. The suburban and rural areas had 640,000 persons, 101 percent higher than in 1950.
- Since 1970, population decline has been relatively widespread, with 11 of 28 cities and towns and 14 of 16 villages losing population. County population overall is down 13 percent from a high of 1,113,500 in 1970.
- Population is highly concentrated, with over 82 percent of county residents living in the City of Buffalo or eight nearby cities and towns.
- Most jurisdictions are quite small: 36 of the 44 municipalities have populations below 25,000.
- The population of Erie County is relatively old, aging rapidly, and segregated to a high degree by race and to a slightly lesser extent by class. Residents are less likely than ever before to live in married couple households. A growing number of children live in families without both parents.
- Mobility patterns are multi-directional. Most suburban mobility is attributable to movement between suburbs rather than city to suburb. City immigration is attributable to persons from outside the county and from surrounding suburbs.

How We Live: Reconciling Places and People

- The everyday lives of Erie County residents are multi-jurisdictional, as evidenced by cross-border patterns of work, play, shopping, and personal health care, especially within the concentrated metropolitan core.
- The resulting mismatch between jurisdiction borders and patterns of everyday life is not uncommon and does not require amelioration if jurisdictions are fairly uniform in resources and need. A places-people mismatch is of concern when some jurisdictions bear a disproportionate burden in providing an area's cultural facilities or services, or caring for an area's neediest residents.

- Among the ways to address a mismatch between where we live and how we live are three that represent the range of approaches: 1) regionalize services and governance to eliminate a mismatch; 2) establish systems of cross-border compensation, such as tolls, non-resident fees, and cross-border payments, to account for a mismatch; and 3) establish different service area boundaries for different functions through mechanisms such as special-purpose agencies, interjurisdictional agreements, and municipal-county transfers to accommodate a mismatch.
- Patterns of governance and service delivery in Erie County display all three approaches. Public debate currently focuses on whether that system is effective and, if not, how the region could enhance and improve it.

Part II: Framework for Governance in Erie County

Historical Framework

- Municipal borders within the county have been remarkably stable. Except for minor adjustments, town boundaries are the same today as they were in 1857, nearly 140 years ago. The last incorporation was the Village of Orchard Park in 1921.
- There is a long history of urban-rural rivalry in the region, with more specific rivalry between the City of Buffalo and its suburban neighbors.
- Longstanding political borders and intermunicipal rivalry have hampered past efforts to regionalize services.
- Nonetheless, since the 1930s intermunicipal agreements, formation of special-purpose governments, and transfers of functions from municipalities to the county have resulted in de facto regionalization of several services, including transportation, social services, health services, central police functions, some parks, and funding for region-serving cultural facilities.

Legal Framework

- Although the New York State Constitution grants broad home rule powers to local governments, the ability of localities to exercise those powers relies on state budget policy and the day-to-day actions of the state legislature.
- The Constitution grants considerable authority to local governments to collaborate through formal and informal joint agreements in service provision.
- There are profound contradictions in the current politics of state mandates on the one hand, and strong home rule, reduced state income taxes, and reduced state restrictions on local policy on the other.

- The shift to a block grant model of federal and state funding to local governments will have significant effects on delivery of social services, mass transit, housing, infrastructure funding, and other services.
- The legal structure of local governance embodied in the state Constitution, statutes, and regulations is not the primary battleground of government reform in the 1990s and beyond. More important will be whether and how the state and localities work within the legal framework to improve local governance and service delivery.

Financial Framework

- Local governments vary considerably in tax burdens and how they allocate revenues to budget categories. The reasons for variation are numerous, including variations in resident needs and demands, municipal size, levels of service, condition of infrastructure, reliance on special-purpose governments, and the amount of ratable commercial and industrial land. As a consequence, comparative evaluation of municipal efficiency or cost-effectiveness based on financial variations is unwise and unwarranted.
- Trends in local government finance include: diminished reliance on property taxes relative to intergovernmental aid, user fees, and other taxes; greater use of revenue bonds relative to general obligation bonds; and creation of public authorities to circumvent municipal debt ceilings and tax limits.
- Persistent conflict between municipalities and Erie County government over financial affairs (notably disposition of the last 1 cent of the 8 cents per dollar sales tax) renders highly improbable the institution of tax base sharing agreements.
- Nonetheless, there is considerable intermunicipal exchange of revenues through contracts and agreements for services such as snow plowing, fire protection, and data processing.

Part III: Patterns of Service Delivery in Erie County

Service Profiles

- The report examines the structure and issues of governance for 16 common local government services: planning, economic development, transportation (airport, rail, port, transit), roads, housing, water, sewer, solid waste, fire protection, emergency medical services, police, courts, social services, health, libraries, and parks and recreation.
- The 16 services display varying degrees of regionalism. Social services, for example, are relatively regionalized while recreation services are typically localized.

Generalizations are problematic, however, because different functions within a service often display different degrees of regionalism. Within police services, for example, forensics and criminal investigation functions are under countywide control, while street patrols are often provided at the municipal level.

- Such inter- and intra-service variation is appropriate given the nature of different service functions, their potential for economies of scale, their use of capital facilities and labor, and their "spillover" effects on other services or jurisdictions.
- Services vary in the extent of private and nonprofit sector involvement. Although virtually every service has some private and nonprofit interest (courts are the nearest exception to the rule), a few are highly intertwined with non-public sectors. The line between public and private provision of health services, for example, is increasingly blurred, with common practices of private physicians treating patients at public hospitals and private HMOs serving public-supported Medicaid patients. Social services, which entail a complex system of referrals between public, private, and nonprofit providers, offer another example.
- Library services offer the purest example of a "service federation" in the county, with individual, typically municipally based, library systems retaining a measure of autonomy under the central Buffalo and Erie County library system.
- In several instances, notably economic development, water, sewer, roads, and emergency medical services, localized service arrangements may diminish service quality and thus warrant greater scrutiny. For example, over 100 public, private, and nonprofit entities provide economic development services. There are 30 separate dispatch agencies for 911 emergency calls.
- The decentralized aspects of several services, notably planning, solid waste, and fire protection, entail both advantages and disadvantages. This renders reform opportunities technically complex and politically controversial. Volunteer fire companies, for example, offer the benefits of citizen involvement, volunteerism, enhanced community identity, and low personnel costs, but also the burdens of possible inter-company competition, equipment duplication, and firefighter shortages.

Part IV: Assessment and Next Steps

Assessing Regionalism in Erie County

- Regionalism is not an either/or condition. Rather, regionalism should be seen as a series of continua, each measuring the level of regionalism for dimensions of governance, such as commuting patterns, service collaborations, regional identity, and local government revenue sharing. Of importance is whether these dimensions of governance are positioned appropriately along the continuum and are moving in a direction to further progress on regional goals.

- Regionalism is not an ideal state to be achieved; bigger government is not necessarily better government. There are instances when decentralized governance is desirable and appropriate given different service needs and preferences.
- Regionalism in Erie County is most extensive in how people live their everyday lives, as indicated by cross-jurisdictional patterns of commuting, shopping, and pursuit of entertainment and personal services, especially in the metropolitan core. Regionalism is also evident in the relatively extensive network of collaborations at the service level. The area is far less regionalized with respect to sharing of tax base or economic development revenues. Psychologically, regionalism is most evident in matters related to weather, concern for the regional economic base, and issues of identity as reflected in allegiance to sports teams. Beyond this, residents have strong attachments and allegiance to their local community.
- Good prospects for in-depth case studies of structural change in service delivery are urban water, sewer, planning, economic development, solid waste, EMS, fire protection, road services, and parks.
- The extent of interdependence within the region indicates that the region has a common destiny. This implies that in its ability to compete in a competitive global economy, the region is only as strong as its weakest link. More explicitly, to the extent that the City of Buffalo falters, the whole region falters.
- Common destiny implies not regional government, but rather establishment of processes and institutions that permit deliberating issues at the regional scale. There is currently no well-developed mechanism for citizens and policy makers to wear regional hats in a forum specifically designed to debate issues of regional significance.
- Fiscal stress and race/class prejudices are barriers to improving and enhancing systems of governance in Erie County. Resolution of issues within the region often flounder due to fiscal competition and race/class relations. These divides hinder the pursuit of effective governance and hamper the region's ability to compete effectively in the global economy.

How We Compare: Governance Elsewhere

- Metropolitan policy makers have many options for local government arrangements. Some require structural change (e.g., metropolitan government, city-county consolidation, two-tier federations, regional multipurpose districts, and regional special-purpose governments). Others require no structural change (formalized governance networks, functional transfers, intermunicipal service agreements, and privatization or non-profitization).
- With the exception of regional special-purpose governments, models involving structural change are relatively rare in U.S. metropolitan areas because of strong opposition from many quarters, including voters. The experience of places that have

undergone structural change is mixed in terms of cost savings, service coordination, and reduction of service inequities.

- By contrast, non-structural changes are common elsewhere and in Erie County. Formalized regional governance networks are gaining attention as a useful means to address issues of governance in regions characterized by complex local government arrangements and strong opposition to structural reform. Under such networks a region establishes a formal process for identifying and deliberating avenues for regional or intercommunity cooperation. A typical outcome is a plan for regional cooperation, including a process for monitoring achievement and updating the plan.
- A survey of selected metropolitan areas reveals a wide range of interest in and efforts to redesign local government arrangements to improve the effectiveness of governance. Where regionalism is on the metropolitan agenda, efforts generally focus on non-structural changes, given the political improbability and uncertain advantages of more radical structural changes.

Next Steps: An Action Agenda

- The need for good information to foster good decision making in governance is critical. The region lacks a mechanism for centralizing and disseminating accurate, up-to-date, comprehensive information on governance and service delivery in the region.
- The information and analysis in this report are necessary but not sufficient for effective governance. The goal of thinking and acting regionally in Erie County will necessarily involve an ongoing dialogue and a series of deliberate action steps by a collaboration of stakeholders in the region.
- There is no "silver bullet" for effective governance. In some cases, services and policy making may benefit from greater regionalism; in other cases, a decentralized structure of governance works fine.
- There are numerous precedents -- internal and external to the county -- for mutually beneficial arrangements for governance and service delivery. The tough question for the region is how to broker the tradeoffs between different goals of governance, such as efficiency, equity, accountability, and political participation.
- Although this report focuses on the public sector because of its central role in service delivery and policy making, governance itself embraces a range of public, private, and nonprofit entities. Further study on the relations between sectors in the region would be valuable.
- Four steps are proposed as an initial effort to build a base of useful information, communicate better with one another and promote cooperative approaches to regional challenges:

1) convene a regional forum to present analyses and conclusions of this report and begin the process of deliberating governance concerns of regional significance.

2) develop an accessible, on-line regional information network for the exchange of information between area residents, governments, businesses, foundations, not-for-profit institutions, schools, and other potential users. This network would itself be a regional collaboration, sustained by and of use to multiple information providers in the area.

3) conduct a large-scale survey of area residents and stakeholders to determine attitudes and beliefs about issues of governance. Currently, a major gap in the region's ability to understand and act on issues of regional significance is lack of systematic information about resident and business preferences and opinions with respect to governance.

4) hold a series of follow-up forums on issues of governance for targeted audiences, as indicated below. The forums would provide a process and framework for deliberating issues at the regional scale. Of immediate value are forums specifically directed at:

- Municipal Officials. This forum would enable elected officials and staff to share ideas about service delivery, possible collaborations, effective ways to lower costs, legislative roadblocks to good governance, participation in the regional information network, and other topics.
- Information Providers and Users of a Regional Information Network. This forum would enable potential information network users and information providers to collaborate in the planning, construction, and implementation of a regional information network.
- Legislators. This forum would bring together elected state and regional officials to focus on issues of concern to Western New York residents and governments. The gathering would be an opportunity to present ideas that need legislative redress or support for moving forward.

- As the major university center in the region, the University at Buffalo can and should play an important role in an ongoing discourse on issues of governance, over and above the publication of this report. Particularly as a state institution, the university has a genuine obligation to be an active partner in the development of the community. It is also true, however, that for a regional collaboration to be successful, every sector of the region must join in the cooperative venture.

Chapter 1

Introduction: The Challenge of Effective Governance

One of the fundamental challenges facing society is the task of organizing governing institutions to provide for the collective needs of residents in an effective, efficient manner.

As in virtually every area of the country, the desire for a responsive, cost-effective structure of governance dominates the political discourse within Erie County. The purpose of this report is to encourage and advance this dialogue and to propose a series of action steps to support that critically important effort.

The work of The Governance Project is founded on the basic premise that a vigorous region with a hopeful future requires competent, informed decision-making. This is true in every sector of the community, but most certainly in the public sector, which is the focus of this report. Good decision-making has many prerequisites, including hard work, good will, available talent, and regional resources. This region is rich in such attributes.

Good decision-making about governance, however, also requires useful, reliable information on the structures and issues of governance that drive the region. Although ample information exists within Erie County, it is relatively dispersed throughout the area and often difficult to find. There is a great need to centralize data, monitor trends, analyze facts, and make such information accessible to every sector of the community, including policymakers, taxpayers, and voters. A deliberate, comprehensive base of reliable information can serve as a foundation for improved regional discussion, improved understanding, and improved decision-making.

The purpose of this report is to encourage and advance dialogue on how to create a responsive, cost-effective structure of governance and to propose action steps to support that critically important effort.

This overall goal to provide useful and accessible information on governance in the region creates the backdrop for more precise questions, such as:

- How centralized should governance and service delivery be?
- What are the optimal geographic scales for a varied range of government functions, from raising revenues to arranging for garbage collection?
- How do systems of governance best protect public health, safety and welfare at the neighborhood, municipal, regional, national, and global scale?

- What are the roles of private and nonprofit entities in systems of governance?
- How can we reconcile the needs of geography-based communities with other "communities" based on professional occupations, demographic attributes, or other interests?
- How can systems of governance respect diverse cultures and individual freedoms, while also protecting majority will and the legitimate needs of the collective over the individual?
- What is the role of new technologies in changing systems of governance?

Compounding these important questions is the perception of many people that our systems of governance are too complex, too redundant, and too costly. Many believe that such systems must be "reinvented" if they are to confront basic societal challenges.

This report on governance in Erie County originates in such challenges. The goal is to further the understanding of the region by:

- providing basic information on the structures and issues of governance and service delivery in the area; and
- analyzing and drawing policy implications from this information as a basis for future inquiry, discussion, and action.

The report often challenges conventional wisdom on the structure and processes of governance in the region. Conventional wisdom refers to the common beliefs and opinions we hold that influence how we conceive of and function in the region. It is incumbent upon us all to better understand and critically challenge the conventional wisdom, which, to the extent it is wrong or misleading, may act as a barrier to positive change.

Compounding these questions is the perception of many people that our systems of governance are too complex, too redundant, and too costly.

Governance in Erie County: A Foundation for Understanding and Action is the first major product of The Governance Project, a university-based effort to study governance in Western New York. The Governance Project was initiated in early 1994 by William R. Greiner, President of the State University of New York at Buffalo. In establishing The Governance

Project, President Greiner brought together a multi-disciplinary team of university faculty with expertise in local government history, finance, political structure, and policy. The mission of The Governance Project, described in the sidebar on the following page, is to marshal data, monitor trends, and analyze information related to governance in the region.

The focus in this report is the portion of the Western New York region included within the boundaries of Erie County. We note at the outset that limiting our analysis to a county subarea is both useful and constraining. On the one hand, the county unit of

University at Buffalo Governance Project

Achieving and sustaining economic and political development requires effective governance. Around the world, across the nation, and certainly in Western New York, citizens increasingly demand high quality, efficient, and equitable delivery of municipal services at reasonable cost. Local government institutions and processes are under unprecedented scrutiny to meet these demands, despite anti-tax sentiment, exceptional health and public safety problems, and sharply increased expenses and decreased state and federal support. Consequent ventures into new modes of service delivery, including contracting, privatization, service regionalization, and public-private partnerships, signify widespread and resolute determination to "reinvent government" in this and other regions.

While the calls for government reform are clear, it is equally clear that the accurate and comprehensive information necessary to fully understand and analyze such reforms is not currently available. Achieving effective governance requires skillful compilation, examination, monitoring, and presentation of information on governance structures as well as impartial analysis of often controversial issues of government reform. The University at Buffalo has expertise in and commitment to governance research, as well as ample resources, facilities, and contacts with governance experts worldwide. As such, the university is well qualified to serve as a think tank and workhorse of efforts to analyze political structure and organization in the Western New York region.

The purpose of The Governance Project is to provide sound information and useful analysis on issues of governance. Central to the project is a data base and associated materials on political structure in the area with which to better understand patterns of service delivery, questions of who provides, produces, pays for, and benefits from local government services, legal and institutional factors that influence governance structure, and the demographic and economic characteristics of the region's people. Initially the project has focused on governance within the boundaries of Erie County, with the potential to expand in the future to other parts of Western New York and Southern Ontario.

With the assistance of local governments and other institutions, the collection and analysis of data, maps, and reports will provide a regional resource for answering questions about structures of local governance, patterns of shared services, and opportunities for regional partnerships in governance. Information resources will be updated regularly and made accessible in numerous media, including hard copy and on-line reports on the Internet and World Wide Web. As citizens and public officials confront challenging governance problems and seek ways to improve the efficiency and quality of service delivery, they may turn to the project and its resources for reliable and useful information for effective decision-making.

government is large and diverse enough to capture the complexity of governance structures, patterns of service delivery, and landscapes, without being so large as to preclude detailed analysis of that complexity. In addition, demographic and other data are often gathered and

Erie County represents an exceptional cross-section of Western New York, including a range of urban, suburban, and rural settlements as well as a diversity of peoples and places.

reported at the county scale, which facilitates analysis. Numerous state and federal programs operate at the county scale, which reinforces the county as a useful scale for data and analysis. More particularly, Erie County represents an exceptional cross-section of Western New York, including a range of urban, suburban, and rural settlements as well as a diversity of peoples and places. Until recently, moreover, the boundaries of Erie County were coterminous with the boundaries of Buffalo Metropolitan Area, a statistical unit

used by federal and state agencies to implement programs, allocate resources, and report data.¹

At the same time, there are several drawbacks to the county scale of analysis for governance research. Most basically, counties are political units that do not necessarily reflect economic, social, or natural environmental spheres of influence. Watersheds, climatic patterns, pollution, tourists, and other people and phenomena move freely across porous county lines. In addition, the boundaries of school districts, special districts and public authorities, and even municipal governments can and do extend beyond county boundaries, which makes the county a problematic unit for analysis. Erie County, like any county, cannot wholly substitute for a larger, more complex region.

Organization of the Report

Governance in Erie County: A Foundation for Understanding and Action is divided into four sections following this introduction.

As an essential context for understanding local governance, **Part I** profiles the places and people of Erie County, focusing on the municipal structure of local government, the presence of special-purpose governments, demographic characteristics, growth and settlement patterns, the social geography of cities, suburbs, and rural areas, and patterns of household and family structure. In analyzing these topics, the profile often challenges conventional wisdom about who we are, where we live, and how we live in Erie County.

¹ In 1993, the Office of Management and Budget, the agency responsible for defining boundaries of metropolitan areas, combined the two separate and adjacent metropolitan areas of Buffalo (Erie County) and Niagara Falls (Niagara County) into a single metropolitan area to be known as Buffalo Metropolitan Statistical Area. Of note is that this change represented a return to the pre-1970 definition of "metropolitan," which since 1910 had included the two counties.

Part II outlines the evolution of the historical, legal, and financial framework for governance in Erie County. The section begins with a chronology of jurisdiction formation within the county and the forces that have shaped the area's political evolution. The analysis then turns to the legal codes, statutes, and powers that ordain local government rights and responsibilities in New York State. The final chapter of Part II focuses on local government finance, including a discussion of revenue sources, expenditures, local reliance on aid from federal and state governments, intergovernmental transfers, and municipal tax burden.

Part III, the longest in the report, focuses on structures and issues of service delivery in Erie County. The section begins with an overview of the range of possible service delivery arrangements, then profiles sixteen common county or municipal services provided in the region. Many profiles include maps of service areas and tables summarizing basic data on service and financial arrangements. Several services, notably general government (including municipal assessment, clerk, and legislative functions), schools, and some utilities are omitted from the services profiled because of their distinctive institutional arrangements or because they are not typically included on the menu of general-purpose government services.

Part IV synthesizes the report with an assessment of the structures and status of regionalism within Erie County. To put that assessment in context, one chapter discusses alternative models of governance found in other North American metropolitan regions. The report concludes with a summary of general findings and a proposed regional action agenda for assembling and using reliable information essential to competent decision-making in the public sector.

A Note on Data and Terminology

The information contained in this report comes from a variety of primary and secondary sources on governance, many specifically focused on Erie County. Sources include books, journals, news articles, government reports, published data on local government finance and demographics, and interviews with national, state, county, municipal, and district staff members and officials. Although every effort has been made to ensure accuracy, errors may remain in the report. We appreciate hearing about corrections, clarifications, and the availability of updated information to make future reports as useful as possible.

Several terms used in this report warrant clarification. The term "Erie County" can be confusing in that it refers to both a unit of government and a geographic area. Where the context does not point to the appropriate meaning, we add the word "government," as in "Erie County government," or "the government of Erie County" to refer to the political jurisdiction.

The report focuses on the public sector dimensions of governance. The term "governance" includes not only public sector governments, but also private and not-for-profit institutions. Although the private and nonprofit sectors are addressed throughout the analysis, the report gives primary attention to the public sector. This more narrow scope is appropriate for an initial report, given the central legal, financial, and political roles for the public sector in service delivery and policy.

Finally, it is important to clarify the meaning of "central city," "cities," and "city" as used in this report. By Bureau of the Census convention, the term "central city" refers to the core city of a metropolitan region, in this case the City of Buffalo. We follow Census Bureau conventions and thus use "central city" interchangeably with "City of Buffalo." Note that "central city" encompasses the entire territory within Buffalo City limits, not a small portion of the city. "Central city" is thus not equivalent to "inner city," "central business district," or "downtown," which would refer to a central subset of the City of Buffalo. "Cities," by contrast refer to the three city jurisdictions in the County: the City of Buffalo, City of Lackawanna, and City of Tonawanda.

Chapter 2

Where We Live: The Places of Erie County

The first step to understanding governance within Erie County is understanding where we live. Where we live in jurisdictional terms is significant: it determines where we pay taxes, where we receive the bulk of our government services, where we vote, and where we are represented politically.

This chapter has three purposes: 1) to provide an overview of local government arrangements in Erie County; 2) to place those arrangements in context by comparing them to other metropolitan regions in the state and nation; and 3) to consider whether and why those arrangements may matter for achieving goals of governance, such as efficiency, equity, accountability, and economic growth.

The Structure of Governance in Erie County

Erie County contains parts of two Native American Reservations (Cattaraugus and Tonawanda), and 123 independent units of local government (table 2-1). By type, the 123 local governments comprise:

- ◆ **1 county;**
- ◆ **3 cities;**
- ◆ **25 towns;**
- ◆ **16 villages** (including the Village of Gowanda, partially located within Cattaraugus County);
- ◆ **29 school districts** (including several school districts whose boundaries extend outside Erie County; excluding Buffalo School District, which is a dependent district of the City of Buffalo); and
- ◆ **49 independent special-purpose governments** (comprising entities identified by the New York State Comptroller as independent local governments. By function, these include 33 fire districts, 6 housing authorities, 6 industrial development agencies, 1 soil and water conservation district, 1 sewer authority, 1 water authority, and 1 transit authority).

Governments empowered to provide a wide range of functions are known as general-purpose governments. In New York State, these include counties, cities, towns, and villages (map 2-1).

**Table 2-1
Units of Local Government in Erie County**

County (1):	Erie		
Cities (3):	Buffalo	Lackawanna	Tonawanda
Towns (25):	Alden	Concord	Marilla
	Amherst	Eden	Newstead
	Aurora	Elma	North Collins
	Boston	Evans	Orchard Park
	Brant	Grand Island	Sardinia
	Cheektowaga	Hamburg	Tonawanda
	Clarence	Holland	Wales
	Colden	Lancaster	West Seneca
	Collins		
Villages (16):	Akron	Farnham	North Collins
	Alden	Gowanda (pt.)	Orchard Park
	Angola	Hamburg	Sloan
	Blasdell	Kenmore	Springville
	Depew	Lancaster	Williamsville
	East Aurora		
School Districts (29):	Akron Central	Frontier Central	Lancaster Central
	Alden Central	Gowanda Central	Maryvale
	Amherst Central	Grand Island Central	North Collins Central
	Cheektowaga Cent.	Hamburg Central	Orchard Park Central
	Cheek./Sloan Union Free	Holland Central	Springville/Griffith
	Clarence Central	Hopevale Union Free	Sweet Home Central
	Cleveland Hills	Iroquois Central	Tonawanda
	Depew	Kenmore/Tonawanda	West Seneca Central
	East Aurora	Lackawanna	Williamsville Central
	Eden Central	Lake Shore Central	

continued on next page

Part I

The Places and People of Erie County

Part I examines the connections between where we live, who we are and how we live in Erie County. The analysis reveals a common mismatch: people work, shop, get health care, and find recreation throughout the region, even as they live, vote, and pay taxes within a single jurisdiction. Such a mismatch is of little concern if jurisdictions are fairly uniform in resources and need. To the extent some places bear a disproportionate burden of caring for the region's neediest residents or providing the bulk of the area's region-serving facilities, however, the mismatch can signal fiscal and social inequity.

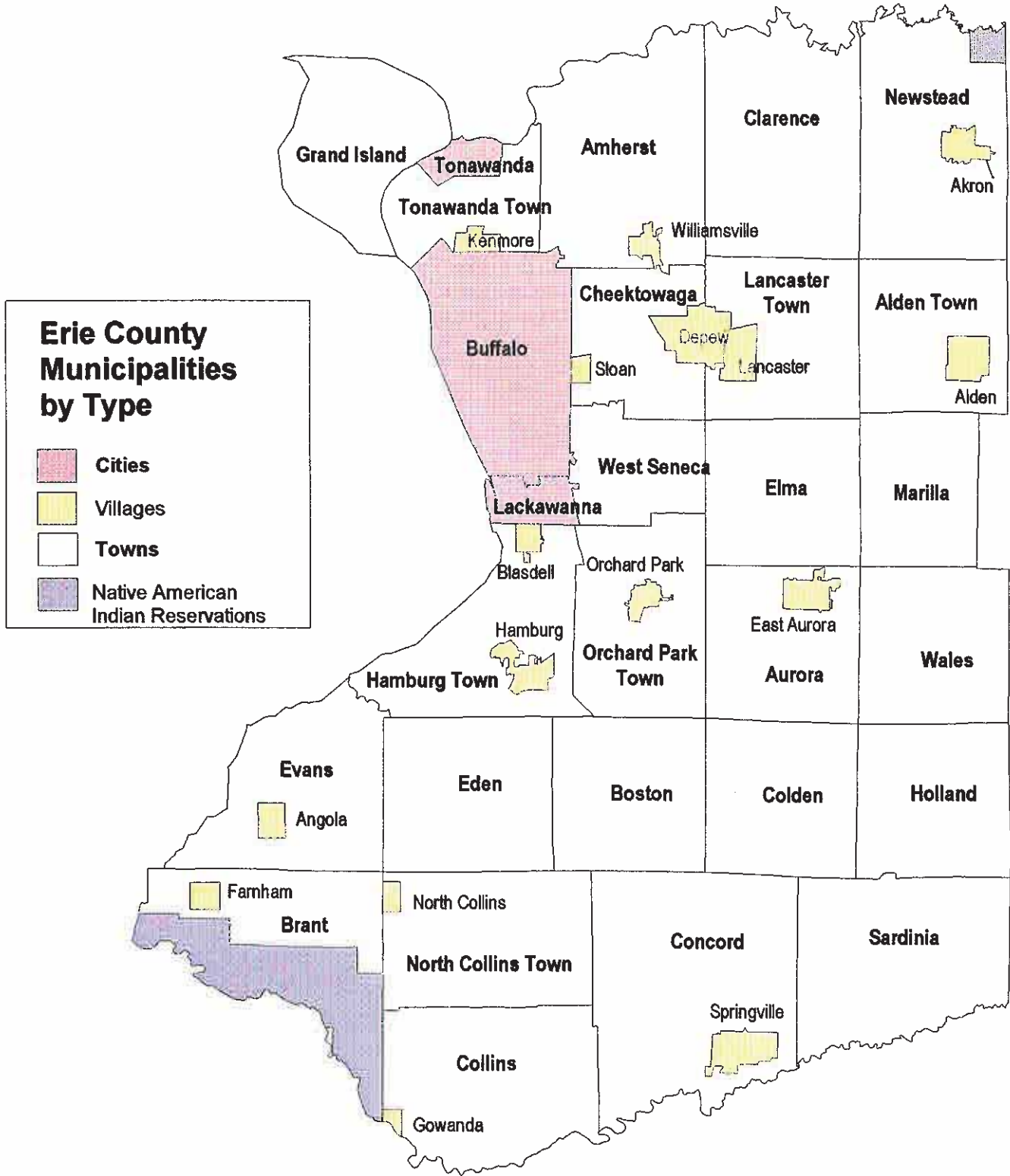
Chapter 2 outlines where we live, focusing on the local government structure of Erie County. Chapter 3 reviews who we are, including demographic attributes, the social geography of race and class, and patterns of mobility within Erie County. Chapter 4 examines how we live in terms of our patterns of commuting, shopping, health care, and leisure to assess the match or mismatch between where we live, who we are, and the activities of our daily lives.

Units of Local Government in Erie County (con't.)

Independent Special Districts (49):

Housing Authorities (6):	Buffalo		Tonawandas (City and Town)		Lancaster (Village)
	Lackawanna		Cheektowaga		Kenmore
Industrial Development Authorities (6):	Erie County		Clarence		Hamburg
	Amherst		Concord		Lancaster
Fire Districts (33):	Egbertsville	(Amh.)	Univ. Crest #4	(Chk.)	Brighton #5 (Tona.)
	Snyder	(Amh.)	Walden #2	(Chk.)	Ellwood #1 (Tona.)
	Aurora-Colden #6	(Aur/ Col)	Clarence #1	(Clar.)	Kenilworth #2 (Tona.)
	South Wales #1	(Aur/ Wales)	Colden	(Cold.)	River Road #3 (Tona.)
	Bellevue #9	(Chk.)	Collins	(Coll.)	Sheridan Pk. (Tona.) #4
	Cleveland Hill #6	(Chk.)	Eden	(Eden)	West Sen. #1 (W.S.)
	Doyle #1	(Chk.)	Spring Brook	(Elma)	West Sen. #2 (W.S.)
	Fire Dist. #8	(Chk.)	North Evans	(Evns)	West Sen. #3 (W.S.)
	Forks #3	(Chk.)	Lake View	(Hmbg.)	West Sen. #4 (W.S.)
	Pine Hill #5	(Chk.)	Holland #1	(Holl.)	West Sen. #5 (W.S.)
	Southline #10	(Chk.)	Orchard Park	(O.P.)	West Sen. #6 (W.S.)
Other Public Authorities or Districts (4):	Buffalo Sewer Authority Erie County Water Authority Erie County Soil and Water Conservation District Niagara Frontier Transit Authority				

Map 2-1 Municipalities In Erie County



Some villages span two towns or counties: the Village of Depew spans the towns of Cheektowaga and Lancaster; the Village of Williamsville spans the towns of Amherst and Cheektowaga; and the Village of Gowanda spans the towns of Collins (Erie County) and Persia (Cattaraugus County).

General-purpose governments of the same type do not overlap one another. Those of different types may overlap. A county, for example, overlaps municipal governments (cities, towns, villages). In some cases a village spans two towns or counties. In Erie County this occurs in three instances: the Village of Depew spans the towns of Cheektowaga and Lancaster; the Village of Williamsville spans the towns of Amherst and Cheektowaga; and the Village of Gowanda spans both town and county lines, namely the towns of Collins (Erie County) and Persia (Cattaraugus County).

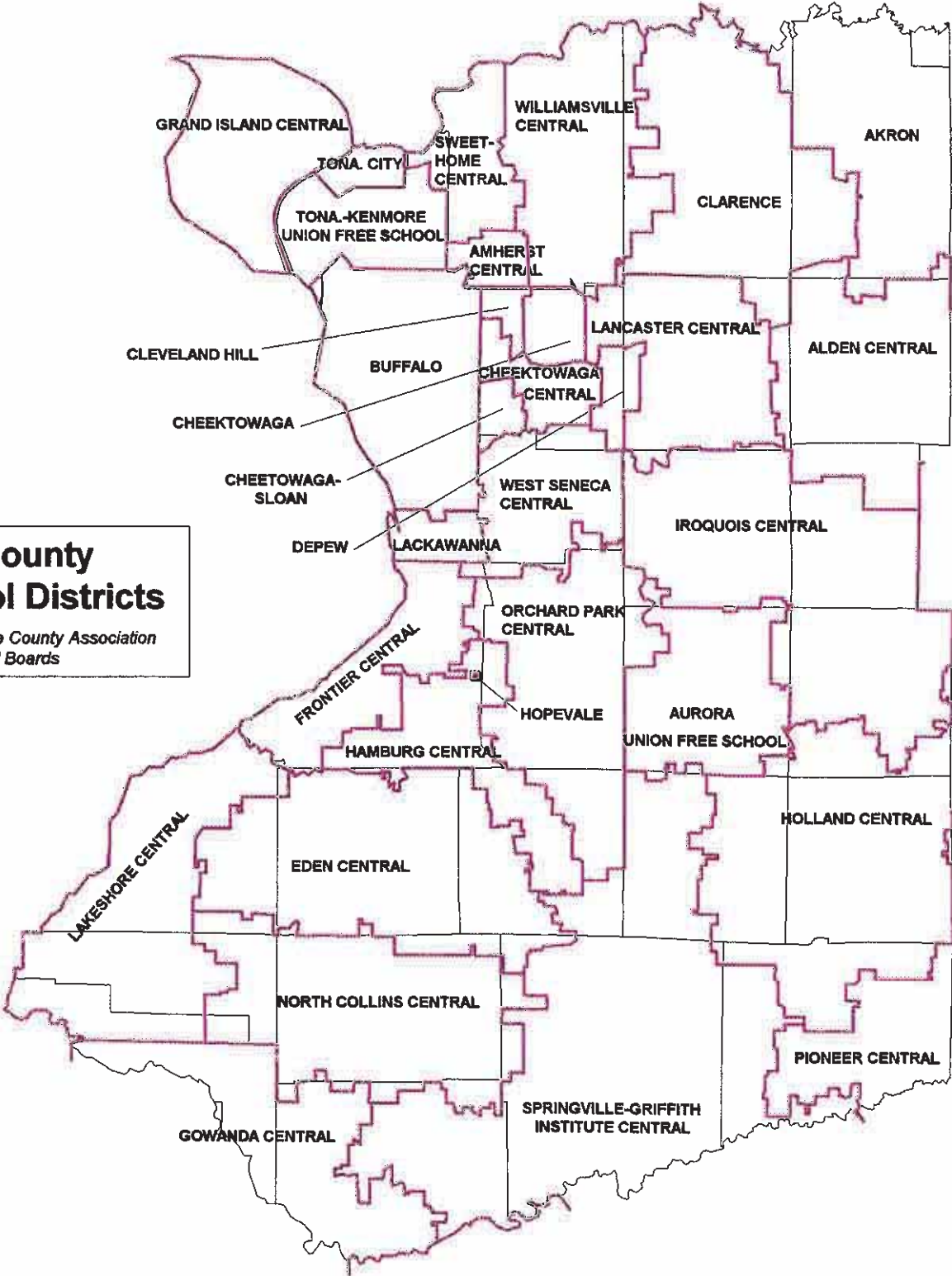
Governments whose powers are restricted to a single or limited few functions are known as special-purpose governments. Special-purpose government is an umbrella term that includes both special districts, which have the power to levy taxes, and public authorities or public benefit corporations, which do not have taxing powers but raise revenues through revenue bonds or user fees. In contrast to their general-purpose counterparts, special-purpose governments may overlap one another and general-purpose governments. Although uncommon, even special-purpose units of the same type (for example, housing authorities or school districts) may overlap. Erie County contains one of these atypical cases: the boundaries of the Erie County Industrial Development Agency (IDA) overlap those of the other five municipally coterminous IDAs in the county.

Maps of many special-purpose governments are included in the service profiles found in chapter 8. Map 2-2 shows the boundaries of school districts, which are not analyzed further in this report.

In addition to these independent governments, Erie County has 22 dependent special-purpose districts and approximately 875 town districts that function as special taxing areas. Over 400 (more than 45 percent) of the dependent districts in Erie County provide street lighting services to subdivisions or neighborhoods in the towns. Another 175, or 20 percent, are town water districts, approximately 120 (14 percent) are sewer districts, and just over 100 (12 percent) are drainage districts. The most prolific creator of dependent town districts is the Town of Amherst, which administers nearly 400, followed by the Town of Tonawanda with over 150.

The 875 town districts in the county are not considered separate units of government, but are rather administrative taxing units operated by a general-purpose parent government.

Map 2-2 Erie County School Districts



Erie County School Districts
Source: Erie County Association of School Boards

The distinction between dependent and independent districts is important and often overlooked. Unlike independent districts, dependent districts do not have autonomous legislative bodies and revenue raising powers. Instead, they depend on a general-purpose "parent" government (county, city, town, or village) to determine policy and provide the service. Dependent districts are *not* considered separate units of government. Rather, they are administrative taxing units operated by a general-purpose government.

Local Government Layering

Although residents typically have their most frequent interactions with and intense allegiance to their municipal government, "local government layering" means that resident-government interactions and allegiances may be extraordinarily complex. Figure 2-1 illustrates the nature of local government layering in Erie County.

Each of Erie County's nearly one million residents resides within a minimum of six local governments -- the county, a city or town government, a school district, and three county-sized (or larger) special-purpose governments (the Niagara Frontier Transportation Authority, Erie County Soil and Water Conservation District, and Erie County IDA).

Each of Erie County's residents resides within a minimum of six local governments. Depending on location, a resident may also receive services from up to six more local governments.

Depending on location, a resident may also be served by up to six more local governments: a village government, a fire district, an independent water authority, an independent sewer authority, a housing authority, and a municipal IDA. In addition, a resident may receive services by any of dozens of private and nonprofit entities that provide a wide array of "public" services in the area.

Residents of villages in general and the Village of Lancaster in particular, have the greatest potential for additional government layers beyond the six minimum.

Considering public providers only, residents of villages in general and the Village of Lancaster in particular have the greatest potential for additional layers beyond the six minimum. Village of Lancaster residents are necessarily within a village, fire district, water authority, housing authority, and municipal IDA, in addition to the six governments common to all county residents. By contrast, residents of the City of Tonawanda and many rural towns have the least potential for local government layers beyond the minimum. These entities are more likely to provide services in-house, contract with private purveyors, or choose to not provide certain services.

Figure 2-1

Local Government Layering in Erie County

Every resident of Erie County resides within a minimum of six local governments:

- ◆ Erie County
- ◆ City or Town
- ◆ School District
- ◆ Niagara Frontier Transportation Authority
- ◆ Erie County Soil and Water Conservation District
- ◆ Erie County Industrial Development Agency

Depending on location, Erie County residents may also receive services from up to six more local governments:

- ◆ Village
- ◆ Fire District
- ◆ Water Authority
- ◆ Sewer Authority
- ◆ Housing Authority
- ◆ Municipal Industrial Development Agency

Erie County residents also receive services from numerous private and nonprofit entities:

- ◆ private providers
- ◆ nonprofit providers

Patterns of local governance are normally even more complex than the local government layering figure suggests. For example, residence within a government unit does not mean

Residence ... does not imply service use [though] it may imply paying a share of service costs... Nonresidents may often use services, sometimes with and sometimes without payment.

that residents necessarily benefit from all services offered, even if they pay a share of costs through taxes. Also, residents may receive services from another jurisdiction, either formally and with payment (as in the case of a Town of Cheektowaga resident contracting with Buffalo Sewer Authority for sewer services), or informally and without payment (as in the case of a Town of Colden resident spending an afternoon in a Town of Aurora park). The cross-border use of roads, public safety, street lighting, solid waste, water, and sewer services is extremely common. Only rarely is such

daily sharing of facilities and services accounted for in intermunicipal agreements, in part because of the administrative complexity of doing so and in part because of the spirit of cooperation that exists between and among local governments.

Does Erie County Have Too Many Governments?: Trends and Comparisons

A common perception within the region is that Erie County has too many governments. The county total of 123 local governments to serve just shy of one million people seems excessive to some and thus an area for reform. Analysis of trends in government within the region and in other metropolitan areas, however, suggests that, numerically at least, the absolute and relative number of governments is not particularly high.

Trends

Every five years since 1952 the U.S. Bureau of the Census has conducted a Census of Governments to count the number of local government units by type in every U.S. county. Nationwide, three trends in government emerge:

- the number of school districts has fallen steadily (continuing a dramatic and longstanding trend since the turn of the century);
- the number of independent special-purpose governments has risen steadily (also a continuation of an earlier trend); and
- the number of general-purpose governments (counties, municipalities, townships) has held steady, with only slight increases in municipalities offset by decreases in townships; the number of counties remains stable.

The Erie County experience partially mirrors these national trends. Bureau of the Census tallies indicate that since the early 1950s the number of local governments has fallen,

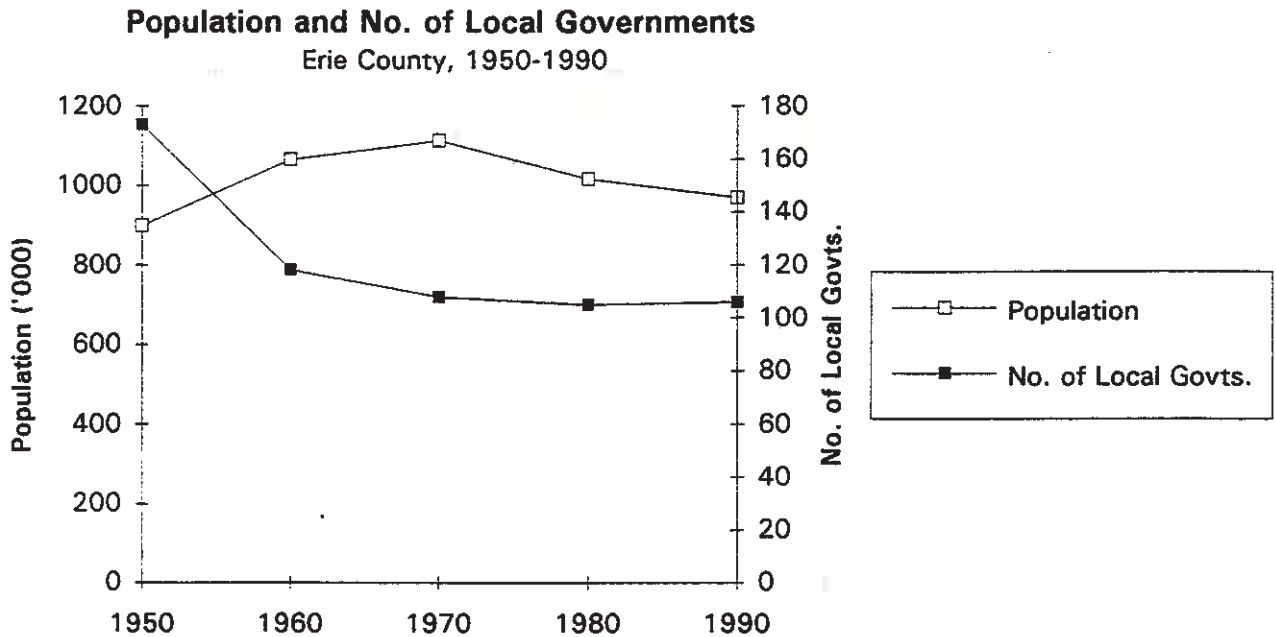
Since the early 1950s the number of local governments in Erie County has fallen, driven by a decline in school districts from 90 districts in 1952 to 29 today.

driven by a decline in school districts from 90 districts in 1952 to 29 today.¹ Contrary to national trends, Erie County has 5 fewer independent special-purpose governments today than in 1952, 34 down from 39. (This decline may be misleading because the Bureau of the Census excludes several types of independent districts that have formed since the early 1950s; see footnote 1.) The number of cities, towns, and villages in Erie County has remained unchanged since 1952

(and well before as discussed in chapter 5).

As a consequence, the number of local governments overall and per person is lower today than 40 years ago, as shown in figure 2-2, which tracks the population and number of local governments in Erie County for the 1950-1990 period. The simultaneous decrease in the number of local governments and increase in population between 1950 and 1970 resulted in a drop from 1.9 to 1.0 governments per 10,000 persons. Since 1970, the stability of local governments combined with slight population declines has meant a slight increase to 1.1 governments per 10,000 persons.

Figure 2-2



¹ U.S. Bureau of the Census data sometimes differ from those provided by the New York State Comptroller due to different definitions used by the two agencies. In particular, the Census Bureau excludes one cross-county village and school district. More significantly, the Census Bureau counts only independent fire districts and the soil and water conservation district as independent special-purpose governments, thereby excluding 15 other entities (IDAs, housing, water, transit, and sewer authorities) counted in the local government totals presented earlier.

Comparisons

Although the number of governments per person reveals little about the effectiveness of a system of governance, a numerical comparison of the structure of local government within Erie County and other places provides a useful context for understanding governance in the region.

Such a comparison indicates that Erie County has neither a particularly fragmented nor integrated arrangement of local governments relative to other areas in the nation and New York State. Indeed, the county is far less "government-heavy" than many places. Consider, for example, the data below which compare the structure of government in the non-Buffalo portion of Erie County² with two states that have around the same population.

<u>Place</u>	<u>1990 Pop.</u>	<u>Number of:</u>			
		<u>Municipalities and Towns</u>	<u>School Districts</u>	<u>Special- Purp. Govts.</u>	<u>Total Local Govts.</u>
Erie County (outside Buffalo)	640,000	43	28	49	120
Vermont (whole state)	563,000	287	276	104	667
South Dakota (whole state)	696,000	1,279	180	262	1,721

The comparison is not meant to suggest that Erie County is like Vermont or South Dakota in ways other than population totals, nor that it should either emulate or serve as a model for governance for these states. The point is rather that different places make quite different choices about local government arrangements. Despite popular perception, in numerical terms the choices Erie County residents have made are far from extreme.

This point is reinforced by the comparison of local government structure in Erie County and other metropolitan and nearby counties around the nation and state. To enable comparisons, the data are from a single source, the *1992 Census of Governments*, compiled by the U.S. Bureau of the Census. As noted, Census Bureau and New York State use different definitions for independent local governments, resulting in tallies somewhat different from those shown previously.

² The City of Buffalo has been omitted from the analysis in order to be as conservative as possible. Including Buffalo, which has one government for 328,000 persons, would increase the region's numerical level of political integration.

Compared to 12 other U.S. metropolitan counties local government structure within Erie County falls about in the middle in terms of absolute and relative numbers of local governments (per land area and per person) (table 2-2).³

The data indicate that Erie County has more local governments than the central counties of Baltimore, Milwaukee, Portland, and Detroit metropolitan areas, about the same as Cleveland metropolitan area, fewer than Louisville, Phoenix, Seattle, and St. Louis metropolitan areas, and far fewer than Houston, Los Angeles and Pittsburgh metropolitan areas.

There are more general-purpose governments in Erie County than in the central counties of Houston, Seattle, and Phoenix, which have 1.5 to 2 times the population of Erie County.

The ranks shown in the table depend in great part on the number of special-purpose governments, which are especially numerous in the Houston and Los Angeles areas (and generally in metropolitan areas in the southwest and west). There are more general-purpose governments in Erie County than in the central counties of Houston, Seattle, and Phoenix, which have 1.5 to 2 times the population of Erie County. At the same time, Erie County has half as many

general purpose governments as the central counties of St. Louis and Louisville metropolitan areas, which are about the same population or smaller. Erie County is far less fragmented than Pittsburgh's Allegheny County, which has 129 general purpose governments serving a population only a third larger than Erie County's. Of interest is that Erie County, like all other comparison counties, has many more governments than Baltimore County, which has exceptionally few governments, especially for an older, eastern metropolitan region.⁴

At the same time, Erie County has half as many general-purpose governments as the central counties of St. Louis and Louisville metropolitan areas, which are about the same population or smaller.

With respect to land area, Erie County's one government per 10 square miles places it toward the low end of the

³ The 12 metropolitan counties were selected to include several commonly compared to Buffalo Metropolitan Area (Cleveland, Pittsburgh, Baltimore, Louisville, Milwaukee, St. Louis, and Detroit) and several others outside the northeast and midwest that offer perspective on the range of political structures nationwide (Houston, Seattle, Los Angeles, Phoenix, and Portland, OR). In Baltimore and St. Louis, the central city and central county are independent and non-overlapping; data are for the county unit only.

⁴ As noted, local government tallies for the City of Baltimore are not included in the total for Baltimore County because the city and county are independent. Yet, even if we included the three local governments in Baltimore City (one municipality and two special-purpose governments), the new total of five local governments for the Baltimore Metropolitan Area would remain the lowest by far.

Table 2-2
Comparative Political Structure: Erie County vs. U.S. Metropolitan Counties

County (Central City)	Total Govts.	Genl. Purpose Govts.	Special Purpose Govts.
Harris, TX (Houston)	518	29	489
Los Angeles, CA (Los Angeles)	337	87	250
Allegheny, PA (Pittsburgh)	296	129	167
St. Louis, MO (St. Louis)	156	89	67
King, WA (Seattle)	140	31	109
Maricopa, AZ (Phoenix)	137	25	112
Jefferson, KY (Louisville)	126	96	30
ERIE, NY (BUFFALO)	106	44	62
Cuyahoga, OH (Cleveland)	102	61	41
Wayne, MI (Detroit)	91	45	46
Multnomah, OR (Portland)	52	7	45
Milwaukee, WI (Milwaukee)	43	20	23
Baltimore, MD (Baltimore)	2	1	1

County (Central City)	Total Govts.	Land Area (sq. miles)	Total Govts./10 Sq. Mile
Allegheny, PA (Pittsburgh)	296	727	4.07
Jefferson, KY (Louisville)	126	386	3.26
St. Louis, MO (St. Louis)	156	505	3.09
Harris, TX (Houston)	518	1,734	2.99
Cuyahoga, OH (Cleveland)	102	459	2.22
Milwaukee, WI (Milwaukee)	43	241	1.78
Wayne, MI (Detroit)	91	615	1.48
Multnomah, OR (Portland)	52	431	1.21
ERIE, NY (BUFFALO)	106	1,046	1.01
Los Angeles, CA (Los Angeles)	337	4,070	0.83
King, WA (Seattle)	140	2,128	0.66
Maricopa, AZ (Phoenix)	137	9,127	0.15
Baltimore, MD (Baltimore)	2	598	0.03

County (Central City)	Total Govts.	Pop. 1990	Total Govts./10,000 pop.
Allegheny, PA (Pittsburgh)	296	1,336,449	2.21
Jefferson, KY (Louisville)	126	664,937	1.89
Harris, TX (Houston)	518	2,818,199	1.84
St. Louis, MO (St. Louis)	156	993,529	1.57
ERIE, NY (BUFFALO)	106	968,532	1.09
King, WA (Seattle)	140	1,507,319	0.93
Multnomah, OR (Portland)	52	583,887	0.89
Cuyahoga, OH (Cleveland)	102	1,412,140	0.72
Maricopa, AZ (Phoenix)	137	2,122,101	0.65
Milwaukee, WI (Milwaukee)	43	959,275	0.45
Wayne, MI (Detroit)	91	2,111,687	0.43
Los Angeles, CA (Los Angeles)	337	8,863,164	0.38
Baltimore, MD (Baltimore)	2	692,134	0.03

Source: U.S. Bureau of the Census. 1992 Census of Governments, Vol. 1, No. 1

Note: Totals differ from data in text due to different definition of independent special districts.

General purpose governments includes county, cities, towns or townships, villages

Special purpose governments includes school districts and independent special districts

rankings for the comparison counties, far behind the central counties of Pittsburgh, Louisville, St. Louis, and Houston metropolitan areas. Of interest is the very similar number of governments serving the central counties of Phoenix and Louisville metropolitan areas, the former of which is around 30 times larger in land area than the latter.

Erie County ranks somewhat higher in terms of governments per 10,000 population, but still considerably below the more politically fragmented central counties of Pittsburgh, Louisville, Houston, and St. Louis. Erie County has over twice as many governments per person compared to Milwaukee County, which has approximately the same population size.

Closer to home, within New York State the first impression is that Erie County indeed has a high number of local governments compared to 14 selected metropolitan or nearby

With 1.1 governments per 10,000 persons, Erie County is tied with Monroe County (Rochester Metro Area) as the least politically fragmented county on a per capita basis, compared to 14 metropolitan and neighboring counties in New York State.

counties (table 2-3). Erie County's 106 local governments are the highest tally in Western New York. The number of local governments in Erie County is lower than that of the several similarly populated downstate counties of Suffolk, Nassau, and Westchester. This is primarily because of those counties' larger number of special-purpose governments.

In relative terms, however, Erie County defies a label of highly fragmented. On a per land area basis Erie County ranks near the middle of the New York counties, with about 1 government per every 10

square miles. The compact, politically decentralized counties of Nassau and Westchester rank well above Erie County on this measure, while several large counties or those with few local governments rank below. Of considerable interest is that with 1.1 governments per 10,000 persons Erie County is tied with Monroe County (Rochester Metropolitan Area) as the least politically fragmented county in per capita terms. Not surprisingly, the relatively sparsely populated counties in Western New York rank highest on this measure.

In short, although numbers by no means tell the whole story, data simply do not support the conventional wisdom that Erie County has a particularly fragmented political structure. In numerical terms, Erie County is neither particularly fragmented nor integrated relative to other U.S. or New York counties.

In short, the data simply do not support the conventional wisdom that Erie County has a particularly fragmented political structure.

**Table 2-3
Comparative Political Structure: Erie County vs. N.Y. Counties**

County	Total Govts.	Genl. Purpose Govts.	Special Purpose Govts.
Suffolk	206	41	165
Nassau	168	70	98
Westchester	123	47	76
ERIE	106	44	62
Oneida	101	49	52
Cattaraugus	86	48	38
Chautauqua	79	45	34
Monroe	77	31	46
Onondaga	74	36	38
Albany	55	20	35
Broome	47	25	22
Schenectady	35	9	26
Wyoming	35	26	9
Genesee	34	21	13
Niagara	34	21	13
County	Total Govts. (a)	Land Area (sq. miles)	Total Govts./10 Sq. Mile
Nassau	168	287	5.85
Westchester	123	438	2.81
Suffolk	206	912	2.26
Schenectady	35	206	1.70
Monroe	77	663	1.16
Albany	55	524	1.05
ERIE	106	1,046	1.01
Onondaga	74	785	0.94
Oneida	101	1,219	0.83
Chautauqua	79	1,064	0.74
Genesee	34	495	0.69
Broome	47	712	0.66
Cattaraugus	86	1,306	0.66
Niagara	34	526	0.65
Wyoming	35	595	0.59
County	Total Govts. (a)	Pop. 1990	Total Govts./10,000 pop.
Cattaraugus	86	84,234	10.2
Wyoming	35	42,507	8.2
Genesee	34	60,060	5.66
Chautauqua	79	141,895	5.57
Oneida	101	250,836	4.03
Schenectady	35	149,285	2.34
Broome	47	212,160	2.22
Albany	55	292,594	1.88
Onondaga	74	468,973	1.58
Suffolk	206	1,321,864	1.56
Niagara	34	220,756	1.54
Westchester	123	874,866	1.41
Nassau	168	1,287,348	1.31
ERIE	106	968,532	1.09
Monroe	77	713,968	1.08

The Significance of Local Government Arrangements

What difference does it make that Erie County has its particular arrangement of local governments? The answer rests in the presumption that local government arrangements matter, and that they affect how the region functions politically, fiscally, and socially. Many believe that judicious reform of political arrangements -- transferring functions, creating metropolitanwide special-purpose governments, privatizing service delivery, or consolidating services -- will lead to better performance on various dimensions of governance, such as efficiency, equity, responsiveness, and economic growth.

What evidence exists that regionalized service delivery costs less or is more efficient than municipal service delivery? Are smaller governments more accountable? Which better attracts new businesses: politically fragmented or politically integrated areas?

But what do we really know about the effects of different local government arrangements? Rhetoric aside, what evidence exists that regional service delivery costs less per capita or is more efficient than municipal service delivery? Are smaller governments really more accountable and responsive? When it comes to attracting new businesses, which is the stronger magnet: politically integrated regions -- the "one-stop-shopping model" -- or politically fragmented ones -- the "play-one-off-

against-the-other model"? In short, how does the arrangement of local governments in a metropolitan area really matter?

A growing body of research on the significance of local government arrangements sheds some light on these questions. A review of this literature is found in Appendix A. Of immediate interest are these findings:

- knowledge is relatively scant about the actual significance of local government arrangements on dimensions of governance such as efficiency, cost, equity, accountability and responsiveness, political participation, and economic growth.
- measuring and isolating the effects of local government arrangements are difficult methodological tasks.
- goals of governance often conflict with one another, implying that there is no single optimal arrangement of local governments. For example, decentralized (politically fragmented) local government arrangements appear to hold down the costs of government, but are less equitable in terms of service standardization than are centralized (politically integrated) arrangements.
- in theoretical terms, the optimal system of governance is one that includes a mixture of large and small governments, each tailored to the production and distribution

characteristics of a single function. Such arrangements have drawbacks in terms of service coordination and the practical inability to monitor and participate in hundreds of individual government units, however.

- government costs tend to be lower in politically decentralized compared to politically integrated regions. This is apparently due to competitive pressures that keep costs in line. Political complexity via special-purpose agencies and intermunicipal arrangements can also accommodate diverse resident preferences and service economies of scale.
- politically integrated arrangements are apparently superior with respect to standardizing service levels, narrowing service disparities, simplifying who provides which services within a region, and engendering strong psychological attachments at the regional rather than local scale.
- studies generally indicate that publicly monitored private contracts, that is, privatization, is more efficient than either public provision or competitive private provision without public intervention. This holds true provided contract awards are competitive and the public sector monitors the private provider to ensure accountability and responsiveness.
- local government arrangements are only weakly related to levels of satisfaction with service provision. Researchers speculate that other factors related to service quality, customer characteristics, historical events, and local leadership are more significant.
- evidence is mixed for whether politically integrated or fragmented metropolitan areas have the edge in economic growth, after controlling for regional differences. Cross-sectional studies are too crude to get at the complex location decisions of corporate officials and residents. Case study research, however, generally reveals strong support by business interests for regionalized government.

Because local government arrangements are, of course, only one of numerous factors that influence the functioning of metropolitan regions, it is impossible to directly attribute outcomes such as efficiency, political participation, government accountability, or economic growth to the arrangement of local governments. There is no universal optimal jurisdictional structure; rather there are different choices for how to arrange governments based on historical factors, political realities, socio-economic considerations, and other factors.

Chapter 3

Who We Are: The People of Erie County

An understanding of governance in Erie County requires knowledge of its people. In this chapter we provide a profile of the people of the county, reviewing some of the key demographic and socio-economic changes they have experienced in recent years. The profile also examines settlement patterns within Erie County, including characteristics of housing stock, occupancy, family composition, and residential and occupational mobility.

As the following sections make clear, in recent decades the region has undergone overall population decline as well as shifts in patterns of age, race, and class. The people of Erie County are more mobile, and their places of residency are more dispersed than in the past. These changes in who we are indicate the need to rethink the conventional categories of city and suburbs and particularly the demographic and class composition of these areas.

Who We Are

The Uneven Evolution of the Population of Erie County

The population of Erie County increased by slightly more than 21 percent during the past half century. This overall growth masks a far more complex and uneven set of patterns, however (table 3-1).

The City of Buffalo lost 43.4 percent of its population in the last four decades, dropping from 580,000 to 328,000 persons. During the same period population outside the city more than doubled, from 319,000 to 640,000 persons.

The population of the county increased by 39.4 percent between 1940 and 1970, when it peaked at 1,113,500 residents. This growth was offset somewhat by a decline in population between 1970 and 1990, leaving the county with 968,500 residents. Most of this decline occurred in the City of Buffalo which lost 43.4 percent of its population in the last four decades, dropping from 580,000 to 328,000 persons. Over the same period the population outside the central city ("OCC," which includes town, village, and other city population) soared by over 100 percent, from 319,000 to 640,000 persons.

Five factors characterize these overall population trends. First, for all its decline, the City of Buffalo remains the most populous jurisdiction in the county, nearly three times the size of the Town of Amherst, the county's second largest. Still, whereas the people of the

Table 3 - 1

**Population Attributes, 1900-1990:
Erie County, City of Buffalo and Suburbs**

Year	Erie County: Total		City of Buffalo		Suburbs		City:Suburb Ratio	City Share of County Population
	Population	Growth rate (%)	Population	Growth rate (%)	Population	Growth rate (%)		
1900	433.7	----	352.4	----	81.3	----	4.33	81.3%
1910	528.9	22.0%	423.7	20.2%	105.2	29.4%	4.03	80.1%
1920	634.7	20.0%	506.8	19.6%	127.9	21.6%	3.96	79.8%
1930	762.4	20.1%	573.1	13.1%	189.3	48.0%	3.03	75.2%
1940	798.4	4.7%	575.9	0.5%	222.5	17.5%	2.59	72.1%
1950	899.2	12.6%	580.1	0.7%	319.1	43.4%	1.82	64.5%
1960	1064.7	18.4%	532.8	-8.2%	531.9	66.7%	1.00	50.0%
1970	1113.5	4.6%	462.8	-13.1%	650.7	22.3%	0.71	41.6%
1980	1015.5	-8.8%	357.9	-22.7%	657.6	1.1%	0.54	35.2%
1990	968.5	-4.6%	328.1	-8.3%	640.4	-2.6%	0.51	33.9%

Source: U. S. Bureau of the Census, *Census of Population and Housing, 1900 to 1990*.

city once accounted for around 80 percent of the county population, they represented only 34 percent in 1990.

Second, most of the 43 jurisdictions outside of Buffalo are very small places. Fourteen of the 25 towns have populations under 11,000 residents and 12 of the 16 villages have populations under 7,000.

Indeed of all the cities, towns, and villages surrounding Buffalo, only six have populations exceeding 25,000.

Of all the cities, towns, and villages surrounding Buffalo, only six have populations exceeding 25,000.

Third, population growth in the suburbs has been uneven over time and place (table 3-2; map 3-1). As late as the 1960s, steady population growth was the rule in most of the

Between 1970 and 1990, 11 of the 27 suburban cities and towns and 14 of the county's 16 villages lost population.

county's suburban municipalities, with only the city of Lackawanna and the villages of Sloan and Kenmore losing population. But between 1970 and 1990 all this changed: 11 of the 27 suburban cities and towns and 14 of the county's 16 villages lost population. The big population losers were industrial-belt communities [the towns of Tonawanda (-23.1%) and Cheektowaga (-12.8%), and the cities of Tonawanda (-19.8%) and Lackawanna (-29.1%)] and the distant rural

centers [such as Brant (-20.7%) and North Collins (-14.4%)]. The Town of Amherst had the greatest absolute gain in population in the past twenty years (17,800, or an increase of 18.8%), even though four other towns (Evans, Orchard Park, Grand Island and Marilla) experienced greater relative rates of growth (between 20 and 62 percent).

Fourth, the population of Erie County is geographically clustered, with over 82 percent of county residents living in the City of Buffalo and eight nearby jurisdictions: the cities of Tonawanda and Lackawanna, and towns of Tonawanda, Amherst, Cheektowaga, West Seneca, Orchard Park, and Hamburg. Within this group, the communities of Orchard Park, Hamburg, West Seneca, and Amherst experienced population growth in the past two decades, while the other communities lost population. The cities of Tonawanda and Lackawanna were especially hard hit, joining Buffalo in losing over one fifth of their populations between 1970 and 1990.

The population of Erie County is geographically clustered, with over 82 percent of county residents living in the City of Buffalo and eight nearby jurisdictions.

Table 3-2

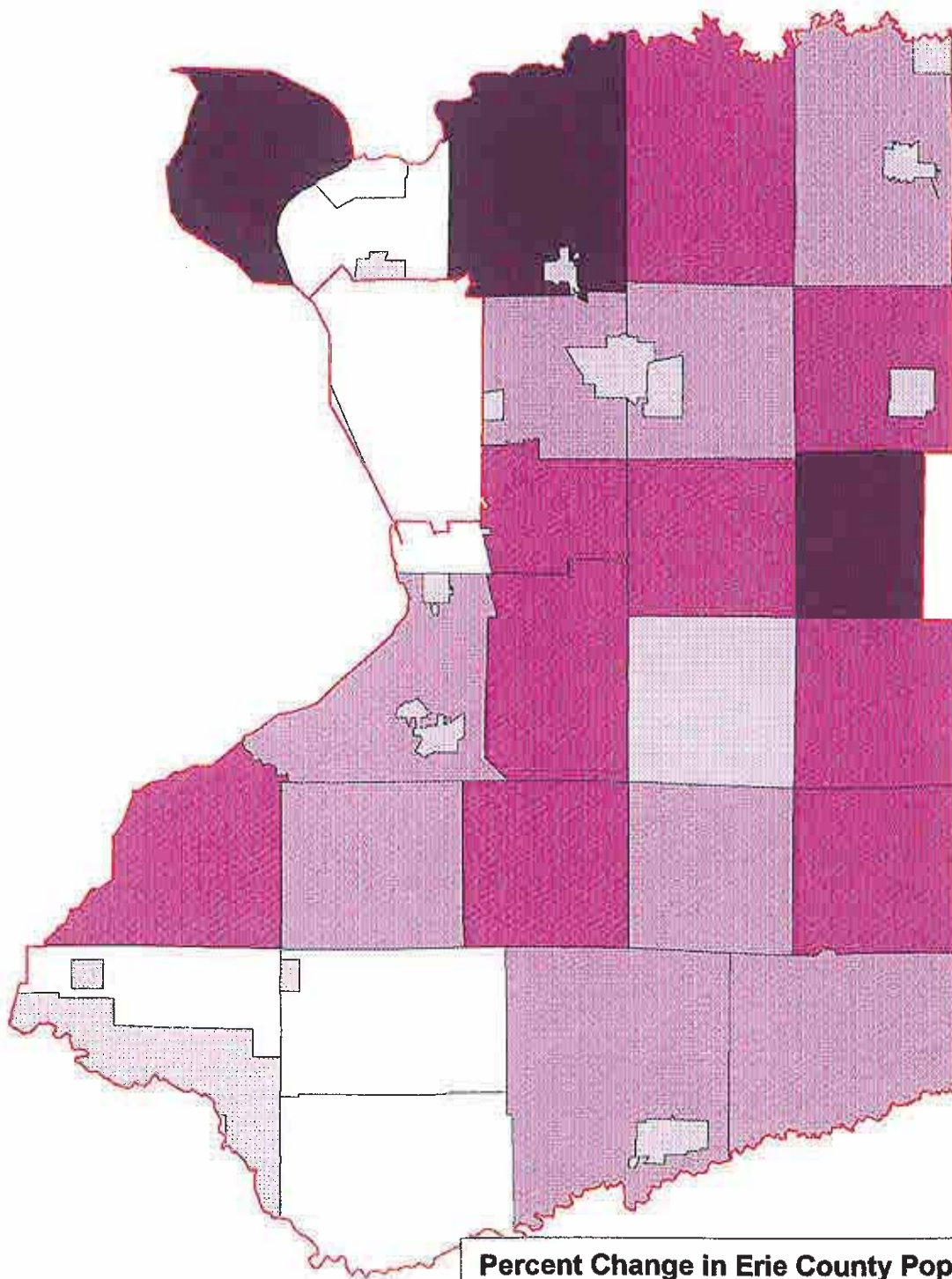
Population Change, Erie County Jurisdictions, 1960 - 1990

Name	Population				Absolute and Percentage Change							
	1960	1970	1980	1990	80-90		70-80		60-70		60-90	
Erie County	1,064,688	1,113,491	1,015,472	968,532	(46,940)	-4.6%	98,019	-8.8%	48,803	4.6%	(96,156)	-9.0%
Suburbs (OCC)	531,929	650,723	657,602	640,409	17,193	-2.6%	6,879	1.1%	118,794	22.3%	108,480	20.4%
Buffalo city	532,759	462,768	357,870	328,123	29,747	-8.3%	(104,898)	-22.7%	(69,991)	-13.1%	(204,636)	-38.4%
Lackawanna city	29,564	28,657	22,701	20,585	2,116	-9.3%	(5,956)	-20.8%	(907)	-3.1%	(8,979)	-30.4%
Tonawanda city	21,561	21,898	18,693	17,284	1,409	-7.5%	(3,205)	-14.6%	337	1.6%	(4,277)	-19.8%
Alden town	7,615	9,787	10,093	10,368	275	2.7%	306	3.1%	2,172	28.5%	2,753	36.2%
Alden village	2,042	2,651	2,488	2,457	(31)	-1.2%	(163)	-6.1%	609	29.8%	415	20.3%
Amherst town	62,837	93,929	108,706	111,725	3,019	2.8%	14,777	15.7%	31,092	49.5%	48,888	77.8%
Williamsville, Amherst	6,316	6,878	6,017	5,568	(449)	-7.5%	(861)	-12.5%	562	8.9%	(748)	-11.8%
Aurora town	12,888	14,426	13,872	13,390	(482)	-3.5%	(554)	-3.8%	1,538	11.9%	502	3.9%
East Aurora village	6,791	7,033	6,803	6,647	(156)	-2.3%	(230)	-3.3%	242	3.6%	(144)	-2.1%
Boston town	5,106	7,158	7,687	7,445	(242)	-3.1%	529	7.4%	2,052	40.2%	2,339	45.8%
Brant town	2,290	2,672	2,437	2,119	(318)	-13.0%	(235)	-8.8%	382	16.7%	(171)	-7.5%
Farnham village	422	546	404	415	11	2.7%	(142)	-26.0%	124	29.4%	(7)	-1.7%
Cheektowaga town	84,056	113,844	109,442	99,300	(10,142)	-9.3%	(4,402)	-3.9%	29,788	35.4%	15,244	18.1%
Sloan village	5,803	5,216	4,529	3,830	(699)	-15.4%	(687)	-13.2%	(587)	-10.1%	(1,973)	-34.0%
Depew, Cheektowaga	7,359	14,392	12,768	11,068	(1,700)	-13.3%	(1,624)	-11.3%	7,033	95.6%	3,709	50.4%
Williamsville, Cheektowaga	-	-	-	15	15	NA	-	NA	-	NA	15	NA
Clarence town	13,267	18,168	18,145	20,041	1,896	10.4%	(23)	-0.1%	4,901	36.9%	6,774	51.1%
Colden town	2,384	3,020	3,128	2,899	(229)	-7.3%	108	3.6%	636	26.7%	515	21.6%
Collins town	6,984	6,400	5,037	6,020	983	19.5%	(1,363)	-21.3%	(584)	-8.4%	(964)	-13.8%
Gowanda village (pt.)	1,079	1,012	849	885	36	4.2%	(163)	-16.1%	(67)	-6.2%	(194)	-18.0%
Concord town	6,452	7,573	8,171	8,387	216	2.6%	598	7.9%	1,121	17.4%	1,935	30.0%
Springville village	3,852	4,350	4,285	4,310	25	0.6%	(65)	-1.5%	498	12.9%	458	11.9%
Eden town	6,630	7,644	7,327	7,416	89	1.2%	(317)	-4.1%	1,014	15.3%	786	11.9%
Elma town	7,468	10,011	10,574	10,398	(176)	-1.7%	563	5.6%	2,543	34.1%	2,930	39.2%
Evans town	12,078	14,570	17,961	17,478	(483)	-2.7%	3,391	23.3%	2,492	20.6%	5,400	44.7%
Angola village	2,499	2,676	2,292	2,231	(61)	-2.7%	(384)	-14.3%	177	7.1%	(268)	-10.7%
Grand Island town	9,607	13,977	16,770	17,561	791	4.7%	2,793	20.0%	4,370	45.5%	7,954	82.8%
Hamburg town	41,288	47,644	53,270	53,735	465	0.9%	5,626	11.8%	6,356	15.4%	12,447	30.1%
Hamburg village	9,145	10,215	10,582	10,442	(140)	-1.3%	367	3.6%	1,070	11.7%	1,297	14.2%
Blasdell village	3,909	3,910	3,288	2,900	(388)	-11.8%	(622)	-15.9%	1	0.0%	(1,009)	-25.8%
Holland town	2,304	3,140	3,446	3,560	114	3.3%	306	9.7%	836	36.3%	1,256	54.5%
Lancaster town	25,605	30,634	30,144	32,185	2,041	6.8%	(490)	-1.6%	5,029	19.6%	6,580	25.7%
Lancaster village	12,254	13,365	13,056	11,940	(1,116)	-8.5%	(309)	-2.3%	1,111	9.1%	(314)	-2.6%
Depew, Lancaster	6,221	7,766	7,051	6,605	(446)	-6.3%	(715)	-9.2%	1,545	24.8%	384	6.2%
Marilla town	2,252	3,250	4,861	5,250	389	8.0%	1,611	49.6%	998	44.3%	2,998	133.1%
Newstead town	5,825	6,322	7,231	7,440	209	2.9%	909	14.4%	497	8.5%	1,615	27.7%
Akron village	2,841	2,863	2,971	2,906	(65)	-2.2%	108	3.8%	22	0.8%	65	2.3%
North Collins town	3,805	4,090	3,791	3,502	(289)	-7.6%	(299)	-7.3%	285	7.5%	(303)	-8.0%
North Collins village	1,574	1,675	1,496	1,335	(161)	-10.8%	(179)	-10.7%	101	6.4%	(239)	-15.2%
Orchard Park town	15,876	19,978	24,359	24,611	252	1.0%	4,381	21.9%	4,102	25.8%	8,735	55.0%
Orchard Park village	3,278	3,732	3,671	3,280	(391)	-10.7%	(61)	-1.6%	454	13.8%	2	0.1%
Sardinia town	2,145	2,505	2,792	2,667	(125)	-4.5%	287	11.5%	360	16.8%	522	24.3%
Tonawanda town	105,032	107,282	91,269	82,464	(8,805)	-9.6%	(16,013)	-14.9%	2,250	2.1%	(22,568)	-21.5%
Kenmore village	21,261	20,980	18,474	17,180	(1,294)	-7.0%	(2,506)	-11.9%	(281)	-1.3%	(4,081)	-19.2%
Wales town	1,910	2,617	2,844	2,929	85	3.0%	227	8.7%	707	37.0%	1,019	53.4%
West Seneca town	33,644	48,404	51,210	47,851	(3,359)	-6.6%	2,806	5.8%	14,760	43.9%	14,207	42.2%

Source: US Bureau of Census, Census of Population and Housing, various years.

Note: (1) Town totals include villages. (2) "NA" means not applicable. (3) A dash "-" represents zero.

Map 3-1 Erie County Population Change



**Percent Change in Erie County Population
By Municipalities between 1960 - 1990**

- 78 to 133%
- 36 to 78%
- 12 to 36%
- 0 to 12%
- 38% to 0

Fifth, the population of the county, especially suburban population, is on average older than elsewhere. The median age is 35 years, a notable three years older than the national median age of 32 years. The New York State Data Center projects that the median age of Erie County residents will increase to 43 years by 2010. The fastest growing age cohort is persons over 64, which in the decade between 1980 and 1990 increased from 12 to 15.3 percent of the Erie County population.

The fastest growing age group in the area is persons over 64 years. The median age of Erie County residents is projected to increase to 43 years by 2010.

The aging of the population can be explained in two ways. First, the largest age cohorts are the 25-44 and 45-64 age

groups, representing baby boomers whose presence will continue to dominate the social demography for the next few decades (table 3-3). Second, the combined impact of advances in medical technology and health care, the loss of historically high wage jobs that accompanied the industrial restructuring of the regional economy, and the outmigration of workers has been enough to exacerbate the aging of the regional population.

The most dependent members of the county population, children under 18 and elders over 65, comprise 39 percent of all county residents. With few exceptions the proportion of dependent citizenry is fairly even across the cities and towns of Erie County. The towns of Cheektowaga and Tonawanda have relatively large numbers of elderly residents, while rural communities, such as the towns of Wales, Holland, and Sardinia and the Cattaraugus Reservation have relatively large numbers of young residents.

The most dependent members of the county population, children under 18 and elders over 65, now comprise 39 percent of all county residents.

The age cohort losing the most population in the past two decades has been persons between 18 and 24 years, the productive future of the regional work force.

The age cohorts of the region's most productive residents, residents aged 18-64, have either leveled off or are declining. The group losing the most population in the past two decades has been persons between 18 and 24 years, the productive future of the regional work force.

These trends in aging have important implications for governance and service delivery. For example, older

persons generally demand higher quantities of health and public transit services while young persons demand more recreation and social services. The larger the dependent population, the greater the pressure on working citizens to shoulder the responsibility for non-working elders and children.

Table 3 - 3

Erie County Population, by Age Cohort, 1990

Place	Total Persons	Ages: (0-5)		Ages: (6-17)		Ages: (18-24)		Ages: (25-44)		Ages: (45-64)		Ages: (>64)		Ages: (0-17) & (>64)	
		Total	% of Total	Total	% of Total	Total	% of Total	Total	% of Total	Total	% of Total	Total	% of Total	Total	% of Total
Erie County	968,532	80,629	8%	145,371	15%	102,395	11%	298,737	31%	193,970	20%	147,430	15%	373,430	39%
Suburbs (OCC)	640,409	50,108	8%	96,307	15%	61,254	10%	195,522	31%	138,842	22%	98,376	15%	244,791	38%
Buffalo	328,123	30,521	9%	49,064	15%	41,141	13%	103,215	31%	55,128	17%	49,054	15%	128,639	39%
Lackawanna	20,585	1,918	9%	2,845	14%	2,113	10%	5,725	28%	4,323	21%	3,661	18%	6,682	39%
Tonawanda	17,284	1,407	8%	2,768	16%	1,494	9%	5,524	32%	3,584	21%	2,507	15%		
Alden	10,368	755	7%	1,439	14%	1,065	10%	3,633	35%	2,042	20%	1,434	14%		
Amherst	111,725	8,610	8%	16,051	14%	13,336	12%	32,758	29%	24,066	22%	16,904	15%	41,565	37%
Aurora	13,390	1,125	8%	2,214	17%	873	7%	4,092	31%	2,957	22%	2,129	16%	5,468	41%
Boston	7,445	644	9%	1,265	17%	673	9%	2,383	32%	1,740	23%	740	10%	2,649	36%
Brant	2,119	190	9%	344	16%	177	8%	619	29%	477	23%	312	15%	846	40%
Cheektowaga	99,300	6,740	7%	12,686	13%	9,889	10%	29,178	29%	22,677	23%	18,130	18%	37,556	38%
Clarence	20,041	1,619	8%	3,482	17%	1,429	7%	6,060	30%	4,566	23%	2,885	14%	7,986	40%
Colden	2,899	259	9%	491	17%	209	7%	913	31%	706	24%	321	11%	1,071	37%
Collins	6,020	313	5%	724	12%	815	14%	2,198	37%	1,093	18%	877	15%	1,914	32%
Concord	8,387	709	8%	1,468	18%	758	9%	2,599	31%	1,671	20%	1,182	14%	3,359	40%
Eden	7,416	631	9%	1,303	18%	584	8%	2,225	30%	1,705	23%	968	13%	2,902	39%
Elma	10,398	742	7%	1,659	16%	858	8%	2,941	28%	2,884	28%	1,314	13%	3,715	36%
Evans	17,478	1,636	9%	3,320	19%	1,576	9%	5,590	32%	3,447	20%	1,909	11%	6,865	39%
Grand Island	17,561	1,483	8%	3,121	18%	1,582	9%	5,992	34%	3,743	21%	1,640	9%	6,244	36%
Hamburg	53,735	4,478	8%	9,002	17%	4,791	9%	17,071	32%	10,962	20%	7,431	14%	20,911	39%
Holland	3,560	325	9%	770	22%	270	8%	1,170	33%	660	19%	365	10%	1,460	41%
Lancaster	32,185	2,973	9%	4,818	15%	2,919	9%	10,758	33%	6,269	19%	4,448	14%	12,239	38%
Marilla	5,250	481	9%	922	18%	516	10%	1,577	30%	1,264	24%	490	9%	1,893	36%
Newstead	7,440	599	8%	1,232	17%	634	9%	2,189	29%	1,540	21%	1,246	17%	3,077	41%
North Collins	3,502	328	9%	656	19%	353	10%	1,060	30%	737	21%	368	11%	1,352	39%
Orchard Park	24,611	1,842	7%	4,089	17%	2,071	8%	7,341	30%	5,838	24%	3,430	14%	9,361	38%
Sardinia	2,667	248	9%	521	20%	233	9%	833	31%	585	22%	247	9%	1,016	38%
Tonawanda	82,464	6,273	8%	10,951	13%	6,691	8%	25,142	30%	17,504	21%	15,903	19%	33,127	40%
Wales	2,929	267	9%	580	20%	225	8%	1,012	35%	623	21%	222	8%	1,069	36%
West Seneca	47,851	3,300	7%	7,173	15%	4,921	10%	14,438	30%	10,871	23%	7,148	15%	17,621	37%

Notes: (1) Town figures include village populations. (2) "OCC" = Outside Central City.

Source: U.S. Bureau of the Census, *Census of Population and Housing, 1990*.

Race and Class

Population shifts have been characterized by a sifting of persons by race and class.

Suburbanization in Erie County is nearly a century old, fueled early on by the desire of African Americans as well as whites to be close to work or live in low-density neighborhoods of new houses. Many African Americans settled in the City of Lackawanna, for example, where they worked in the steel mills. Another cluster of African Americans migrated to the Town of Lancaster. In the decades after 1940, however, racial discrimination in the form of restrictive covenants, federal lending policy, and operation of the real estate

market sorted the population by race. As a result, the suburbs today are largely white and the City of Buffalo houses almost all the county's African Americans and Hispanics.¹

By 1990, only 25 percent of Erie County whites lived in Buffalo, compared to 92 percent of the African American population. The comparable figure for Latinos was 73 percent.

Between 1940 and 1990, Buffalo's African American population grew by 468 percent, swelling from 17,700 to 100,767 (table 3-4). African American immigration coincided with white outmigration, the latter in some cases caused by the former. Buffalo's white population plummeted from 557,600 in 1940 to 212,296 in 1990, a drop of 61.9 percent. By 1990, only 25 percent

of Erie County whites lived in Buffalo, compared to 92 percent of the African American population.

More recently, the Hispanic population has followed a pattern similar to African Americans. During the 1980s, the number of Hispanics, mostly Puerto Rican, grew from 9,499 to 15,287, an increase of 61 percent. Although not as concentrated as African Americans, in 1990 73 percent of the Hispanic population lived in the City of Buffalo.

The outcome of these settlement patterns is a sorting of Erie County's population by race. As a group, the suburbs are overwhelmingly white (97.3%) compared to the cities (67.6%). At the municipal scale, racial sorting is quite uniform: each of the county's suburbs has over 90 percent white population, with many exceeding 97 percent white.² Racial segregation by political jurisdiction is a striking reality of Erie County life.

¹ Although scholars and practitioners are divided over appropriate use of the descriptor "Hispanic," with some preferring "Latino/Latina," the term Hispanic is used in this report to be consistent with the U.S. Bureau of the Census from whose reports the data were drawn.

² The major exceptions are the towns of Collins and Alden, which house correctional facilities. Because of the disproportionately high level of inmates who are minorities, both towns show relatively high minority populations. The racial composition of these towns' nonprison populations mirrors that of other suburban municipalities in Erie County.

Table 3-4

Erie County Demographics: Race and Ethnicity, 1990

Place	Total Persons	White	Percent Total	Black	Percent Total	Others	Percent Total	Hispanic	Percent Total
Erie County	968,532	832,129	85.9%	109,668	11.3%	26,735	2.8%	21,069	2.2%
<i>Suburbs (OCC):</i>	<i>602,540</i>	<i>586,344</i>	<i>97.3%</i>	<i>6,942</i>	<i>1.2%</i>	<i>9,254</i>	<i>1.5%</i>	<i>4,630</i>	<i>0.8%</i>
Buffalo city	328,123	212,208	64.7%	100,767	30.7%	15,148	4.6%	15,287	4.7%
Lackawanna city	20,585	18,324	89.0%	1,780	8.6%	481	2.3%	1,003	4.9%
Tonawanda city	17,284	17,010	98.4%	40	0.2%	234	1.4%	84	0.5%
Alden town	10,368	9,566	92.3%	691	6.7%	111	1.1%	110	1.1%
Alden village	2,457	2,445	99.5%	8	0.3%	4	0.2%	10	0.4%
Amherst town	111,725	103,908	93.0%	2,967	2.7%	4,850	4.3%	1,324	1.2%
Williamsville, Amherst	5,568	5,547	99.6%	7	0.1%	14	0.3%	46	0.8%
Aurora town	13,390	13,331	99.6%	21	0.2%	38	0.3%	45	0.3%
East Aurora village	6,647	6,596	99.2%	21	0.3%	30	0.5%	19	0.3%
Boston town	7,445	7,405	99.5%	20	0.3%	20	0.3%	39	0.5%
Brant town	2,119	1,987	93.8%	37	1.7%	95	4.5%	21	1.0%
Farnham village	415	394	94.9%	7	1.7%	14	3.4%	7	1.7%
Cheektowaga town	99,300	97,760	98.4%	994	1.0%	546	0.5%	412	0.4%
Sloan village	3,830	3,806	99.4%	0	0.0%	24	0.6%	30	0.8%
Depew, Cheektowaga	11,068	10,990	99.3%	62	0.6%	16	0.1%	66	0.6%
Williamsville, Cheektowaga	15	15	100.0%	0	0.0%	0	0.0%	0	0.0%
Clarence town	20,041	19,825	98.9%	60	0.3%	156	0.8%	100	0.5%
Colden town	2,899	2,899	100.0%	0	0.0%	0	0.0%	0	0.0%
Collins town	6,020	4,908	81.5%	782	13.0%	330	5.5%	272	4.5%
Gowanda village (pt.)	885	862	97.4%	3	0.3%	20	2.3%	4	0.5%
Concord town	8,387	8,295	98.9%	40	0.5%	52	0.6%	41	0.5%
Springville village	4,310	4,263	98.9%	40	0.9%	7	0.2%	0	0.0%
Eden town	7,416	7,372	99.4%	24	0.3%	20	0.3%	25	0.3%
Elma town	10,398	10,386	99.9%	4	0.0%	8	0.1%	12	0.1%
Evans town	17,478	17,324	99.1%	65	0.4%	89	0.5%	190	1.1%
Angola village	2,231	2,193	98.3%	8	0.4%	30	1.3%	28	1.3%
Grand Island town	17,561	17,050	97.1%	201	1.1%	310	1.8%	53	0.3%
Hamburg town	53,735	53,118	98.9%	177	0.3%	440	0.8%	639	1.2%
Hamburg village	10,442	10,306	98.7%	46	0.4%	90	0.9%	102	1.0%
Blasdell village	2,900	2,884	99.4%	0	0.0%	16	0.6%	58	2.0%
Holland town	3,560	3,538	99.4%	0	0.0%	22	0.6%	24	0.7%
Lancaster town	32,185	31,851	99.0%	113	0.4%	221	0.7%	97	0.3%
Lancaster village	11,940	11,891	99.6%	0	0.0%	49	0.4%	44	0.4%
Depew, Lancaster	6,605	6,479	98.1%	21	0.3%	105	1.6%	10	0.2%
Marilla town	5,250	5,245	99.9%	0	0.0%	5	0.1%	46	0.9%
Newstead town	7,440	7,363	99.0%	13	0.2%	64	0.9%	35	0.5%
Akron village	2,906	2,829	97.4%	13	0.4%	64	2.2%	19	0.7%
North Collins town	3,502	3,423	97.7%	9	0.3%	70	2.0%	33	0.9%
North Collins village	1,335	1,294	96.9%	0	0.0%	41	3.1%	28	2.1%
Orchard Park town	24,611	24,084	97.9%	132	0.5%	395	1.6%	325	1.3%
Orchard Park village	3,280	3,170	96.6%	0	0.0%	110	3.4%	29	0.9%
Sardinia town	2,667	2,662	99.8%	0	0.0%	5	0.2%	31	1.2%
Tonawanda town	82,464	80,806	98.0%	543	0.7%	1,115	1.4%	528	0.6%
Kenmore village	17,180	16,891	98.3%	76	0.4%	213	1.2%	157	0.9%
Wales town	2,929	2,902	99.1%	8	0.3%	19	0.6%	6	0.2%
West Seneca town	47,851	47,404	99.1%	180	0.4%	267	0.6%	257	0.5%
<i>Subtotal Towns:</i>	<i>600,741</i>	<i>584,412</i>	<i>97.3%</i>	<i>7,081</i>	<i>1.2%</i>	<i>9,248</i>	<i>1.5%</i>	<i>4,665</i>	<i>0.8%</i>
<i>Subtotal Villages:</i>	<i>94,014</i>	<i>92,855</i>	<i>98.8%</i>	<i>312</i>	<i>0.3%</i>	<i>847</i>	<i>0.9%</i>	<i>657</i>	<i>0.7%</i>

Notes: (1) Town figures include villages. (2) "Subtotals" do not include Reservations.

(3) "OCC" = Outside Central City. OCC includes all cities, towns, and villages in Erie County except the City of Buffalo.

(4) Persons of Hispanic Origin may be white or black and are considered as a separate ethnic category.

Source: 1990 U.S. Bureau of the Census, *Census of Population and Housing*

Like race, class has emerged as a dividing line between city and suburban areas, although the distinctions are slightly less stark. Income, poverty, and unemployment rate data indicate that the decline of the central city and rise of the suburbs has divided the county's population along class lines; higher income groups have left their lower income cohorts in the central city (table 3-5; map 3-2).

Over one-quarter of all central city residents (26%) live below the poverty line compared to slightly over 5 percent of suburbanites. Females in the suburbs are twice as likely to live below the poverty line as males, while the percentage of males and females living in poverty in the city is more evenly divided. Nearly one-fifth (19%) of central city households are on public assistance, compared to only 4.1 percent of suburban households.

County population is divided along class lines: one-quarter of City of Buffalo residents live below the poverty line compared to only a little over 5 percent of suburbanites.

Three towns, Clarence, Elma, and Grand Island, have median household incomes at least 50 percent higher than the countywide median of \$28,500. The highest median incomes for family households (those including persons related by birth, marriage, or adoption) are found in the Village of Orchard Park and the towns of Clarence and Amherst. As is common, non-family households, which include single-person households and households of non-related persons, have lower median incomes than family households. Five jurisdictions have non-family median incomes at or below the City of Buffalo: the City of Lackawanna, the villages of Farnham, Angola, and Gowanda, and the Town of Brant. Further evidence of

pockets of poverty in non-city portions of Erie County is provided by the fact that nine of the county's 44 municipalities have more than 10 percent of their female population living in poverty.

Still, there are discrete pockets of poverty in non-city portions of Erie County, specifically in several small, rural villages.

With respect to unemployment, 12 percent of city workers were unemployed compared to 5 percent of suburbanites. The jobless rate among central city males was 13 percent and 10 percent among women. By

contrast, in the suburbs, the male unemployment rate was only 5.4 percent and 4.3 among females. In essence, "full" employment existed in the suburbs but not in the central city.

Thus, while some trends suggest that the region is becoming more socially and economically uniform, patterns of race and class reinforce differences between the central city and outer areas. Race and class differences are not absolute, of course. For example, African Americans and Hispanics live in most suburban jurisdictions in Erie County. In addition, a surprising number of suburbanites of all races live below the poverty line. Nonetheless, the preponderance of evidence points to considerable race and class differences along the city-suburban divide.

Table 3 - 5

Erie County Demographics: Income and Poverty, 1990

Name	Total Population	% of Total	Median				Percent below poverty		
			Household Income	% of Cnty Median	Family Income	Non-family Income	Persons	Males	Females
Erie County	968,532	100.0%	\$28,005	100%	\$35,061	\$14,151	11.9%	10.0%	13.7%
Suburbs (OCC):	640,409	66.1%	-	-	-	-	5.3%	3.2%	6.5%
Buffalo city	328,123	33.9%	18,482	66%	23,887	11,542	24.9%	22.2%	27.1%
Lackawanna city	20,585	2.1%	21,310	76%	28,261	11,116	16.7%	14.2%	18.9%
Tonawanda city	17,284	1.8%	29,483	105%	34,372	12,860	6.5%	4.3%	8.5%
Alden town	10,368	1.1%	35,621	127%	39,231	18,047	3.2%	2.5%	3.9%
Alden village	2,457	0.3%	29,600	106%	35,878	15,259	5.6%	3.7%	7.5%
Amherst town	111,725	11.5%	41,466	148%	49,777	21,146	5.4%	4.3%	6.3%
Williamsville, Amherst	5,568	0.6%	33,534	120%	45,707	16,163	5.1%	4.2%	5.9%
Aurora town	13,390	1.4%	37,933	135%	42,798	18,133	3.9%	2.8%	4.9%
East Aurora village	6,647	0.7%	37,062	132%	43,565	20,144	10.0%	8.3%	11.7%
Boston town	7,445	0.8%	39,164	140%	43,627	20,708	2.8%	1.5%	4.1%
Brant town	2,119	0.2%	27,736	99%	31,000	11,563	11.5%	8.2%	14.6%
Farnham village	415	0.0%	23,250	83%	26,528	6,690	3.5%	2.2%	4.7%
Cheektowaga town	99,300	10.3%	29,223	104%	34,469	14,873	4.9%	3.3%	6.4%
Depew, Cheektowaga	11,068	1.1%	32,254	115%	35,902	16,124	3.1%	1.6%	4.4%
Sloan village	3,830	0.4%	25,612	91%	30,921	12,860	8.9%	8.1%	9.5%
Williamsville, Cheektowaga	15	0.0%	12344	44%	NA	12344	NA	NA	NA
Clarence town	20,041	2.1%	44,740	160%	50,385	16,762	3.9%	3.0%	4.8%
Colden town	2,899	0.3%	33,790	121%	39,187	17,875	6.9%	6.5%	7.2%
Collins town	6,020	0.6%	26,348	94%	32,321	13,523	10.5%	10.6%	10.4%
Gowanda village (pt.)	885	0.1%	22,083	79%	30,987	11,394	16.6%	10.8%	21.8%
Concord town	8,387	0.9%	30,759	110%	35,314	14,181	5.7%	4.4%	6.9%
Springville village	4,310	0.4%	29,077	104%	35,189	14,056	2.0%	2.1%	1.8%
Eden town	7,416	0.8%	35,040	125%	37,868	14,097	6.0%	4.7%	7.3%
Elma town	10,398	1.1%	43,780	156%	48,335	14,828	2.6%	1.7%	3.6%
Evans town	17,478	1.8%	31,484	112%	35,501	12,940	7.9%	6.1%	9.7%
Angola village	2,231	0.2%	28,556	102%	33,147	10,859	12.7%	10.1%	15.1%
Grand Island town	17,561	1.8%	42,661	152%	47,298	21,051	2.8%	2.0%	3.5%
Hamburg town	53,735	5.5%	35,066	125%	40,515	17,598	5.1%	3.5%	6.5%
Hamburg village	10,442	1.1%	37,448	134%	43,976	18,578	9.5%	8.3%	10.6%
Blasdell village	2,900	0.3%	24,588	88%	30,938	16,563	10.0%	8.3%	11.6%
Holland town	3,560	0.4%	31,341	112%	35,268	12,179	8.4%	7.1%	9.7%
Lancaster town	32,185	3.3%	32,767	117%	38,183	17,145	6.6%	5.1%	8.0%
Lancaster village	11,940	1.2%	29,618	106%	35,704	15,052	5.2%	3.7%	6.5%
Depew, Lancaster	6,605	0.7%	27,416	98%	33,309	15,458	10.0%	8.3%	11.7%
Marilla town	5,250	0.5%	35,386	126%	39,519	20,433	3.4%	2.7%	4.0%
Newstead town	7,440	0.8%	28,355	101%	34,928	13,889	6.3%	4.4%	8.1%
Akron village	2,906	0.3%	26,613	95%	36,033	12,400	7.8%	7.3%	8.2%
North Collins town	3,502	0.4%	30,269	108%	35,307	16,205	7.1%	6.0%	8.1%
North Collins village	1,335	0.1%	25,045	89%	30,565	14,732	16.7%	14.2%	18.9%
Orchard Park town	24,611	2.5%	40,419	144%	45,619	19,119	3.3%	2.3%	4.3%
Orchard Park village	3,280	0.3%	41,414	148%	50,902	16,970	6.6%	4.5%	8.5%
Sardinia town	2,667	0.3%	31,987	114%	35,500	16,400	6.2%	5.0%	7.5%
Tonawanda town	82,464	8.5%	31,078	111%	36,986	17,701	5.0%	3.6%	6.3%
Kenmore village	17,180	1.8%	30,674	110%	37,436	16,173	4.4%	3.2%	5.4%
Wales town	2,929	0.3%	36,250	129%	39,727	24,083	4.0%	3.9%	4.1%
West Seneca town	47,851	4.9%	34,383	123%	40,236	15,487	3.2%	2.4%	4.0%

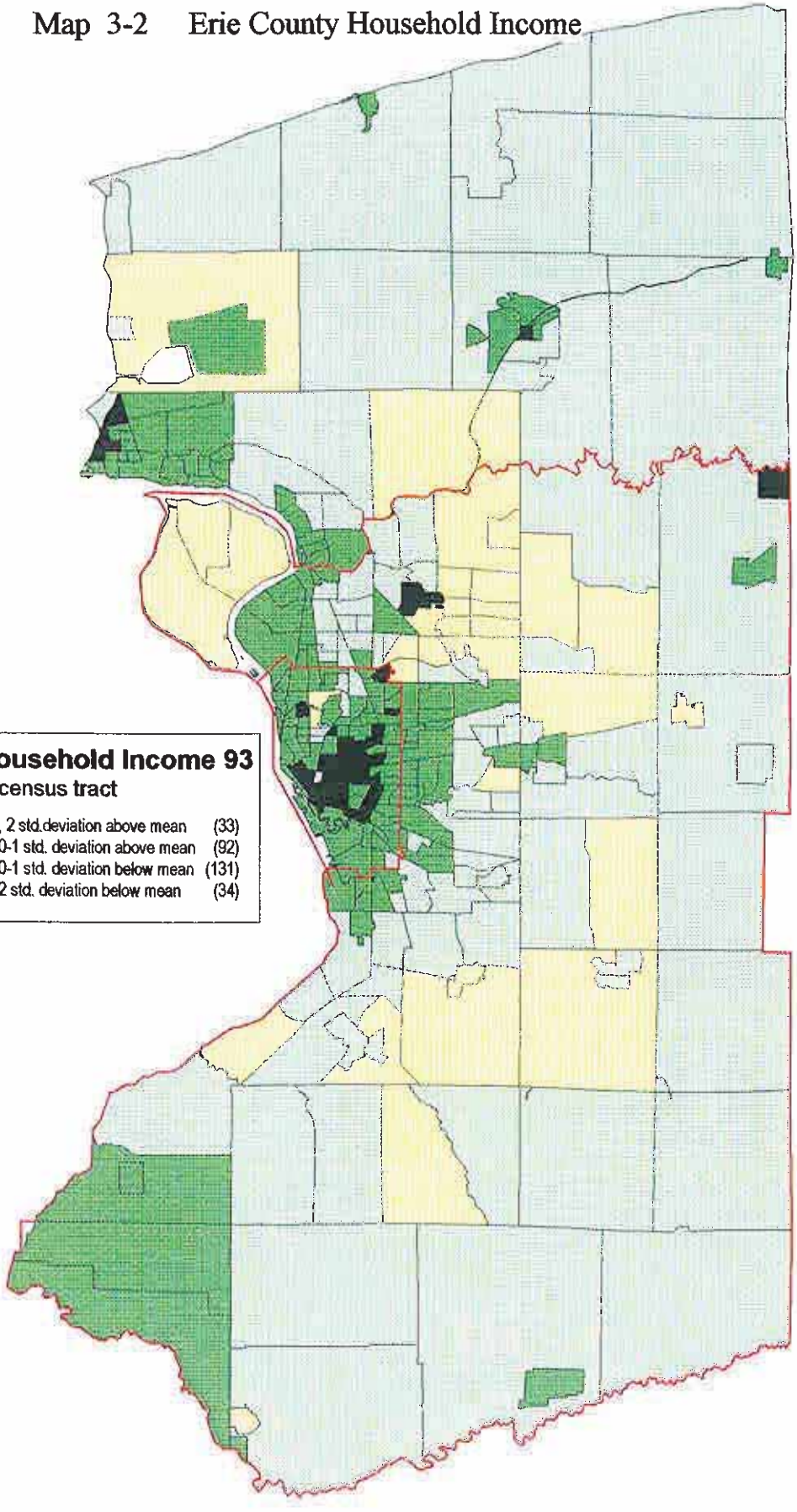
Source: US Bureau of the Census, Census of Population and Housing, 1990.

- (4) Households = all occupied dwelling units. Family = Households of persons related by birth, marriage or adoption.
 Family = Households of persons related by birth, marriage or adoption.
 Non-Family = Households of single-persons or groups of unrelated individuals.

Map 3-2 Erie County Household Income

WNY: Avg. Household Income 93
By census tract

■	\$54000 to \$140000, 2 std.deviation above mean	(33)
■	\$37000 to \$54000, 0-1 std. deviation above mean	(92)
■	\$20000 to \$37000, 0-1 std. deviation below mean	(131)
■	0 to \$20000, 2 std. deviation below mean	(34)



Family and Household

Paradoxically, as the overall population of Erie County declined over the past two decades, the number of households increased by 9 percent. This is largely due to major changes in the composition of the American family. In 1970 over 69 percent of all families in Erie County were traditional married couple families; by 1990 this figure had dropped to 52 percent. Single parent households accounted for 16 percent of the county's households, up from 12 percent in 1970. Non-family households (those composed of unrelated individuals) increased from one-fifth to almost one-third of all household units and represented the fastest growing household type in the county (table 3-6).

In 1970 over 69 percent of all families in Erie County were constituted as traditional married couple families; by 1990 this figure had dropped to 52 percent.

Dramatic shifts in household structure are evident both within and outside the City of Buffalo. Almost the entire decline in city households is accounted for by the decrease of around 40,000 married couple families. In the suburbs, while the increase in married couple households slowed almost to a stop (less than one percent increase between 1970 and 1990), there was a remarkable increase of over 165 percent in non-family households. Single-parent households are increasing in the suburbs at a rate almost three times that of the central city: between 1970 and 1990, single-parent households outside the City of Buffalo increased by over 75 percent. Suburban single-parent households headed by females increased by 76.8 percent between 1970 and 1990, while their central city counterpart increased by 30.4 percent.

In the suburbs the number of non-family households increased over 165 percent between 1970 and 1990. Single-parent households are increasing in the suburbs at a rate almost three times that of the central city.

Despite these trends, single-parent households in the central city still comprise twice the proportion of total households than they do in the suburbs, 24 percent to 12 percent, respectively. City-suburban differences are even greater for family households (table 3-7). For example, in 1970 central city female-headed households comprised 23 percent of all family households. By 1990, this figure had grown to 41 percent. By contrast, in the suburbs single-parent households had by 1990 increased to 15 percent of all family

households, up from 9.3 percent in 1970.

The implication of these patterns is that the traditional nuclear family, best characterized by the married couple household, is receding as the dominant household type in Erie County. Replacing married couples are non-family households which, by 1990, were the predominant family type in the central city and the fastest growing household type in the

Table 3 - 6

**Household Types in Erie County, City of Buffalo and Suburbs
1970 and 1990**

Household Types	1970	% Total	1990	% Total	70 - 90 Change	% Change
Erie County:						
Total Households	346,374	100%	376,994	100%	30,620	9%
Married Couple Households	235,597	68%	192,646	51%	(42,951)	-18%
Single Parent Households	41,024	12%	61,826	16%	20,802	51%
Non-Family Households	69,753	20%	122,522	32%	52,769	76%
City of Buffalo:						
Total Households	157,951	100%	136,436	100%	(21,515)	-14%
Married Couple Households	86,791	55%	45,287	33%	(41,504)	-48%
Single Parent Households	25,717	16%	32,958	24%	7,241	28%
Non-Family Households	45,443	29%	58,191	43%	12,748	28%
Suburbs (OOC):						
Total Households	188,423	100%	240,558	100%	52,135	28%
Married Couple Households	148,806	79%	147,359	61%	(1,447)	-1%
Single Parent Households	15,307	8%	28,868	12%	13,561	89%
Non-Family Households	24,310	13%	64,331	27%	40,021	165%

Note: OCC = Outside Central City.

Source: US Bureau of the Census, Census of Population and Housing, 1970 and 1990.

Table 3 - 7

Family Households by Type
Erie County, City of Buffalo and Suburbs
1970 and 1990

Family Types	1970	% Total	1990	% Total	70 - 90 Change	% Change
Erie County:						
All Families	276,621	100%	254,472	100%	(22,149)	-8%
Married Couple Families	235,597	85%	192,646	76%	(42,951)	-18%
Single Male-headed Families	8,466	3%	11,858	5%	3,392	40%
Single Female-headed Families	32,558	12%	49,968	20%	17,410	53%
City of Buffalo:						
All Families	112,508	100%	78,245	100%	(34,263)	-30%
Married Couple Families	86,791	77%	45,287	58%	(41,504)	-48%
Single Male-headed Families	4,889	4%	5,367	7%	478	10%
Single Female-headed Families	20,828	19%	27,591	35%	6,763	32%
Suburbs (OCC):						
All Families	164,113	100%	176,227	100%	12,114	7%
Married Couple Families	148,806	91%	147,359	84%	(1,447)	-1%
Single Male-headed Families	3,577	2%	6,491	4%	2,914	81%
Single Female-headed Families	11,730	7%	22,377	13%	10,647	91%

Source: US Bureau of the Census, *Census of Population and Housing, 1970 and 1990*.

Note: OCC = Outside Central City.

suburbs. The economically fragile single-family household is still more dominant in the central city than in the suburbs, but it is now growing more rapidly in the suburbs than in the central city. There is thus a significant and increasing number of children throughout the county in families without both parents. In short, the distinctions between central city and suburbs regarding the structure of the household and the stability of the family type are increasingly blurred.

The traditional nuclear family, best characterized by the married couple household, is receding as the dominant household type in Erie County. Replacing married couples are non-family households which, by 1990, were the predominant family type in the central city and the fastest growing household type in the suburbs.

Housing Stock

One dimension of Erie County life that displays significant differences between city and suburbs is the age of the housing stock. Over two-thirds of the residences in the City of Buffalo were built before 1940 compared to only 20 percent of suburban housing. Less than two percent of the housing stock of the city was built during the 1980s compared to almost 10 percent of the suburban housing stock (table 3-8).

Table 3 - 8

**Age of the Housing Stock:
Percent Distribution of Housing by Year Built
Erie County, City of Buffalo, Suburbs, 1990**

Place	1939 or earlier	1940-59	1960-79	1980-90
Erie County	37.8%	31.3%	23.9%	6.7%
City of Buffalo	68.0%	22.7%	7.4%	1.8%
Suburbs	19.0%	36.6%	34.4%	9.9%

Source: 1990 U.S. Bureau of the Census, *Population and Housing, 1990*.

Residential Mobility

Patterns of residential relocation indicate that area population has remained highly mobile. For at least the past three decades slightly more than one-third of the population has been on the move either from outside the metropolitan area or from one jurisdiction to another inside the metropolitan area (table 3-9).

Within the City of Buffalo the rate of residential mobility has increased by over five percentage points over the past three decades. Both the absolute number and proportion of

Put another way, over 83 percent of residential mobility in the suburbs between 1985 and 1990 was attributed to movement between suburbs or from outside the county altogether, rather than from the City of Buffalo.

total City of Buffalo population mobility that was attributable to immigration from Erie County suburbs or from outside the county have been increasing. Over 35 percent of city residents who reported a different residence in 1990 than in 1985 were from outside the city compared to 27 percent of persons who reported a different residence in 1980 than 1975 (table 3-9b).

Suburban mobility patterns likewise challenge conventional wisdom. Over 83 percent of residential mobility in the suburbs between 1985 and 1990 was attributed to movement between suburbs or from outside the county altogether, rather

than from the City of Buffalo. Specifically, in 1970 over 27 percent of all residential mobility outside the central city could be attributed to outmigration from the central city (a total of 53,937 persons), compared to only 17.4 percent by 1990 (table 3-9d). Recent new residency in the suburbs is less likely than in previous decades to originate in the central city.

These trends indicate that the widely held belief that people move from the central city to the suburbs is less accurate today than in the past. Indeed, recent data suggest that people are moving in more diverse, cross-jurisdictional ways -- with perceptible increases in both the rate and number of people moving in all directions, even as the city population continues to decline. Trends in residential mobility may be better captured in the notion of a "splintering" metropolis, defined less by traditional patterns of outward mobility than by diverse, multi-directional trajectories of residency.

The conventional notion that people move from the central city to the suburbs is less accurate today than in the past.

Table 3 - 9
a. City of Buffalo:
Residential Mobility of Persons 5 Years and Over 1970, 1980, 1990

Place of residence 5 year prior to Census	1970	Percent	1980	Percent	1990	Percent
Total	407,416		334,456		302,579	
Same House	250,847	61.6%	192,270	57.5%	169,019	55.9%
Different House	152,323	37.4%	138,747	41.5%	128,203	42.4%
<i>In Buffalo</i>	112,362	27.6%	102,649	30.7%	85,462	28.2%
<i>In Erie, outside Buffalo</i>	15,904	3.9%	17,806	5.3%	17,359	5.7%
<i>Outside Erie County</i>	24,057	5.9%	18,292	5.5%	25,382	8.4%
Abroad	4,245	1.0%	3,439	1.0%	5,357	1.8%

b. City of Buffalo:
Persons Living in a Different House 1970-1990

Place of residence 5 year prior to Census	1970	Percent	1980	Percent	1990	Percent
Different House	152,323	100.0%	138,747	100.0%	128,203	100.0%
<i>In Buffalo</i>	112,362	73.8%	102,649	74.0%	85,462	66.7%
<i>In Erie, outside Buffalo</i>	15,904	10.4%	17,806	12.8%	17,359	13.5%
<i>Outside Erie County</i>	24,057	15.8%	18,292	13.2%	25,382	19.8%

c. Remainder of Erie County (1)
Residential Mobility of Persons 5 Years and Over 1970, 1980, 1990

Place of residence 5 year prior to Census	1970	Percent	1980	Percent	1990	Percent
Total	571,838		618,530		599,302	
Same House	368,959	64.5%	400,566	64.8%	390,602	65.2%
Different House	198,242	34.7%	213,457	34.5%	204,494	34.1%
<i>In Buffalo</i>	53,937	9%	44,445	7%	35,545	6%
<i>In Erie, outside Buffalo</i>	106,420	19%	133,008	22%	122,288	20%
<i>Outside Erie County</i>	37,885	7%	36,002	6%	46,661	8%
Abroad	4,637	0.8%	4,507	0.7%	4,206	0.7%

d. Remainder of Erie County
Persons Living in a Different House 1970-1990

Place of residence 5 year prior to Census	1970	Percent	1980	Percent	1990	Percent
Different House	198,242	100.0%	213,457	100.0%	204,494	100.0%
<i>In Buffalo</i>	53,937	27.2%	44,445	20.8%	35,545	17.4%
<i>In Erie, outside Buffalo</i>	106,420	53.7%	133,008	62.3%	122,288	59.8%
<i>Outside Erie County</i>	37,885	19.1%	36,002	16.9%	46,661	22.8%

Note: (1) Erie County, excluding the City of Buffalo.

Source: US Bureau of the Census, *Population and Housing, 1970, 1980, 1990.*

Chapter 4

How We Live: Reconciling Places and People

The bridge between where we live and who we are is how we live our everyday lives. Data on commuting and personal service consumption, including health and entertainment, suggest that the "jurisdiction of everyday life" extends far beyond the political jurisdiction -- village, town, city, or Native American reservation -- in which one lives. The conclusion is clear: the people of Erie County, especially those in the cities and near-in suburbs, routinely cross jurisdictional divides to work, shop, and play. This implies a substantially different form of urban jurisdiction than that of the conventional descriptors "city" and "suburbs."

Commuting: The Journey to Work

An important dimension of the day-to-day functioning of metropolitan life is where people work, particularly with respect to where they live.

In 1990, the City of Buffalo remained the single jurisdiction with the most jobs in the county. Over 180,000, or nearly 42 percent, of Erie County workers employed within county boundaries work in the City of Buffalo (table 4-1). City-based jobs are held more by suburban employees (91,108) than city workers (88,908). Nonetheless, commuting data reveal a weakening of the traditional role of the central city as metropolitan center of employment. Although 69.6 percent of City of Buffalo residents who work commute to jobs in the city, only 29.9 percent of suburban residents who work do so in the central city. Notably, almost an equal percentage of workers who live in Buffalo, 27.2 percent, commute to a job outside the city.

The relatively balanced rate of central city-outside central city commuting is reflected in the journey to work patterns of suburbanites. The largest group of workers in the county (108,759) live in one suburban jurisdiction and work in another. More broadly, the 305,093 workers living outside the City of Buffalo are relatively equally split in their journey to work patterns, with 28.2 percent working in their home city, town, or village, 35.6 percent working in a suburban locality other than their place of residence, and 29.9 percent working in the City of Buffalo.

There is a relatively balanced rate of central city-outside central city commuting: 27 percent of city workers commute to suburban jobs, while 30 percent of suburban workers commute to city jobs.

Table 4 - 1

Erie County PMSA Place of Work (1990) -- Place Level

Place	Population	All Workers	Work in Place of Residence			Inside PMSA of Residence			Work In Buffalo			Outside	
			Percent of Residence	TOTAL	Percent of Central City	Work Outside	Percent of TOTAL	Buffalo	Percent of TOTAL	PMSA of Residence	Percent of TOTAL		
Erie	968,532	432,883	19.8%	85,925	143,498	44.4%	180,016	55.6%	23,444	7.2%			
Suburbs	640,409	305,093	28.2%	85,925	108,759	35.6%	91,108	29.9%	19,301	6.3%			
Buffalo (C)	328,123	127,790			34,739	27.2%	88,908	69.6%	4,143	3.2%			
Lackawanna (C)	20,585	8,197	22.1%	1,808	3,339	40.7%	2,814	34.3%	236	2.9%			
Tonawanda (C)	17,284	8,148	25.7%	2,098	2,872	35.2%	1,804	22.1%	1,374	16.9%			
Alden	10,368	4,447	28.4%	1,264	1,909	42.9%	816	18.3%	458	10.3%			
Amherst	111,725	53,864	33.2%	17,861	14,002	26.0%	18,174	33.7%	3,827	7.1%			
Aurora	13,390	6,167	35.9%	2,217	2,293	37.2%	1,435	23.3%	222	3.6%			
Boston	7,445	3,608	8.7%	314	2,210	61.3%	851	23.6%	233	6.5%			
Brant	2,119	943	13.3%	125	533	56.5%	150	15.9%	135	14.3%			
Cattaraugus Res	1,789	615	38.7%	238	213	34.6%	40	6.5%	124	20.2%			
Cheektowaga	99,300	48,645	31.7%	15,416	15,959	32.8%	15,812	32.5%	1,458	3.0%			
Clarence	20,041	9,601	29.3%	2,814	3,945	41.1%	2,129	22.2%	713	7.4%			
Colden	2,899	1,286	12.2%	157	888	69.1%	212	16.5%	29	2.3%			
Collins	6,020	2,029	47.2%	957	494	24.3%	67	3.3%	511	25.2%			
Concord	8,387	3,861	50.6%	1,955	1,179	30.5%	339	8.8%	388	10.0%			
Eden	7,416	3,416	19.7%	673	1,931	56.5%	614	18.0%	198	5.8%			
Elma	10,398	5,265	18.5%	975	2,621	49.8%	1,448	27.5%	221	4.2%			
Evans	17,478	7,793	26.2%	2,041	3,364	43.2%	1,935	24.8%	453	5.8%			
Grand Island	17,561	9,087	26.6%	2,421	2,530	27.8%	2,358	25.9%	1,778	19.6%			
Hamburg	53,735	26,293	35.5%	9,328	8,016	30.5%	7,605	28.9%	1,344	5.1%			
Holland	3,560	1,517	24.9%	378	704	46.4%	347	22.9%	88	5.8%			
Lancaster	32,185	15,610	21.7%	3,382	7,511	48.1%	3,874	24.8%	843	5.4%			
Marilla	5,250	2,642	4.0%	107	1,746	66.1%	589	22.3%	200	7.6%			
Newstead	7,440	3,341	33.8%	1,130	1,496	44.8%	290	8.7%	425	12.7%			
North Collins	3,502	1,485	23.0%	342	764	51.4%	236	15.9%	143	9.6%			
Orchard Park	24,611	11,975	24.9%	2,978	4,711	39.3%	3,816	31.9%	470	3.9%			
Sardinia	2,667	1,238	18.9%	234	614	49.6%	158	12.8%	232	18.7%			
Tonawanda (T)	82,464	39,316	23.6%	9,270	12,909	32.8%	14,794	37.6%	2,343	6.0%			
Wales	2,929	1,457	5.0%	73	1,022	70.1%	286	19.6%	76	5.2%			
West Seneca	47,851	23,247	23.1%	5,369	8,984	38.6%	8,115	34.9%	779	3.4%			

Source: U.S. Bureau of the Census, Census of Population and Housing, 1990.

The county as a whole has thus become an active region of employment and residence. Workers increasingly cross jurisdiction boundaries to and from work, resulting in increasingly multi-jurisdictional lives.

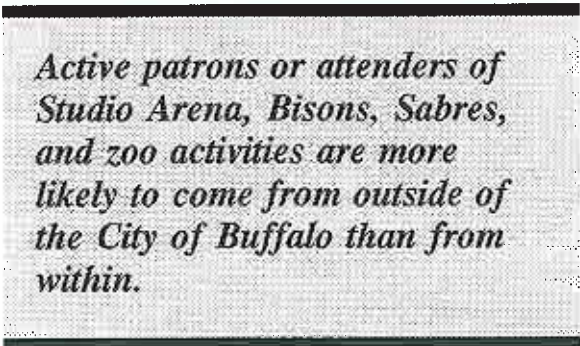
Patterns of Entertainment, Shopping and Personal Care

Three aspects of Erie County life--patterns of entertainment, shopping, and health--serve as an introduction to multi-jurisdictional arrangements. Data from selected institutions in the region reinforce clear patterns of dispersion and interdependence in Erie County, most notably in the near-suburbs and the City of Buffalo.

Patterns of Play

Although the City of Buffalo lost a substantial share of population, jobs, and industries over the past few decades, it has retained many of the region's major cultural and entertainment amenities. Live theater, the visual arts, dance, spectator sports, the zoo, and historical structures are predominantly found in the city. Recent patron, ticketholder,

attendance, and mail-out data for four of these institutions, the Studio Arena Theater, the Buffalo Bisons, the Buffalo Sabres, and the Buffalo Zoo, offer evidence of multi-jurisdictional activity often extending outside Erie County (maps 4-1 to 4-4).



Active patrons or attenders of Studio Arena, Bisons, Sabres, and zoo activities are more likely to come from outside of the City of Buffalo than from within.

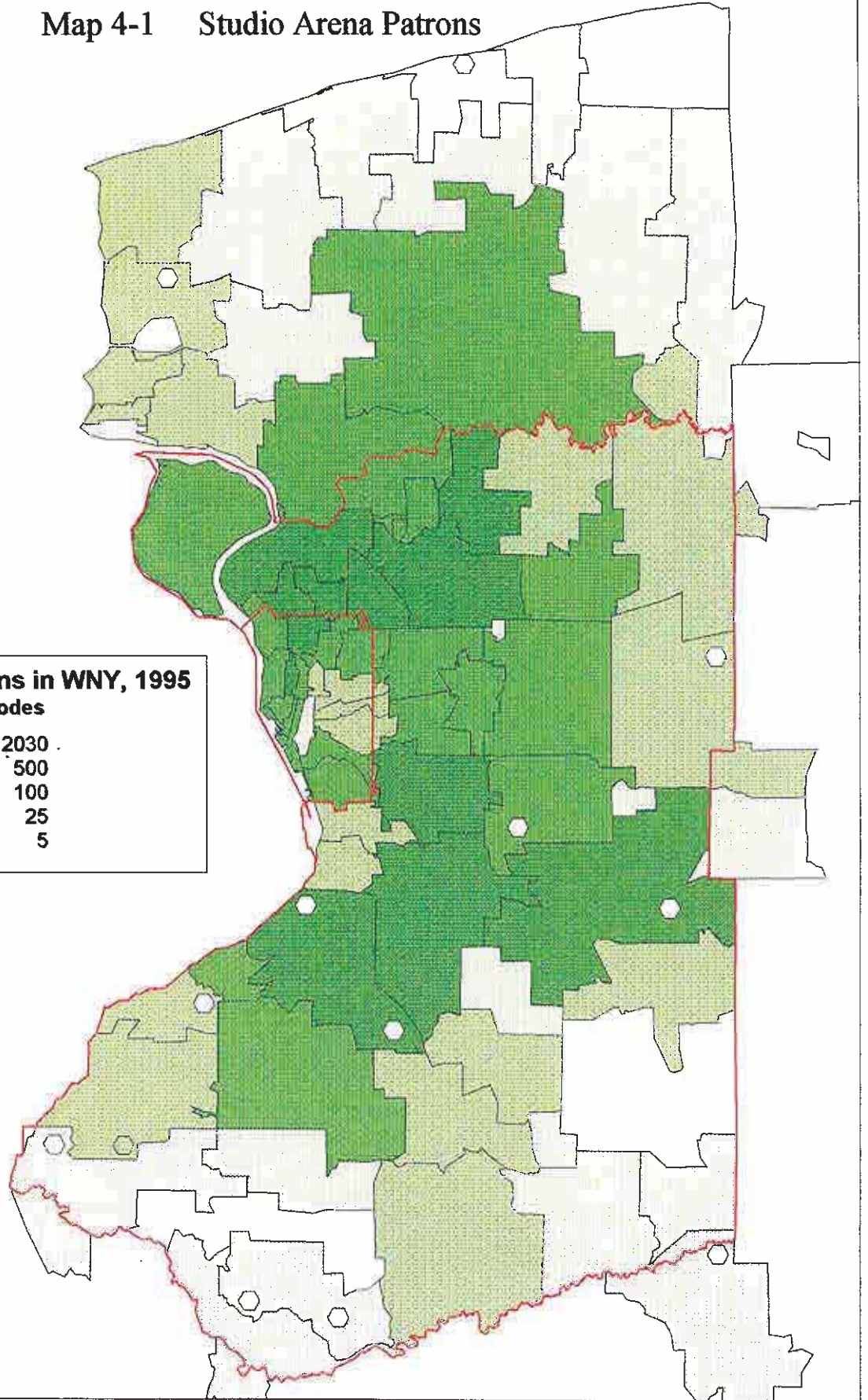
The most important trend is that these city-based arts and entertainment facilities serve the entire region, not merely city residents. Active patrons or attenders of Studio Arena, Bisons, Sabres, and zoo activities more frequently come from

outside of the City of Buffalo than from within. Each institution draws at least 20 percent of its patrons from a select number of city zip code areas, an even larger number from a few inner-ring suburban zones, and the remainder from a broader range of less active suburban and central city areas.

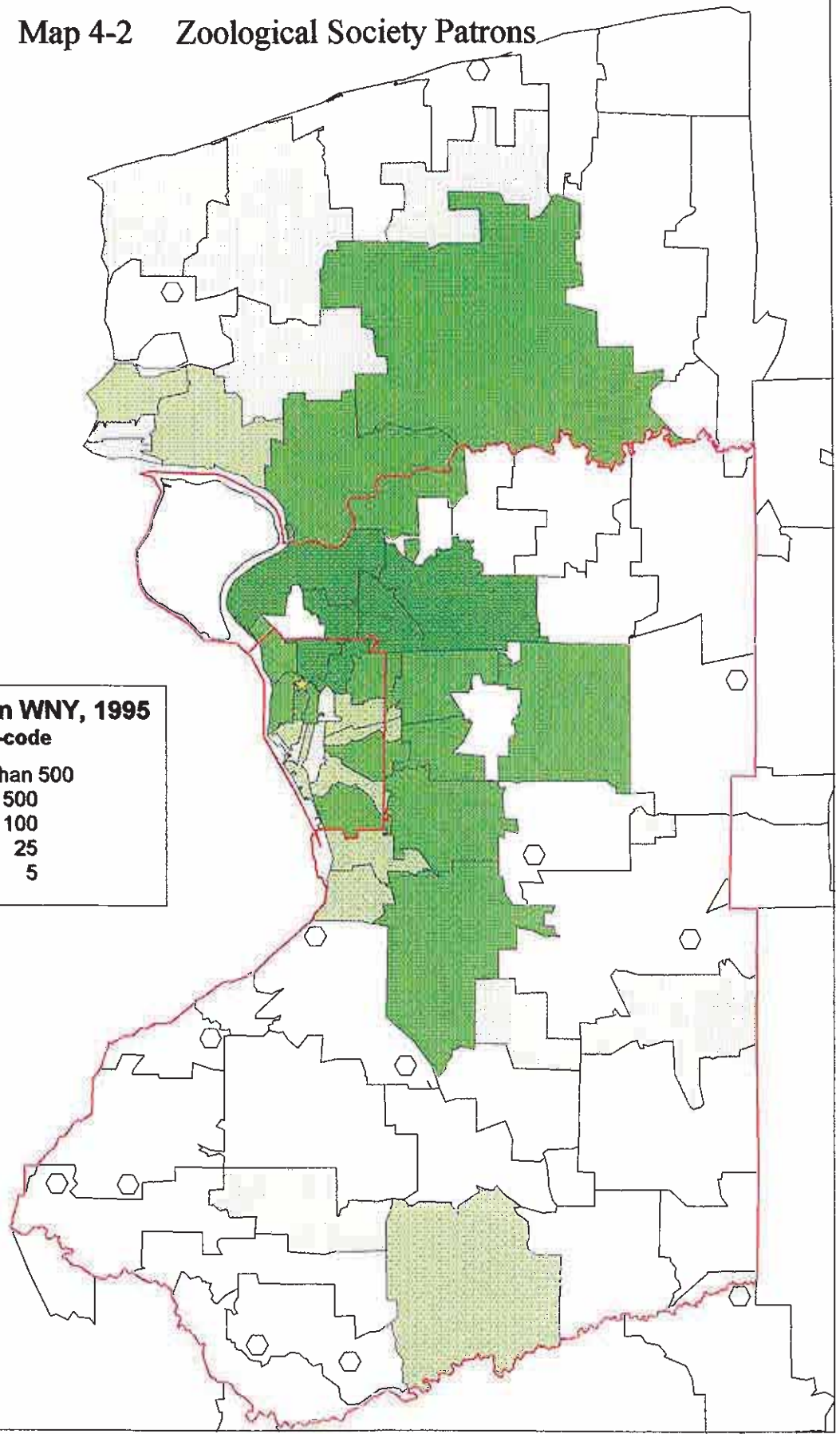
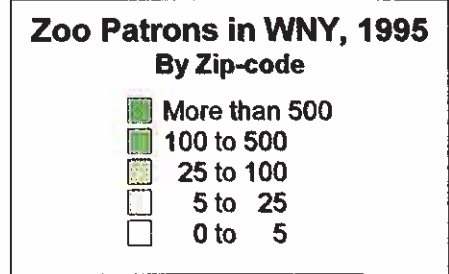
Map 4-1 Studio Arena Patrons

Studio Arena Patrons in WNY, 1995
By Zip-codes

■	500 to 2030
■	100 to 500
■	26 to 100
■	6 to 25
■	0 to 5








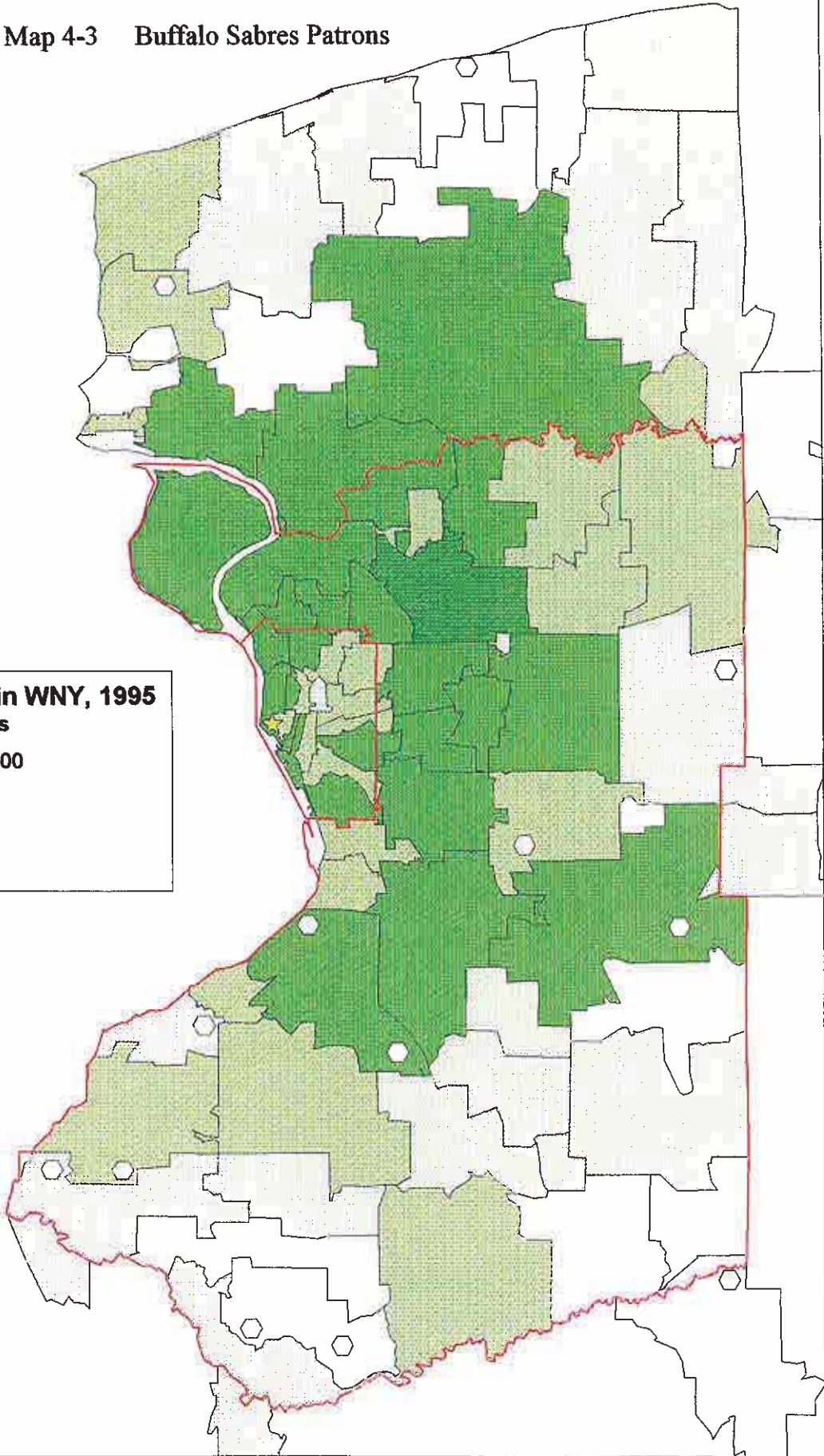
Map 4-2 Zoological Society Patrons



Map 4-3 Buffalo Sabres Patrons

Sabres Ticketholders in WNY, 1995
By Zip-Codes

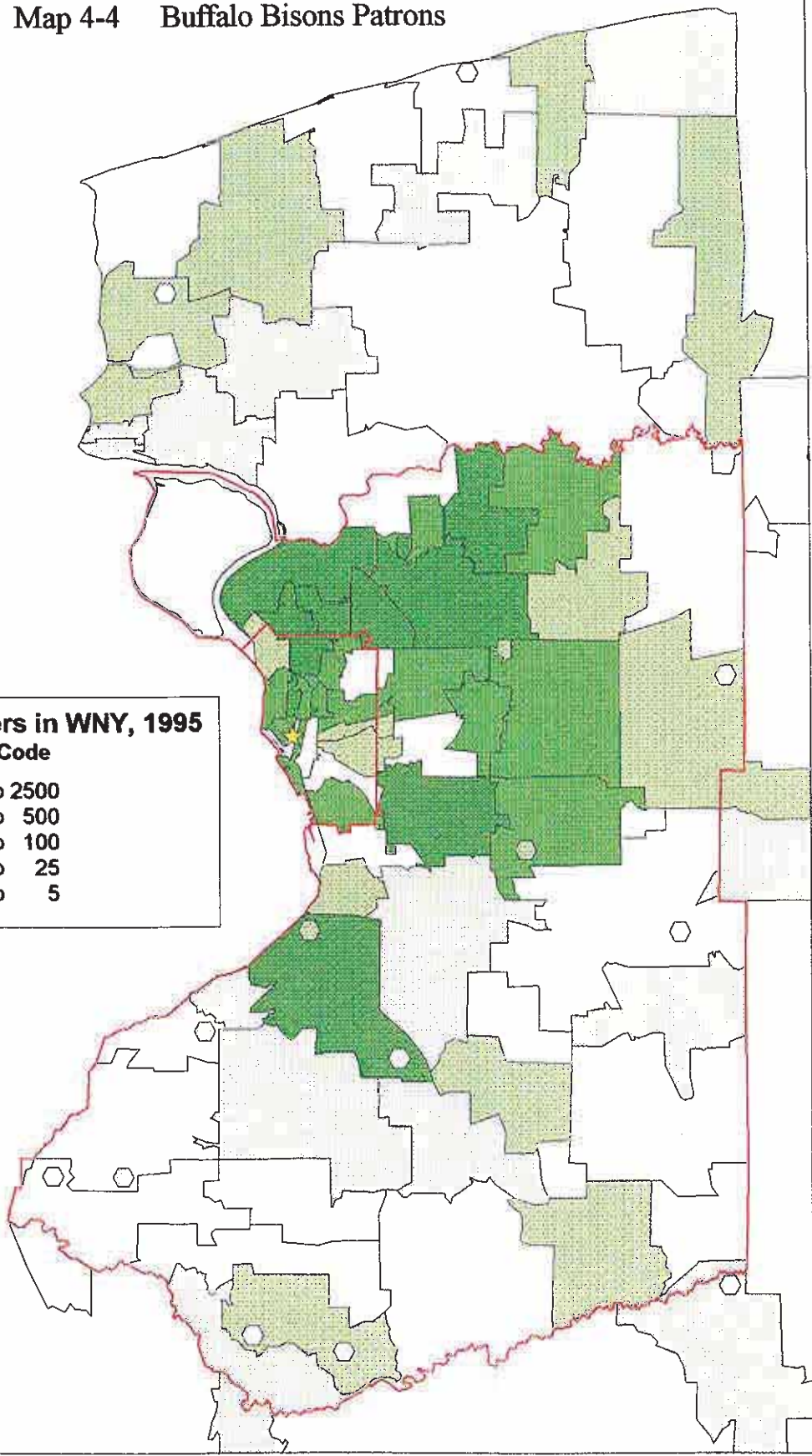
-  More than 500
-  100 to 500
-  25 to 100
-  5 to 25
-  0 to 5



Map 4-4 Buffalo Bisons Patrons

Bison Ticketholders in WNY, 1995
By Zip-Code

■	501 to 2500
■	101 to 500
■	26 to 100
■	6 to 25
■	0 to 5



Patterns of Retail Consumption

Although the central city has retained its hold on many of the region's key institutions of arts, sports, and culture, the suburbs have become the central sites of retail consumption. There are no major retail department stores left in the central city and the vacancy rate in Buffalo's downtown shopping areas, the Main Place Mall and Buffalo Place, is 30 percent.

Taking downtown's place as the preferred place to shop are suburban malls and plazas, sites of most prime shopping space in the county (map 4-5). Increasingly, clothes, furniture, major appliances, luxury items, and other personal amenities are purchased in these stores.

The suburbs have become the central sites of retail consumption. Increasingly, people shop in the suburbs for clothes, furniture, major appliances, luxury items, and other personal amenities.

Most auto dealers have located in or relocated to the suburbs. There are only three new car dealers inside the City of Buffalo.

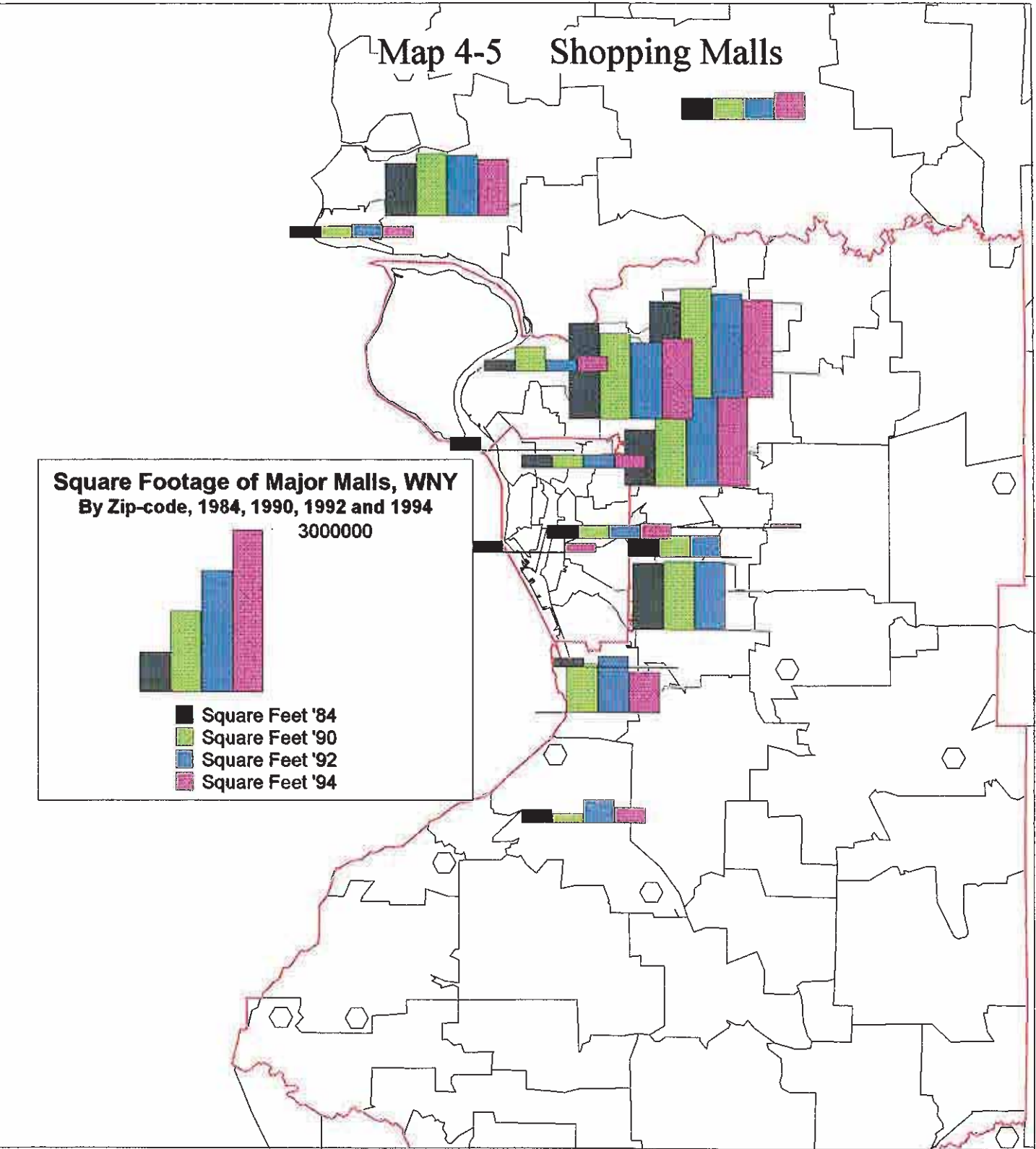
Regional retailing can be measured in terms of the two largest items of personal consumption, an automobile and a home. Over the past few years most auto dealers have located in or relocated to the suburbs. The recent departure of Basil Ford leaves only three new car dealers inside Buffalo City limits. The data in map 4-6 suggest that new car shopping places extensive travel demands on the consumer, who must

travel across the region from one suburban auto dealer to another.

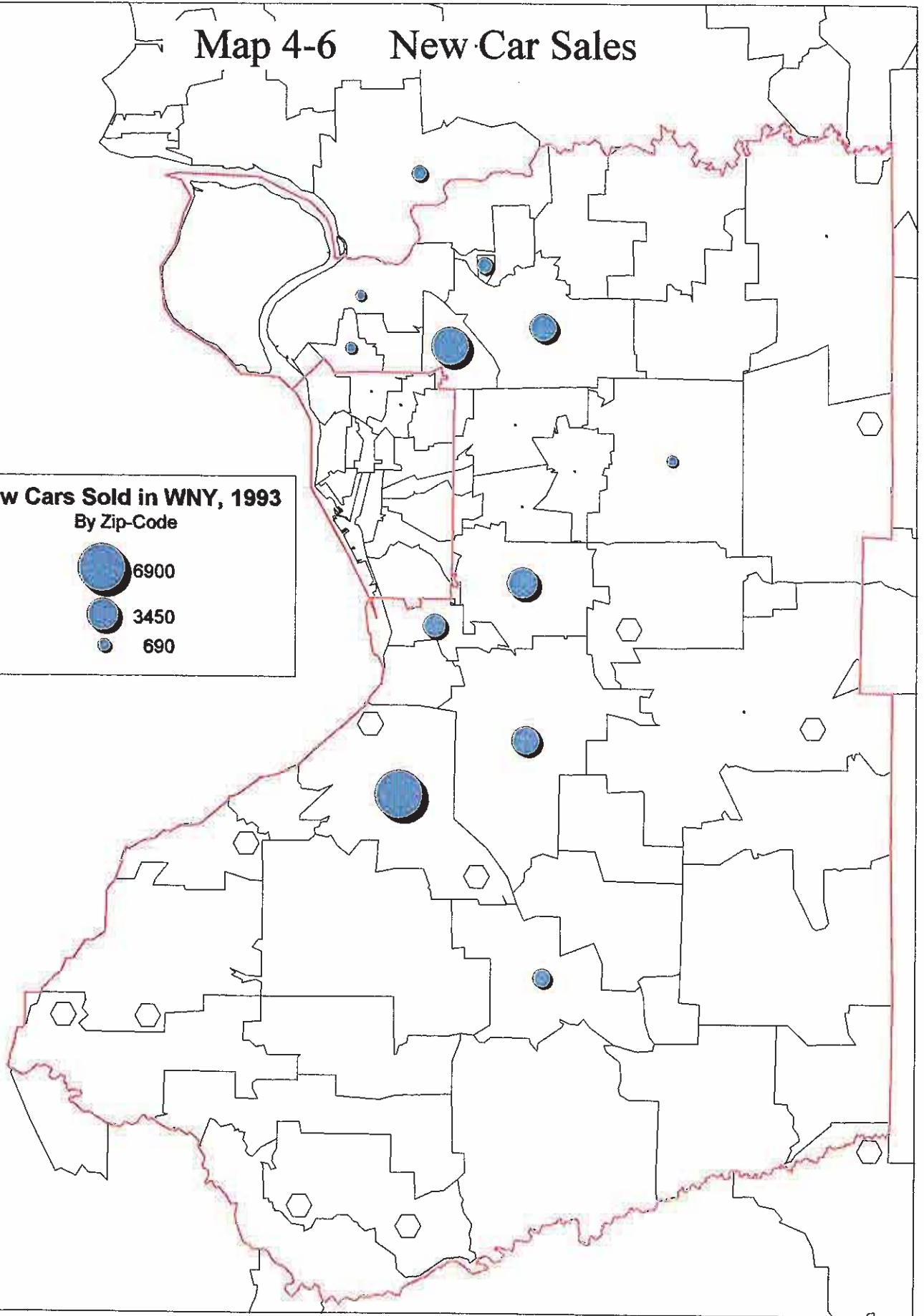
Home sales are a bit more difficult to assess. Analysis of total sales for recent years indicates that the City of Buffalo and Town of Amherst are the most active markets, followed by the Town of Cheektowaga (map 4-7). No outlying suburbs or rural areas registered more than 500 house sales between 1990 and 1994. A review of building permits for new units reveals that for the last three years the Town of Lancaster led the way in new home construction, with the towns of Clarence and Hamburg not far behind. The City of Buffalo joins the Town of West Seneca near the bottom in new housing starts for jurisdictions analyzed. In short, the majority of home sales occur in the inner-ring suburbs and the City of Buffalo, but new houses are built almost exclusively in the suburbs.

The majority of home sales occur in near-in suburbs and the City of Buffalo, but new houses are built almost exclusively in the suburbs.

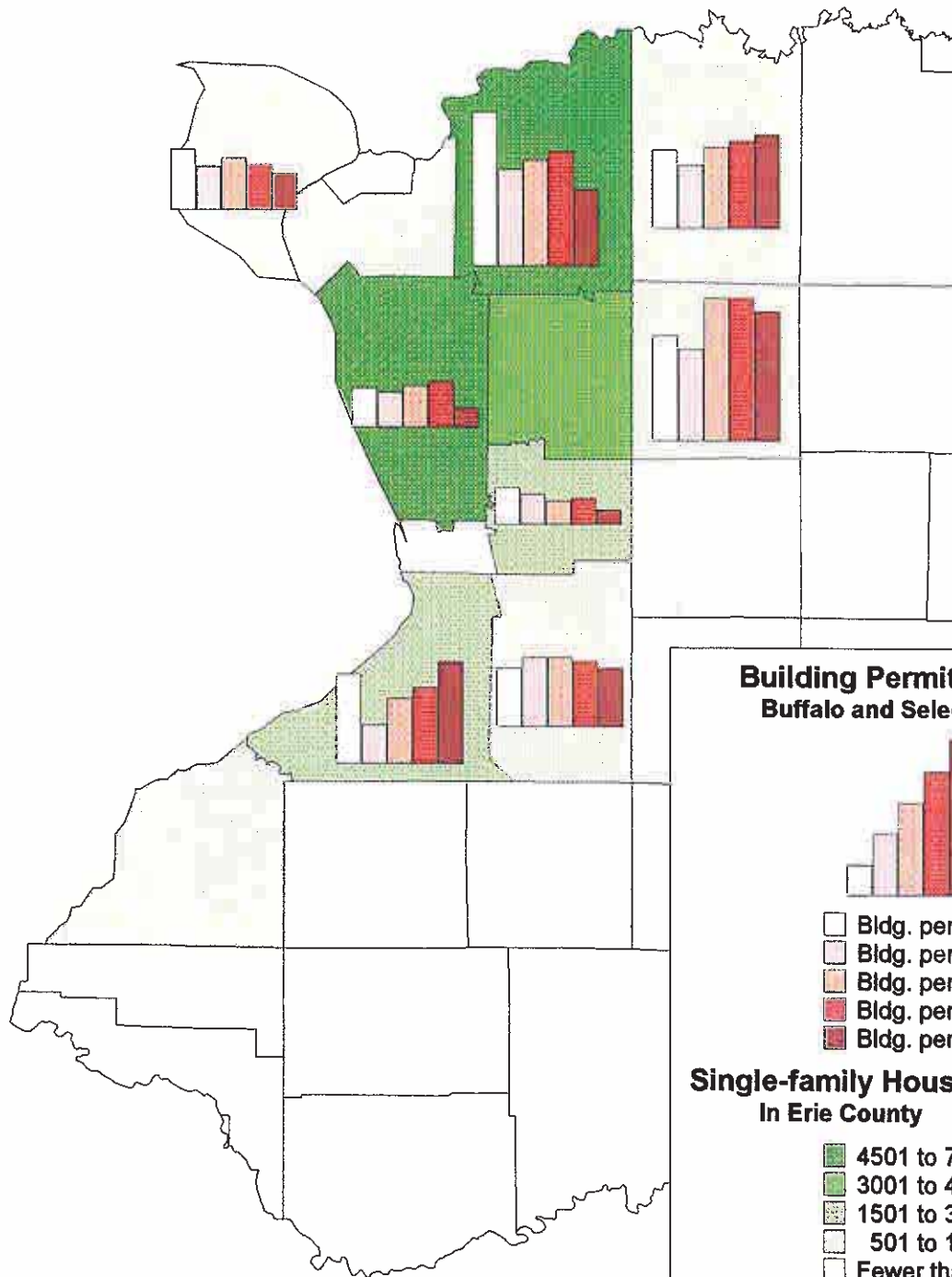
Map 4-5 Shopping Malls



Map 4-6 New Car Sales



**Map 4-7 Building Permits & Single-family House Sales,
Buffalo and Selected Towns**



**Building Permits, 1990 to 1994
Buffalo and Selected Towns Only**
360

Bldg. permits '90
 Bldg. permits '91
 Bldg. permits '92
 Bldg. permits '93
 Bldg. permits '94

**Single-family House Sales, 1990-1994
In Erie County (Record Count)**

4501 to 7000	(2)
3001 to 4500	(1)
1501 to 3000	(2)
501 to 1500	(6)
Fewer than 500	(19)

Patterns of Health Services

The locations of health care providers, hospitals, emergency care, and primary care reveal patterns of centralization in the City of Buffalo with some dispersion in the northern part of the county. Hospitals and highly specialized services requiring a hospital stay remain centralized while primary care, diagnostics, long-term therapy, and selected services are somewhat more spatially dispersed.

Medical doctors provide primary care primarily in the inner-ring suburbs of Erie County, necessitating client travel within the region (map 4-8). Many doctors have become increasingly linked together through medical groups and HMOs. Other doctors have relocated completely from the city to the suburbs or have opened suburban branch offices from which they operate part of the week. It is not uncommon for a client to travel to two or three different parts of the county in order to complete a treatment -- moving, for example, from primary care physician to magnetic resonance imaging (MRI) specialist to hospital to follow-up therapy.

Reconciling Places and People

Where we live and how we live are different experiences. Increasingly everyday patterns of life take residents to many places within and outside of Erie County.

For many residents, this means an urban existence quite removed from the political jurisdiction of their home city or suburb. The routine requirements of shopping for food and clothing, attending a play, going to a movie, going to a hockey or baseball game, visiting the doctor, entering a hospital, or buying a car often demand that we leave not only our

neighborhood, but also our city, town, or village. In fact when data on patterns of life are superimposed on political and demographic data, it is apparent that Erie County life is now conducted in what amounts to a "new metropolis" not defined or represented by the legal borders of political jurisdictions.

The routine requirements of clothes shopping, attending a movie, visiting the doctor, or buying a car often demand that we leave not only our neighborhood, but also our city, town, or village.

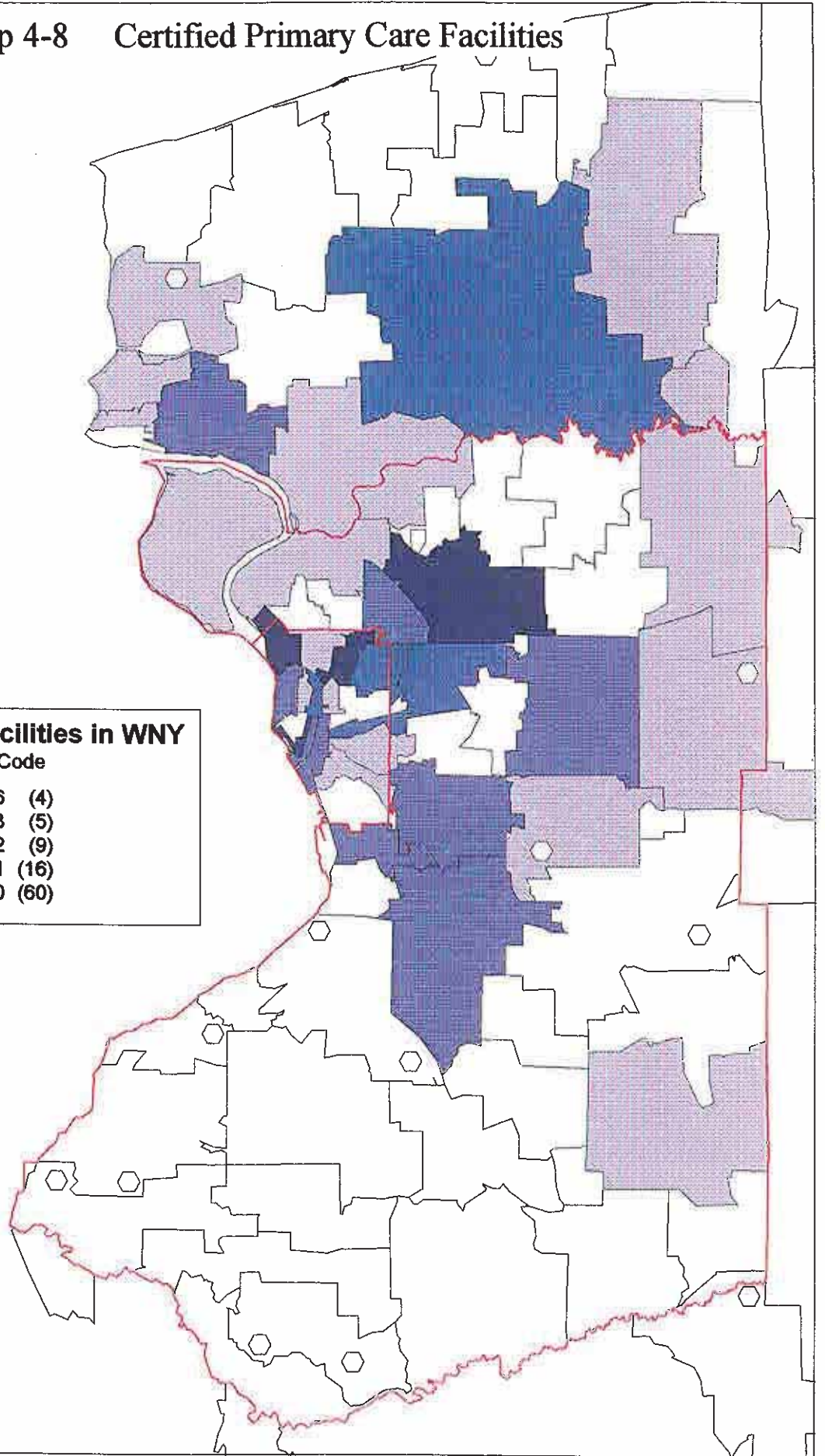
The mismatch between places and people is not uncommon. It would be the rare enclave that is self-sufficient enough to sustain itself without ties to adjacent or more distant jurisdictions. Cross-border

patterns of commuting, shopping, and entertainment are the norm for every metropolitan area in the United States and elsewhere. Indeed, globalization of the economy and other social interactions make isolation exceedingly rare and untenable.

Map 4-8 Certified Primary Care Facilities

Primary Care Facilities in WNY By Zip-Code

4 to 6	(4)
3 to 3	(5)
2 to 2	(9)
1 to 1	(16)
0 to 0	(60)



Because systems of property taxing are jurisdictionally based, the presence of a mismatch necessarily means that residents of one jurisdiction can use the facilities and services of another jurisdiction without contributing to their cost through taxes. The cross-border visitor can enjoy for free many of another community's offerings, from roads, sidewalks, and street lights to parks, police, and emergency services. Provided jurisdictions are fairly uniform in resources and need, such cross-border privileges are not of significant concern and, except for non-resident fees for use of selected recreational or other facilities, are rarely accounted for.

Mismatch is of concern when a jurisdiction bears a disproportionate burden in providing an area's cultural facilities or services or caring for an area's neediest residents.

Mismatch is of concern, however, when a jurisdiction bears a disproportionate burden in providing an area's cultural facilities or services or caring for an area's neediest residents. In these instances, the absence of cross-border payments to account for services received or to support a region's poor means that some area residents can escape financial responsibility for a region's collective responsibilities. In these instances, mismatch raises questions of equity that regions typically attempt to address.

There are three predominant approaches to addressing a mismatch problem:

- consolidate jurisdictions into regional government, thereby eliminating the possibility for intra-regional mismatch;
- establish systems of cross-border compensation to account for a mismatch. Such payments could be tolls, non-resident fees for use of facilities, and other cross-border payments to equalize area needs and resources; and
- tailor service-area boundaries for different functions to accommodate a mismatch. Such accommodation could be in the form of special-purpose governments, interjurisdictional agreements, and service sharing agreements.

As the service profiles in chapter 8 indicate, patterns of governance in Erie County display all three approaches to addressing the places-people mismatch. Erie County government serves as a *de facto* regional government for the services it provides and charges for at the county level. (Mismatch remains, of course, for county versus non-county resident use of facilities.) Many communities have established non-resident fees for specified services as a means for collecting revenue outside the property taxing mechanisms. There are numerous special-purpose agencies whose boundaries and revenue raising mechanisms approximate the entity's service area. Joint powers and other service sharing agreements are common between jurisdictions who wish to formally acknowledge joint use of facilities and services.

Public debate on issues of governance in the region often focuses on whether arrangements to address the people-place mismatch are effective and, if not, how to enhance or improve them. Questions of tax base sharing, the geopolitical distribution of the area's neediest residents and cultural facilities, and shared responsibility for the central city's economy or social fabric are all part of the public discourse on issues of mismatch, discussed more fully in later sections of the report.

Public debate on issues of governance in the region often focuses on whether arrangements to address the people-place mismatch are effective and, if not, how to enhance or improve them.

Part II

Framework for Governance in Erie County

Part II provides the historical, legal, and financial framework for understanding the structure and issues of governance in Erie County.

The focus is on the fundamental rules, notions, and practices of government in the region as a context for assessing the choices facing the people and policymakers of Erie County.

Chapter 5 traces the political evolution of Erie County jurisdictions and identifies three historical themes of consequence: the stability of municipal borders, longstanding urban-rural rivalries, and the sporadic realization of regional reform. Chapter 6 outlines the legal rules for local governance and interjurisdictional collaboration found in the State Constitution and statutes, and introduces enduring issues associated with state mandates, home rule powers, and block grants. Chapter 7 reviews trends and practices in local government finance and analyzes the nature and extent of fiscal variation between governments in Erie County.

Chapter 5

Historical Framework

The system of local governance in Erie County is the outcome of decades of decisions, large and small, that resulted in the particular arrangements we see today. The story of political evolution in the region has three interrelated themes, each of which has held and continues to hold great importance for how the local system of governance functions. These themes are: 1) the longevity and stability of municipal borders in Erie County; 2) the longstanding rivalry between urban and rural portions of the county in general and the City of Buffalo and other Erie County jurisdictions in particular; and 3) the recurrence and achievements of previous attempts at regional reform.

Stability of Political Boundaries in Erie County

City, town, and village boundaries in Erie County have been remarkably stable since the mid-nineteenth century (table 5-1).

The 42-square mile City of Buffalo has essentially the same boundaries it did in 1853, putting it in a dubious class with Philadelphia, Washington DC, San Francisco, St. Louis, St. Paul, and other cities whose territorial size has not changed in over a century. Town boundaries are nearly as old: except for minor adjustments, town boundaries are essentially

Except for minor adjustments, town boundaries are essentially the same today as they were in 1857, nearly 140 years ago. Village arrangements have been fixed since 1921. The City of Buffalo has virtually the same boundaries it did in 1853.

the same today as they were in 1857, nearly 140 years ago. Despite rapid suburbanization in the 1920s and again in the 1950s and 1960s, village borders have been fixed for all practical purposes since 1921 when the Village of Orchard Park became Erie County's last municipal formation.

The longstanding geopolitical structure of the region has several implications. The first is the strong sense of municipal identity and fierce resident loyalty to one's municipality, especially among longtime residents. Coupled with New York State's strong home rule prerogatives, discussed in the next chapter, ardent localist sentiment provides a particularly challenging environment for proposals that threaten the character or integrity of local government units.

Table 5-1

Incorporation Dates of Erie County Municipalities

Town or City	Incorporation Date	Corresponding Village(s)	Incorporation Date(s)
Aurora	1804	East Aurora	1874
Newstead	1804	Akron	1849
Clarence	1808		
Concord	1812	Springville	1834
Eden	1812		
Hamburg	1812	Hamburg; Blasdell	1874; 1898
City of Buffalo	1813-village; 1832-city		
Boston	1817		
Amherst	1818	Williamsville	1869
Holland	1818		
Wales	1818		
Erie County (split from Niagara Co.(est.1808))	1821		
Collins	1821	Gowanda	1848
Evans	1821	Angola	1873
Sardinia	1821		
Alden	1823	Alden	1856
Colden	1827		
Lancaster	1833	Lancaster	1849
Tonawanda	1836	Kenmore	1899
Brant	1839	Farnham	1892
Cheektowaga	1839	Depew; Sloan	1894; 1896
Orchard Park	1850	Orchard Park	1921
West Seneca (Orig. Seneca; name change in 1952)	1851		
Grand Island	1852		
North Collins	1852	North Collins	1911
City of Tonawanda	1853 - village; 1903-city		
Marilla	1853		
Elma	1857		
City of Lackawanna	1901		

Note: Original town boundaries not necessarily coterminous with current boundaries

A second implication of longstanding boundaries is that many municipalities in the region have histories that coincide with or predate that of the City of Buffalo. Unlike many metropolitan regions in which the central city was the original parent settlement, Erie County has many smaller communities, including Springville, Alden, Akron, Clarence, Aurora, and Boston, that developed early in their own right. Far from serving as appendages of a large city, these communities were independent units centered around significant farming enterprises or natural energy resources.

Many communities, including Springville, Alden, Akron, Clarence, Aurora, and Boston, developed early in their own right; they have histories that coincide with or predate that of the City of Buffalo.

A third implication of longstanding political boundaries is that municipal borders have not adjusted to a century's

worth of changes in demographics, settlement patterns, economic restructuring, and technological advances. For the central city of Buffalo in particular, the legacy of fixed borders has been an inability to keep pace with growth occurring beyond its political edge. Unlike many metropolitan areas outside New York State, where municipal expansion through annexation was a commonplace source of municipal vitality, the City of Buffalo has remained bounded by an annexation-resistant necklace of suburban jurisdictions. Although the New York State Constitution permits municipal annexation, it stipulates that annexations be approved by residents within the territory to be annexed. Coupled with strong local attachments to community, legal provisions have long made annexation extremely unlikely in the region.

Municipal borders in Erie County have not adjusted to a century's worth of changes in demographics, settlement patterns, economic restructuring, and technological advances.

These legal and political constraints notwithstanding, for the City of Buffalo one persistent obstacle to annexation, at least following its controversial annexation of the Village of Black Rock in 1853,¹ was the city's own disinterest in expansion. Several times in the late 1800s and early 1900s the City of Buffalo refused to annex or extend water and sewer services to fledgling inner-ring suburbs. At the time, Buffalo did not view annexation as a strategy that was in the interest of city government and taxpayers. As a result of the city's refusal to supply water to the major New York Central Railroad locomotive repair shop in the

¹ The expanding City of Buffalo, which changed its legal status from village to city in 1832, grew tenfold between the opening of the Erie Canal in 1825 and mid-century in 1850, and continued to capture the bulk of the region's population growth throughout the nineteenth century. The annexation of Black Rock resulted in the current 42-square mile city boundary that was thought at the time to be sufficiently large to accommodate any future growth.

Village of Depew in 1892, the railroad developed its own water lines from Woodlawn to the village, enabling it to eventually service other communities along the way. In hindsight,

In hindsight, Buffalo's refusal to connect neighboring suburbs to its utility systems laid the seeds for the region's fragmented arrangements for water and sewer service delivery.

Buffalo's refusal to connect neighboring suburbs to its utility systems laid the seeds for the region's fragmented arrangements for water and sewer service delivery.

City-Suburban and Urban-Rural Rivalries

The City of Buffalo's refusal to extend services to suburban areas also kindled what by then was already longstanding rivalry between the city and its suburban and rural neighbors. Historic

animosities between the City of Buffalo and nearby suburbs go back to at least the early 1820s when the then-Village of Buffalo won a bitter fight with the Village of Black Rock to be the western terminus of the Erie Canal. Its subsequent growth, the annexation of Black Rock, and service disputes into the 1900s fostered an environment of distrust that hampered city-suburb collaborations.

In 1937, after several years of discussion and fiscal distress resulting from the Great Depression, the Buffalo Common Council voted 9-6 to detach itself from Erie County. City officials saw little benefit to being part of and providing the lion's share of funding for Erie County government. The detachment never occurred, in part because opponents pointed out that the city's 70 percent share of county costs was proportional to contemporary city-county population ratios.

In 1937 the Buffalo Common Council voted 9-6 to detach itself from Erie County. City officials saw little benefit to being part of and providing the lion's share of funding for Erie County government.

Given this history, it is not surprising that in the 1940s, when the fiscally strapped City of Buffalo sought assistance from suburban neighbors, it had insufficient claim on suburban charity to overcome decades of resentment. As noted below, Buffalo did manage in

City-suburban tensions are one aspect of a broader urban-rural rivalry that has long characterized relations in Erie County.

the postwar period to transfer responsibility for several services to the county government, yet even these negotiations were marked by suspicion and often bad will. Distrust continues to frustrate some city-county accords, aggravated by a standoff over distribution of the "extra 8th cent" in sales tax revenue, discussed in more detail in chapter 7. In recent decades, city-suburban rivalries have manifested

themselves politically by the failure of any mayor of the City of Buffalo to run successfully for the post of County Executive.

City-suburban tensions are one aspect of a broader urban-rural rivalry that has long characterized relations in Erie County. In 1895 and again in 1911 and 1914, local officials petitioned the state for permission to separate an urban "Buffalo County" from the mostly rural remainder of Erie County. Had it been approved Buffalo County would have consisted of the cities of Buffalo, Tonawanda, and Lackawanna, plus the towns of Grand Island, Tonawanda, Amherst, Cheektowaga, and part of Lancaster, which together comprised the urban core of the region. The motivation was fiscal: urban residents and officials resented the degree to which they subsidized costly services for rural residents, who were thought to pay only a fraction of their fair share of Erie County services.

In 1895 and again in 1911 and 1914, local officials petitioned the state for permission to separate an urban "Buffalo County" from the mostly rural remainder of Erie County.

In recent years, intermunicipal rivalry has centered on competition over a share of a steadily declining number of new jobs and economic development opportunities. The institutional fallout of this competition is the existence of dozens of independent and overlapping public, private, and nonprofit economic development agencies, a situation described more fully in the Economic Development service profile in chapter 8.

Regional Reform and Functional Consolidation

A third theme of the evolution of political structure in Erie County is the repeated attempts at metropolitanization within the region. Proposals for radical restructuring in the form of metropolitan government or federations have obviously been unsuccessful. What has occurred, however, is a series of functional consolidations, resulting in *de facto* regionalization of several services. These reforms represent incremental adaptations to fixed political borders within the county. Transfers of functions between municipalities and the county, service consolidations, formation of special-purpose governments, and intermunicipal agreements have satisfied service needs within the region, even while municipal borders have remained fixed.

An early proposal for metropolitan government was the 1929 plan to expand the City of Buffalo to the Town of Hamburg in the south, the Erie County line in the north, and Transit Road in the east. The onset of the Depression foiled the plan.

One of the early proposals for a form of metropolitan government was the 1929 plan to expand the boundaries of the

City of Buffalo to encompass all the territory to the Town of Hamburg in the south, the Erie County line in the north, and Transit Road in the east. Supporters envisioned that the new 200-square mile city, which was to be in place in time for Buffalo's Centennial celebrations in 1932, would be the world's largest inland port. The onset of the Great Depression later that year foiled the plan, which was driven in large measure by the city's desire to increase its legal bonding capacity to pay for large-scale public improvements desperately needed to serve growing residential and commercial populations.

Proposals for metropolitan government surfaced several times in subsequent decades in response to accelerated suburban growth and increasing city fiscal stress. Like many metropolitan areas in the 1940s through 1960s, Erie County considered and rejected metropolitan government. Unlike some metropolitan areas, however, including St. Louis, Pittsburgh, and Cleveland, in Erie County no proposal for metropolitan government ever proceeded far enough to require a vote. The only single-purpose service consolidation to reach the ballot box was the unsuccessful 1968 referendum to form a countywide police department, which was approved by city voters but resoundingly defeated in the suburbs.

Like many metropolitan areas in the 1940s through 1960s, Erie County considered and rejected metropolitan government.

Despite defeat of metropolitan government proposals, however, Erie County has had considerable service-level regionalization at the county or larger scale, as indicated in the decade-by-decade overview of countywide (or larger) assumption of services in table 5-2.

There have been several motivations for service regionalization. For many services, regionalization resulted from mutually beneficial municipal to county transfers, primarily from the City of Buffalo to Erie County. These functional transfers include social welfare services, Meyer Memorial Hospital (now Erie County Medical Center), Buffalo Airport, several parks, central police services, municipal libraries, the Botanical Gardens, and greater funding

Regionalization has resulted from mutually beneficial municipal to county transfers, "new" services being assigned to the county, and public takeover of private providers.

responsibility for region-serving cultural facilities including the Buffalo Zoo (later privatized), Albright-Knox Art Museum, Buffalo Museum of Science, Buffalo and Erie County Historical Society, the Buffalo Philharmonic Orchestra, and others. The City of Buffalo and Erie County are currently considering several more service transfers, including responsibility for Bennett Beach, the convention center, services to the disabled and seniors, and possibly some city parks.

Regionalization has been the result of "new" services being assigned from the start to the county menu of responsibilities. Among these services are mental health, environmental services, pollution control, and regional economic development.

A third type of regionalization was takeover of private responsibilities, which occurred with state assumption of transit services from the bankrupt Niagara Transit Company in the early 1960s.

Table 5-2

Service Regionalization by Decade, Erie County	
Decade	Regionalized Services
1930s	social welfare; Meyer Memorial Hospital (now ECMC)
1940s	probation; public health; Angola Beach
1950s	libraries; airport
1960s	transit (takeover from private corporations)
1970s	central police services; regionwide cost sharing for cultural facilities (zoo, Albright-Knox Art Gallery, Buffalo Museum of Science, Buffalo and Erie County Historical Society, philharmonic orchestra); "new services": mental health; environmental conservation, seniors services
1980s	Botanical Gardens, Grover Cleveland Golf Course, countywide industrial development
1990s	pending: convention center; services for the disabled; senior transit services; Bennett Beach; some Buffalo City parks

Not all services proposed for regionwide provision since the 1930s have resulted in functional consolidations, however. Besides the unsuccessful police consolidation, the postwar period saw the defeat of proposals to regionalize at the county level public works, highways, parks, weights and measures, and Broadway Market. A recent proposal to consolidate vital statistics functions, which are currently performed by individual municipalities, was once again defeated, just as such proposals

The postwar period saw the defeat of proposals to regionalize (at the county level) public works, highways, parks, weights and measures, Broadway Market, and vital statistics.

Service consolidations are by no means simple or automatic. Most face opposition and they often require protracted negotiations between affected parties.

have been since first proposed by area officials in the late 1960s, nearly 30 years ago.

The key message is that service consolidations, although not uncommon, are by no means simple. Most face opposition and often require protracted negotiations between affected parties. For example, the establishment of the Buffalo and Erie County Library system, a federation of

formerly independent municipal libraries, required seven years of negotiations between 1947 and 1954.

In short, the evolution of governance in Erie County tells a story of regional adaptation and accommodation amidst rigid political boundaries, persistent intergovernmental rivalries, and strong allegiance to local communities. As later chapters make clear, these forces continue to influence contemporary intergovernmental relations and reforms.

Chapter 6

Legal Framework

The legal framework within which governmental units exist, provide public services, and interrelate with other governments is fundamental to the nature and utility of governance in the region.

The 45 general-purpose local governments within Erie County are the units most commonly perceived by the public to be "local governments," not only in the formal legal sense but also in the sense of community identification and loyalty. In addition, the 78 special-purpose units of Erie County (29 school districts, 49 independent special districts) have distinct governmental powers and administrative structures. Some of these independent units cross the borders of general-purpose governments.

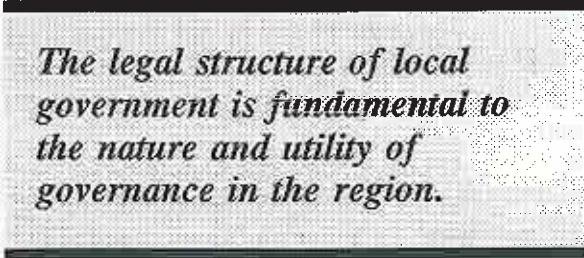
The often cited figure of "one thousand governments" within Erie County is a number that includes not only these general- and special-purpose governments, but also many hundreds of special improvement districts. Although properly perceived as limited-purpose entities, these units do not support an independent structure of administration or personnel.

Rather, they are dependent taxing districts governed and administered by municipal governments. From a legal standpoint, dependent districts generally exist "on paper" for the purpose of allocating capital and/or operating costs of lighting, street construction, water and sewer functions, and other public services.

Unlike some other states, there are no "unincorporated" areas of New York lying outside of municipal boundaries. With the exception of Native American reservations, all property lies within a formal or incorporated county and within a formal city or town. Properties located within towns may, but need not, also lie within villages.

All units of government, both general- and special-purpose, operate within a complex framework of law and tradition in New York State which has evolved over the past two hundred years and is continuing to evolve today. This framework affects not only the structure and services of each governmental unit, but also the critically important relationships among those units and the potential for new relationships.

The State of New York has established specific constitutional and statutory procedures for the creation and dissolution of governmental units and for annexation or change of



The legal structure of local government is fundamental to the nature and utility of governance in the region.

Independent limited-purpose units are clearly the growth area of local government in New York State.

boundaries of such units within the state. These requirements are not entirely uniform and, to some extent, reflect certain historical anomalies as general-purpose local governments evolved throughout the state.

Limited-purpose units of government, clearly the growth area of local government in New York State, also have a diverse history and status under New York law. For example, while school districts, industrial development agencies, urban renewal agencies, and public benefit corporations require an act of the State Legislature to be created, most special districts may be created by act of a town or county. Of particular importance is the structure of fiscal responsibilities and restraints on limited-purpose units promulgated in the State Constitution and statutes. Such legally based fiscal implications, including impact upon credit rating and debt limit, are of great significance not only to the limited-purpose unit but to the general-purpose locality or localities involved.

Constitutional Foundations for Local Government

There are numerous statutory and regulatory provisions in state law pertaining to the role of localities in the total scheme of governance. The foundation, however, of the legal framework in which local governments must function is the Constitution of New York State.

Although there are many provisions of importance to localities throughout the Constitution, including the fiscal framework contained in Article 8, the basis of local government rights and responsibilities is found in Article 9. Often referred to as the "Home Rule" article of the Constitution, these provisions, as amended in 1963, make a deliberate effort to broaden the scope of discretionary authority of local governments and to achieve a greater level of parity among general-purpose units with respect to constitutional capacity in local lawmaking. As discussed below, the important question in the 1990s is whether this constitutional effort in support of local discretion has practical meaning and vitality in the face of extraordinarily tough fiscal dilemmas for many counties and municipalities.

The basis of local government rights and responsibilities is found in Article 9, the "Home Rule" article of the New York State Constitution.

The notion of home rule is fundamental to an understanding of rights and responsibilities of localities, particularly because of the evolution of state supremacy in the State of New York. That is, with the state playing an exceedingly active, aggressive role in governance, the role of municipalities could easily get lost if not deliberately carved out in the Constitution and, indeed, consciously protected by the governor and state legislators. Many local officials argue persuasively that the rights and responsibilities of municipalities are, as a

practical matter, more tied to annual state budget policy and day-to-day actions of elected state officials than to more lofty constitutional precepts. The tension between notions of home rule and state supremacy has been and remains a genuine crucible in the effort to achieve an effective and efficient representative republic.

Among other things, Article 9 grants to general-purpose local governments the power to adopt or amend local laws, by action of an elected legislative body, which relate to their "property, affairs or government" and which are not inconsistent with the State Constitution or general law. Moreover, further sections provide for the power of the locality to act on certain subjects not directly related to its property, affairs, or government.

An additional purpose of Article 9 is to provide for alternative forms of county government and to authorize each county to choose between charter and non-charter models.

With the state playing an exceedingly active, aggressive role in governance, the role of municipalities could easily get lost if not deliberately carved out in the Constitution and, indeed, consciously protected by the governor and state legislators.

Issues relating to collection and distribution of revenues have largely dominated political discourse in most jurisdictions throughout the state. Sales tax policy in Erie County is a distinctive and disturbing example.

Options pertaining to both administrative management and legislative functions are included. Like most large counties, Erie County has opted for a charter model, including elected County Executive and Legislature. The former Board of Supervisors was replaced with the new County Legislature on January 1, 1968.

The Constitution also provides authority to localities to raise revenues. The ability to impose taxes and fees and to borrow is fundamental to the existence and operation of local government. Issues relating to collection and distribution of revenues have, indeed, largely dominated political discourse in most jurisdictions throughout the state. Sales tax policy in Erie County is a distinctive and disturbing example. Similarly, authority for spending of those funds is, within certain parameters, granted by the Constitution to general-purpose governments and, in some cases, to limited-purpose units.

As outlined below, Articles 8 and 9 of the Constitution also contain express grants of authority to local governments to collaborate through formal and informal joint agreements in the provision of public services. If the frontier of effective and efficient governance is better coordination among governmental units, this authority and the flexibility granted pursuant to it is of enormous significance.

Article 9 expressly states that the "rights, powers, privileges and immunities granted to local governments...shall be liberally construed." The article is a protection against improper invasion by the state into local affairs and priorities.

As local officials often state, the goal is to make the State of New York a helpful partner with municipalities rather than an obnoxious big brother. Article 9 is intended to serve not only as a source of authority for local governments, but also as a protection against improper invasion by the state into local affairs. It represents a willful statement of the home rule principle which motivated the 1963 amendments. Indeed, Article 9 expressly states that the "rights, powers, privileges and immunities granted to local governments by this article shall be liberally construed."

This provision is of particular interest because of the legal doctrine known as Dillon's Rule," originating from a nineteenth century jurist. Adopted by many state courts, though not New York's, Dillon's Rule asserts the supreme sovereignty of the state as the basic source of authority for local government and rejects free exercise of powers by a locality. Home rule, by contrast, affirms basic autonomy and powers to local government unless expressly denied or limited by a state.

The effectiveness of Article 9 is frequently and vehemently questioned. Local government flexibility relies more often upon the level of commitment, as expressed through legislation and annual budgets of the governor and state legislators, than to local prerogative. The constitutional notion and protection of home rule is of little comfort or interest to those counties and municipalities facing insolvency -- a dilemma at least partially driven by state mandates and budgetary policy. Indeed, the Comptroller of the City of Buffalo recently questioned whether the city can continue to exist as a viable unit of government.

The constitutional protection of home rule is of little comfort or interest to those counties and municipalities facing insolvency -- a dilemma at least partially driven by state mandates and budgetary policy.

This gap between constitutional provision and practical application is fertile ground for a possible Constitutional Convention in New York State in the next several years.

Statutory and Administrative Framework

It is essential as well to consider the statutory framework that plays a vital role in establishing the place of local government within New York State and the role of localities with regard to service delivery. This framework includes statutes that are, by their title,

obviously and directly applicable to localities. These include, for example: Municipal Home Rule Law, Statute of Local Governments, General Municipal Law, County Law, City Law, Town Law, and Village Law. Some of these laws, found in the Consolidated Laws of New York State, are in fact mandated by the Constitution and have the purpose of adding specificity and strength to the general grant of authority in Article 9.

Other titles within the state's statutes, however, may be applicable to local governments because of the area of substantive jurisdiction. A few of many examples are Health Law, Environmental Conservation Law, and Election Law. The breadth of statutory law pertaining to rights and responsibilities of localities is enormous; the need to be familiar with this array represents a major expenditure of time and money by every locality in the state.

Similarly, administrative regulations promulgated by agencies of the state government have an increasingly profound impact upon local governments and taxpayers. For example, even within a substantive area such as land use law, historically reserved primarily to local governments, SEQRA (*State Environmental Quality Review Act*) regulations directly influence day-to-day actions of municipalities. Many local representatives cite regulatory rules established by state agencies as more burdensome and costly to local taxpayers than the statutes passed by elected state officials.

The breadth of statutory law pertaining to rights and responsibilities of localities is enormous; the need to be familiar with this array represents a major expenditure of time and money by every locality in the state.

Many local representatives cite regulatory rules established by state agencies as more burdensome and costly to local taxpayers than the statutes passed by elected state officials.

State statutes and regulations also direct some regional entities directly involved in governance and service delivery in the area. For example, the Niagara Frontier Transportation Authority, discussed in detail in chapter 8, exists pursuant to state law and is staffed largely pursuant to state appointment. Two other regional entities established in state law, the Horizons Waterfront Commission and

Western New York Economic Development Corporation, were recently terminated by the new administration in Albany.

Mandates and Service Delivery

Although the State of New York acts as the direct provider of public services in many areas, its primary role in service delivery, as articulated by the State Legislative Commission

on State-Local Relations, is to act as "architect in designing the legal structure necessary to allow, encourage or, if necessary, mandate local governments to provide service to their constituents."

This last category of state mandates, both state and federal, that has been the focus of enormous attention and concern during the 1980s and 90s in New York State. Mandates are viewed by localities as unnecessary directions driving up costs to municipalities and taxpayers and often ill-suited to actual local issues and challenges. The principal concern is that these mandates are infrequently accompanied by the state funding to pay for them and that, consequently, the cost burden inevitably falls upon the local property tax base.

Mandates are viewed by localities as unnecessary directions driving up costs to municipalities and taxpayers and often ill-suited to actual local issues and challenges.

At the county level of government, clearly the most visible and controversial example is the series of Medicaid mandates issued by the state but paid for, in large part, by county property taxpayers. According to county officials, mandated social services costs now account for over 70 percent of the Erie County budget. In

recent years, a series of proposals, initiated locally and in Albany, have focused upon reducing the burden of the Medicaid mandates and/or shifting the costs of such programs entirely to the state level of government. The Medicaid dilemma is frequently cited to illustrate the point that constitutional "home rule" protections ring hollow in the face of overwhelming costs mandated upon the county.

According to county officials, mandated social services costs now account for over 70 percent of the Erie County budget.

At the municipal level, a series of environmental mandates provide a typical syndrome to which local officials take strong exception. As an illustration, in the 1970s, many localities responded to sewage treatment requirements by building large wastewater treatment plants designed to meet the water quality standards promulgated by the state and federal governments. At the time, the state promised reimbursement to localities of one-third of the ongoing operation and maintenance costs of such facilities. By the late 1970s and early 80s, the state began to back off this program of "o and m" reimbursement and systematically reduced the reimbursement percentage culminating in full elimination of state appropriation by the end of the decade. Recent requirements for source separation and recycling of municipal solid waste provide another example of environmentally-based state mandates upon localities.

A variety of remedial or mitigating steps have been proposed at the state level to lessen the mandate dilemma while improving the system of service delivery. Indeed, at both the state and federal levels of government, the 1994 election has given increased attention and momentum to proposals dictating that all new mandates upon lower governmental levels must

The 1994 election has given increased attention and momentum to proposals dictating that all new mandates upon lower governmental levels must be funded by the level issuing the mandate.

be funded by the level issuing the mandate. The theory is not only that such a step would be fair and would create a more equitable relationship among governments, but also that if the level issuing a mandate must pay for it, such mandates will become fewer and more narrow in scope. That is, the state and federal governments will presumably be more careful in issuing mandates if they, and not lower levels of government, must bear the cost burden of those mandates.

Recent months have also seen an increased emphasis on the "block grant" model of state and federal funding for localities. This model is designed to offer greater flexibility and discretion to states and localities in the use of state and federal aid. Critics argue, however, that longstanding governmental programs and policy priorities could be scuttled in the process. The proposed block grant model provides the context for important public deliberation of issues of state and federal mandates and the structure of federalism in our country. The nature and extent of public services are at the center of this inevitable debate.

Block Grants: greater flexibility and discretion to states and localities? Or a way to scuttle longstanding governmental programs and policy priorities?

Other remedial steps designed to improve the quality and efficiency of services range from dramatic revisions to the structure of governance by creation or dissolution of municipalities to more limited measures such as transfer of functions, transfer of costs, increased private contracting, and greater use of cooperative arrangements in service delivery.

Collaborative Arrangements Among Local Governments

Of special significance to this report is the clear legal authority for local governments in New York State to collaborate in the provision of public services. Considerable flexibility is provided to local governments for such collaborations. Both the State Constitution (Articles 8 and 9) and General Municipal Law (Section 5-G) deal directly with the opportunity for joint agreements among local governments. Such opportunity extends to virtually any function or service that a single local government is authorized to provide separately.

A specific listing of areas appropriate for governmental agreements is provided in the General Municipal Law, but there is apparently no limitation implied by the listing. In fact, a wide breadth of both formal and informal collaborations among municipalities has already evolved in this region and throughout New York State. The service profiles in chapter 8

Both the State Constitution and General Municipal Law deal directly with the opportunity for joint agreements among local governments. Indeed, such opportunity extends to virtually any purpose or service that a single unit could provide separately.

outline many current examples of collaborative arrangements among municipalities, including mutual aid agreements in fire and road services, village-town relationships on police, sewer, and other public services, district-wide sharing of library resources, and transfer of services or functions from one level of government to another.

Agreements and potential agreements for new collaborations are viewed by many officials and taxpayers as a primary vehicle for improved quality and efficiency of the service delivery system

within existing legal structures of governance. The information and analysis in this report outline many of the existing and potential agreements designed to serve this critically important purpose.

From the state perspective, a more deliberate and effective structure of incentives, including fiscal incentives, that encourages collaborations among municipalities is one of the frontiers of state-local relations.

New collaborations are viewed by many officials and taxpayers as a primary vehicle for improved quality and efficiency of the service delivery system.

Although the legal structure within which local governments function is fundamental to the nature and value of those governments and also provides the context for themes and trends of governance in the region, the structure itself is not the primary battleground of governmental reform and efficiency in the 1990s. Rather, the compelling question is whether the state and localities, working together, can successfully utilize the legal framework that currently exists as the basis for purposeful, useful improvement in the delivery of public services to residents and taxpayers. It is possible this question will be pursued not only in the day-to-day, evolving relationship between the state and local governments, but perhaps in the context of the potential Constitutional Convention that will be considered in New York State within the next few years.

Chapter 7

Financial Framework

In theory, financing local government is a straightforward process. Based upon input from residents and businesses (through, for example, local elections, public hearings, and opinion polls), government decides the type of services to provide, in what amounts, and at what level of quality. Through research and budget proceedings, the government estimates the total cost to provide these services, typically for a year or two at a time. Government

also estimates the cost of long-term projects, such as road building, construction of a health clinic, or repayment of an outstanding loan (the amount of which is fixed by an advance capital cost estimate).

In theory financing local government is a straightforward process. In practice it is anything but straightforward.

To meet resident and business needs, government must raise sufficient revenues to fund the total cost of the services demanded. Common revenue sources include various taxes, grants,

borrowed monies, leases, interest on investments, and fees paid by residents and nonresidents who use certain public facilities and services. Based on past experience and current trends, government estimates how much revenue it can expect to raise from each source and establishes a budget that mixes current revenue and borrowing.

Because property tax levies are, especially in recent years, a particularly unpopular revenue source, government typically seeks as much revenue as possible from non-property tax sources. After estimating how much revenue it can reasonably raise from non-tax sources, government determines how much it must raise from local property taxes to make up the shortfall between non-property tax revenues and total cost of services. Given its tax base (the total assessed value of property within jurisdiction boundaries), government then determines a tax rate, typically expressed in dollars and cents per \$1,000 of assessed value, that will guarantee sufficient revenues to fund services.

Because property tax levies are, especially in recent years, a particularly unpopular revenue source, government typically seeks as much revenue as possible from non-property tax sources.

Many residents and taxpayers expect government to maintain or even increase service quantity and quality even as they contribute less.

In practice, of course, financing local government is anything but straightforward. Over the past several decades, changes in economic conditions, federal and state legislation, and resident attitudes toward government and various funding sources have increased the complexity and difficulty of local government budgeting. Federal and state governments have sharply reduced the

amount of aid provided to localities, while at the same time increasing their mandated service responsibilities. Persons who have fallen on hard times need a wider range and higher level of public services than ever before. Many residents and taxpayers expect government to maintain service quantity and quality even as they contribute less.

Exacerbating the challenge of financing local governance in Erie County are five factors beyond the control of the region's governments. First is the restructuring of the regional economy in response to shifts in national and global economic forces, which has left many local jurisdictions, particularly those with an industrial heritage, with lagging tax bases to offset the cost of services. A second factor affecting local government finance is inter-regional population shifts within the United States, in particular from the "frostbelt" to the "sunbelt," as people and firms move in response to perceived economic opportunities and higher quality of life. A third factor is profound change in the region's demographic composition, attended by necessary assistance to the unemployed and chronically underemployed, the elderly, and other groups. Fourth, for older cities and inner suburbs, intra-regional movement of population and employment from the traditional urban core to the less-dense, newer surrounding suburban and rural towns has put differentially greater pressure on the finances of some locales. Finally, there are the controversial "mandates" imposed on local governments by federal and state governments without the funding to effectively carry out these mandates.

Exacerbating the challenge of financing local governance in Erie County are five factors beyond the control of the region's governments: economic restructuring, inter-regional population shifts, demographic shifts, suburbanization, and mandates.

In communities where government is unable to meet increased demands for service, businesses, industries, and residents often emigrate to other communities or regions. Net out-migration reduces the community's tax base, prompting tax rate increases, more out-migration, still higher tax rates, still more out-migration, and so forth in a downward spiral of decline. In turn, decline shakes the confidence of the financial community on which communities depend for favorable bond ratings and loans. Financiers may raise the rate at which the locality can borrow and may back away from investing in the community, thereby hastening and intensifying decline.

In response to fiscal stress governments have four choices: increase revenues, reduce services, borrow money, or achieve efficiencies.

Most Erie County communities face these fiscal challenges. In response, governments have four choices: increase revenues, reduce services, borrow money, or achieve efficiencies. Fiscal stress renders two of these, borrowing and increasing revenues, especially through taxes, particularly problematic. As a result, service reductions and an urgent search for efficiencies increasingly dominate staff and

council agendas.

Financing Local Government

The expenditure budget for every local general-purpose government is comprised of three distinctive components: (1) the operations and maintenance (O&M) budget, which covers all routine day-to-day costs; (2) the annual capital budget, which covers construction costs of all new facilities plus acquisition of expensive, long-lived equipment; and (3) the debt service component of the capital budget, which escrows a share of annual revenues in order to cover completed capital construction projects bonded in prior years.

Local governments in the region vary in how they allocate revenues to these budget categories, as indicated by the percentage figures in table 7-1. The largest share of municipal revenues, around 80 percent on average, goes to current operations, although actual percentages ranged in 1992 from 61 percent in the Town of Newstead to nearly 99 percent in the Town of North Collins.

The wide range stems in part from the fact that in any single year a jurisdiction may incur large capital expenditures, either planned or unplanned, that will necessarily decrease the percentage share allocated to current operations. This phenomenon is apparent in the Erie County case: during the year analyzed the Town of Newstead devoted nearly 38 percent of its budget to capital expenditures, followed by the Town of Boston with nearly 34 percent. Capital expenditures in these and similar towns in prior or subsequent years may have been quite low. In a similar vein, the budget share for capital spending in low capital expenditure towns such as North Collins and Sardinia may have been high in prior years. Snapshots of capital expenditures thus require careful interpretation.

The largest share of municipal budgets, around 80 percent on average, goes to current operations.

Table 7 - 1
Capital Budgets, Debt Service, and O&M Budgets
Erie County Municipalities, Year Ended December 31, 1992

PLACE	EXPENDITURES (\$000)						
	CAPITAL & EQUIPT.		DEBT SERVICE		CURRENT OPERATIONS		TOTAL
	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount
ERIE County	\$27,251.6	2.8%	\$54,783.3	5.7%	\$880,924.2	91.5%	\$962,959.1
BUFFALO City	54,327.3	15.2%	22,173.8	6.2%	281,707.5	78.6%	358,208.6
LACKAWANNA City	547.2	3.7%	1,830.8	12.4%	12,439.6	84.0%	14,817.6
TONAWANDA City	7,252.3	11.0%	574.8	0.9%	58,071.8	88.1%	65,898.9
Subtotal: Cities	\$62,126.8	14.2%	\$24,579.4	5.6%	\$352,218.9	80.2%	\$438,925.1
AKRON Village	321.5	11.5%	90.6	3.2%	2,377.3	85.2%	2,789.4
ALDEN Village	135.0	9.8%	174.5	12.6%	1,074.7	77.6%	1,384.2
ANGOLA Village	247.6	16.0%	145.0	9.3%	1,159.5	74.7%	1,552.1
BLADELL Village	41.3	2.2%	163.0	8.7%	1,678.6	89.1%	1,882.9
DEPEW Village	427.2	5.3%	524.5	6.5%	7,069.0	88.1%	8,020.7
EAST AURORA Village	1,203.4	18.8%	568.2	8.9%	4,626.9	72.3%	6,398.5
FARNHAM Village	14.9	9.5%	7.7	4.9%	134.6	85.6%	157.2
GOWANDA Village	283.5	11.2%	538.4	21.2%	1,712.2	67.6%	2,534.1
HAMBURG Village	451.0	8.5%	208.1	3.9%	4,628.6	87.5%	5,287.7
KENMORE Village	1,080.3	12.2%	779.6	8.8%	7,019.2	79.1%	8,879.1
LANCASTER Village	372.7	6.8%	979.1	17.9%	4,132.1	75.3%	5,483.9
NORTH COLLINS Village	86.8	14.3%	63.9	10.5%	457.5	75.2%	608.2
ORCHARD PARK Village	412.6	28.4%	4.1	0.3%	1,036.4	71.3%	1,453.1
SLOAN Village	78.3	8.4%	0.0	0.0%	854.9	91.6%	933.2
SPRINGVILLE Village	463.5	11.4%	393.5	9.7%	3,210.9	78.9%	4,067.9
WILLIAMSVILLE Village	416.5	12.4%	362.2	10.8%	2,568.5	76.7%	3,347.2
Subtotal: Villages	\$6,036.1	11.0%	\$5,002.4	9.1%	\$43,740.9	79.8%	\$54,779.4
ALDEN Town	171.5	6.6%	471.9	18.1%	1,964.1	75.3%	2,607.5
AMHERST Town	4,077.3	5.0%	10,732.5	13.2%	66,385.7	81.8%	81,195.5
AURORA Town	210.9	6.2%	150.0	4.4%	3,020.6	89.3%	3,381.5
BOSTON Town	1,156.9	33.6%	87.8	2.6%	2,194.9	63.8%	3,439.6
BRANT Town	68.9	7.8%	45.5	5.2%	766.2	87.0%	880.6
CHEEKTOWAGA Town	3,179.7	7.2%	4,119.7	9.3%	37,102.1	83.6%	44,401.5
CLARENCE Town	1,038.3	11.8%	1,057.1	12.0%	6,733.6	76.3%	8,829.0
COLDEN Town	89.8	11.3%	0.0	0.0%	705.4	88.7%	795.2
COLLINS Town	68.7	5.4%	15.4	1.2%	1,187.5	93.4%	1,271.6
CONCORD Town	88.6	6.5%	0.0	0.0%	1,277.3	93.5%	1,365.9
EDEN Town	122.5	4.8%	153.8	6.0%	2,278.2	89.2%	2,554.5
ELMA Town	259.8	7.4%	9.5	0.3%	3,255.5	92.4%	3,524.8
EVANS Town	2,110.2	20.6%	1,114.3	10.9%	7,037.6	68.6%	10,262.1
GRAND ISLAND Town	633.6	5.7%	1,766.2	16.0%	8,621.2	78.2%	11,021.0
HAMBURG Town	5,063.7	19.2%	2,187.0	8.3%	19,133.9	72.5%	26,384.6
HOLLAND Town	162.8	13.6%	179.2	15.0%	851.8	71.4%	1,193.8
LANCASTER Town	510.7	5.1%	853.2	8.6%	8,579.0	86.3%	9,942.9
MARILLA Town	102.6	10.1%	62.1	6.1%	848.4	83.7%	1,013.1
NEWSTEAD Town	903.6	37.6%	43.4	1.8%	1,453.6	60.6%	2,400.6
NORTH COLLINS Town	0.6	0.1%	9.9	1.3%	746.3	98.6%	756.8
ORCHARD PARK Town	346.5	3.3%	1,480.0	14.2%	8,578.0	82.4%	10,404.5
SARDINIA Town	15.9	2.4%	0.0	0.0%	643.8	97.6%	659.7
TONAWANDA Town	8,395.3	15.2%	3,495.9	6.3%	43,234.0	78.4%	55,125.2
WALES Town	47.5	8.9%	0.0	0.0%	485.5	91.1%	533.0
WEST SENECA Town	4,097.1	17.5%	1,815.9	7.8%	17,471.1	74.7%	23,384.1
Subtotal: Towns	\$32,923.0	10.7%	\$29,850.3	9.7%	\$244,555.3	79.6%	\$307,328.6

Source: NYS Office of the Comptroller: Special Report on Municipal Affairs, 1992

Finally, although constitutionally imposed debt limits might lead one to expect that debt service would be a fairly uniform fraction of annual local expenditure budgets, actual annual debt service expenditures vary widely across Erie County. Debt service in the county's three cities, for example, ranges from around 1 percent in the City of Tonawanda to 12.4 percent in the City of Lackawanna.

By state law, local budgets must be balanced and are subject to constitutional taxing limits and debt limits, which restrict their borrowing for capital projects.

Certain constraints apply to local governments' budget-making process. By state law, local budgets must be balanced. In addition, local budgets are subject to constitutional taxing limits and debt limits which restrict their borrowing for capital projects. In recent years, there has been a notable rise in the number of dependent assessment districts for purposes such as street lighting or sewers. Chief among the

advantages of these districts is that they are not subject to municipal tax limits and thus provide a convenient mechanism to circumvent politically unpopular property tax increases or limits on borrowing.²

Operations & Maintenance Budgets

Local governments in Erie County raise revenues for operations and maintenance from a combination of sources:

- real property taxes (plus special fees, fines, and other charges associated with the taxation of real property);
- local licensing and fee revenue, including building permits, birth and death certificates, marriage licenses, inspections, and user charges;
- an 8 percent county sales tax authorized by special act of the state legislature. Half of this tax is retained by the state, one-eighth is retained by Erie County, and the remaining three-eighths is shared among local governments, school districts, and county agencies according to a complex distribution formula;
- state aid (or reimbursement) for expenses other than public schools (which are budgeted and funded according to a separate state school aid formula); and
- federal aid (or reimbursement) for entitlement programs such as Medicare and Medicaid, Aid to Families with Dependent Children, and Home Relief. While only

² Since the 1950s sewer debt has been specifically excluded from constitutional debt limits. More broadly, localities can get any revenue-funded project excluded from the comptroller's limit on county-based bond debt.

the county receives entitlement program funds, cities, towns, villages, and the county receive other forms of federal aid.

Historically, local property taxes accounted for the majority of municipal revenues. For most communities, this share has declined steadily over the last several decades as intergovernmental aid, sales and income taxes, and fees proved more politically palatable. Elected officials now resist raising revenues via taxes, favoring less collective forms of revenue, such as fees and sales taxes, that more closely relate payers to beneficiaries. This trend is of concern in that fees and sales taxes are regressive, that is, they require the poor to pay proportionately higher amounts of income than the rich.

Elected officials resist taxes, favoring less collective forms of revenue, such as fees and sales taxes, that more closely relate payers to beneficiaries. This trend is of concern because such sources are regressive.

Data for 1992 compiled by the New York State Comptroller on local government revenues by jurisdiction are shown in table 7-2. Excluded from the table is state aid to local school districts; only in exceptional cases are school district boundaries coterminous with municipal boundaries.

The state comptroller reports that annual operations and maintenance expenditures for the 45 general-purpose governments in the region (including Erie County) totalled approximately \$1.6 billion in 1992. Of this sum, \$470 million, or 29 percent, is raised in local property taxes. Local property tax tends to be the largest single component of local revenues, although there are exceptions. The City of Buffalo receives more in state aid than it raises locally. Local property taxes once comprised a significantly larger fraction of local budgets, but that has changed since the 1930s as federal and state transfers have been mandated for public health, welfare, housing, education, and other costly functions.

Annual operations and maintenance expenditures for the 45 general purpose governments in the region (including Erie County) totalled approximately \$1.6 billion in 1992. Of this sum, \$470 million, or 29 percent, is raised in local property taxes.

The largest revenue component for Erie County is federal and state reimbursement for public assistance and Medicaid. The second and third largest are two general revenue components of the budget, property tax and sales tax. Other revenue components are much smaller.

Table 7 - 2

General Purpose Government Revenues by Municipalities, 1992

Place	1990 Population	Gov. Type	REVENUES (\$000)										Total All Sources
			Property Taxes		Non-Property Taxes			Inter-government Revenues			Interest Income	Fees/Charges & Other	
			Assessments	Other	Sales	Other	State	Federal	Inter-gov	Local			
ERIE	968,532	Cnty	\$203,554.2	\$8,808.1	\$176,229.3	\$5,568.5	\$151,225.1	\$141,814.5	\$14,484.7	\$7,861.9	\$236,198.0	\$945,744.3	
BUFFALO	328,123	City	60,493.1	7,858.8	44,504.1	14,438.4	65,067.2	31,929.5	4,204.8	7,490.9	49,254.4	285,241.2	
LACKAWANNA	20,585	City	6,356.7	92.2	2,793.7	233.6	3,627.4	170.0	6.3	107.6	617.9	14,005.4	
TONAWANDA	17,284	City	4,336.9	168.0	2,437.2	259.7	1,835.2	0.0	40.6	146.8	3,372.5	12,596.9	
<i>Subtotal: Cities</i>	365,992		<i>\$71,186.7</i>	<i>\$8,119.0</i>	<i>\$49,735.0</i>	<i>\$14,931.7</i>	<i>\$70,529.8</i>	<i>\$32,099.5</i>	<i>\$4,251.7</i>	<i>\$7,745.3</i>	<i>\$33,244.8</i>	<i>\$311,843.5</i>	
AKRON	2,906	Village	398.7	2.2	160.5	20.0	46.8	0.0	289.5	56.9	1,740.5	2,715.1	
ALDEN	2,457	Village	598.8	4.1	153.0	34.3	39.7	3.0	92.7	45.2	529.0	1,499.8	
ANGOLA	2,231	Village	473.0	3.9	113.5	22.8	23.7	11.5	107.7	39.4	486.4	1,281.9	
BLASDELL	2,900	Village	795.5	2.8	164.5	132.4	47.5	6.6	264.9	49.4	649.6	2,113.2	
DEPEW	17,673	Village	4,864.3	27.4	991.9	249.2	389.8	0.0	4.6	267.6	1,426.4	8,221.2	
EAST AURORA	6,647	Village	1,959.6	13.4	440.5	104.4	198.9	22.5	485.3	160.7	2,324.0	5,709.3	
FARNHAM	415	Village	55.7	0.8	22.0	4.1	12.5	0.0	17.0	3.8	47.0	162.9	
GOWANDA	885	Village	756.3	2.1	213.2	41.0	223.0	162.8	385.3	113.3	611.7	2,508.7	
HAMBURG	10,442	Village	2,804.6	97.7	611.3	103.6	207.6	95.6	100.7	203.9	995.5	5,220.5	
KENMORE	17,180	Village	4,027.7	38.8	767.5	201.2	674.6	360.0	158.9	137.7	1,595.8	7,962.2	
LANCASTER	11,940	Village	2,620.9	47.0	601.5	141.4	312.4	0.0	5.0	98.7	1,398.6	5,225.5	
NORTH COLLINS	1,335	Village	324.3	4.4	59.4	15.0	26.8	14.8	40.9	6.4	125.1	617.1	
ORCHARD PARK	3,280	Village	169.2	5.8	258.9	49.1	88.0	0.0	2.9	61.9	943.9	1,579.7	
SLOAN	3,830	Village	487.2	2.0	175.0	46.3	115.7	37.6	0.0	33.4	20.0	917.2	
SPRINGVILLE	4,310	Village	1,066.2	13.3	250.2	36.1	74.5	13.7	0.0	54.6	2,810.2	4,318.8	
WILLIAMSVILLE	5,583	Village	954.8	6.5	408.2	73.4	261.3	40.9	221.1	50.6	1,187.5	3,204.3	
<i>Subtotal: Villages</i>	94,014		<i>\$22,356.8</i>	<i>\$272.2</i>	<i>\$5,391.1</i>	<i>\$1,274.3</i>	<i>\$2,742.8</i>	<i>\$769.0</i>	<i>\$2,176.5</i>	<i>\$1,383.5</i>	<i>\$16,891.2</i>	<i>\$53,257.4</i>	

Source: NYS Office of the Comptroller, Special Report on Municipal Affairs, 1992

General Purpose Government Revenues by Municipalities, 1992 (Continued)

Place	1990 Population	Gov. Type	REVENUES (\$000)											Total All Sources
			Property Taxes		Non-Property Taxes			Inter-government Revenues			Interest Income	Fees/Charges & Other		
			Assessments	Other	Sales	Other	State	Federal	Local Inter-gov					
ALDEN	10,368	Town	1,501.6	12.5	482.7	10.0	223.4	5.5	66.7	90.5	212.8	2,515.2		
AMHERST	111,725	Town	49,973.6	414.3	8,102.5	402.8	3,353.4	11,757.8	1,167.8	1,587.0	5,292.1	80,464.3		
AURORA	13,390	Town	1,913.4	21.6	543.5	39.6	322.8	15.3	138.2	57.6	398.0	3,392.4		
BOSTON	7,445	Town	1,586.9	13.2	504.4	29.9	233.5	46.5	132.1	44.1	205.5	2,752.0		
BRANT	2,119	Town	469.0	2.8	144.1	1.0	82.2	0.0	66.8	14.9	110.8	876.7		
CHEEKTOWAGA	99,300	Town	28,688.8	282.5	5,439.8	192.2	2,264.0	1,471.0	81.0	980.1	4,748.5	43,167.8		
CLARENCE	20,041	Town	4,081.9	48.9	1,778.7	45.7	961.1	0.0	183.2	181.4	2,048.6	9,148.1		
COLDEN	2,899	Town	405.9	4.7	198.2	8.7	84.4	0.0	56.3	18.8	589.5	1,347.7		
COLLINS	6,020	Town	678.6	9.0	284.2	4.1	77.8	0.0	131.5	27.1	213.2	1,398.4		
CONCORD	8,387	Town	849.7	12.5	303.3	2.5	109.8	2.8	119.5	26.5	158.9	1,559.0		
EDEN	7,416	Town	1,635.7	12.8	428.1	14.5	215.5	0.9	73.9	18.7	207.1	2,588.5		
ELMA	10,398	Town	663.3	25.3	810.8	0.0	318.2	0.0	86.2	56.1	1,441.8	3,345.6		
EVANS	17,478	Town	4,676.9	38.7	937.1	35.3	361.5	48.2	105.7	202.1	1,921.9	8,125.3		
GRAND ISLAND	17,561	Town	4,747.2	71.7	1,297.0	105.9	607.6	0.0	142.9	1,242.9	3,881.2	10,853.5		
HAMBURG	53,735	Town	15,059.6	199.9	2,667.6	346.3	1,006.3	632.9	219.5	728.5	2,313.0	22,445.1		
HOLLAND	3,560	Town	508.6	6.2	231.0	0.0	81.8	0.0	45.0	18.9	251.2	1,123.8		
LANCASTER	32,185	Town	6,332.5	84.7	1,162.6	56.7	669.9	4.5	122.1	219.1	851.3	9,284.3		
MARILLA	5,250	Town	188.7	1.6	343.0	10.4	120.5	2.0	95.1	16.8	361.7	1,123.0		
NEWSTEAD	7,440	Town	792.4	7.8	322.8	1.9	145.4	15.5	114.8	48.2	218.5	1,619.1		
NORTH COLLINS	3,502	Town	608.4	5.2	158.6	0.0	59.7	0.0	1.2	10.9	54.0	887.1		
ORCHARD PARK	24,611	Town	8,027.4	111.1	1,717.2	45.4	693.3	200.9	46.5	260.7	975.2	11,817.0		
SARDINIA	2,667	Town	315.5	6.2	175.9	0.0	126.8	0.0	53.1	8.0	58.8	736.3		
TONAWANDA	82,464	Town	25,179.6	175.8	4,771.7	335.2	2,172.9	2,583.9	1,853.9	1,335.5	11,765.6	48,838.6		
WALES	2,929	Town	152.6	2.7	193.0	8.5	80.9	0.0	48.1	9.6	41.8	527.6		
WEST SENECA	47,851	Town	14,281.5	117.2	3,123.8	174.1	1,036.5	113.1	40.8	553.8	2,216.6	21,103.6		
<i>Subtotal: Towns</i>	<i>600,741</i>		<i>\$173,319.3</i>	<i>\$1,688.9</i>	<i>\$36,121.6</i>	<i>\$1,870.7</i>	<i>\$239,907</i>	<i>\$16,900.8</i>	<i>\$5,191.9</i>	<i>7,757.8</i>	<i>\$40,537.6</i>	<i>\$291,040.0</i>		
Grand-total:			\$470,417	\$18,888	\$267,477	\$23,645	\$239,907	\$191,584	\$26,105	\$24,749	\$346,872	\$1,601,885		

Source: NYS Office of the Comptroller, Special Report on Municipal Affairs, 1992

Distribution of the proceeds from the 8 cents per dollar sales tax has become highly controversial, partly because of the fiscal stress felt throughout the entire region and partly because the sales tax is so sizeable. Under the present agreement New York State retains 4 cents per dollar. Of the remaining 4 cents per dollar returned by the state for local redistribution, Erie County retains 1 cent. The remaining 3 cents per dollar are split by formula: Erie County has a 35% share, local school districts have a 29% share, cities share just over 10%, and cities, towns, and villages split the remaining 26 percent. For 1994, this distribution amounted to over \$350 million, as follows:

**1994 Sales Tax Distribution
Erie County Local Share
(4 cents of total 8 cents per dollar sales tax levy)**

<u>Entity</u>	<u>Share</u>	<u>Amount ('000)</u>
County of Erie	1 cent assessment	\$ 89,024
	share of remaining 3 cents:	
County of Erie	(.353055)	94,390
School Districts	(.290000)	77,532
Cities	(.100087)	26,758
Cities, Towns, Villages	(.256858)	68,671
<hr/> Total		<hr/> \$356,375

The history of the sales tax controversy is instructive. Under state law, the state levies a sales tax (currently 4 cents per dollar) and permits both counties and cities to impose their own sales taxes. Cities are limited by law to a 1 cent per dollar sales tax rate, but they may opt to have counties collect their tax if a county tax is being levied. The City of Buffalo chose to do this. Erie County historically gave back to its cities, towns, and villages a higher percentage than was true of other urban counties in the state.

The cities in Erie County negotiated a favorable agreement with the county some years ago when the sales tax agreement was renewed. The cities argued that since the largest volume of the most lucrative sales took place within their borders, they should receive a larger share of the sales tax than should the outlying towns. During the early 1980s Erie County faced an unprecedented budget shortfall and was obliged to add another 1 cent to the then-7 cents per dollar sales tax. The present sales tax dispute is

The present sales tax dispute is over disposition of the last 1 cent per dollar sales tax collected by Erie County. The issue, which remains unresolved, is a bellwether of city-county fiscal relations.

sales tax. The present sales tax dispute is over disposition of the last 1 cent per dollar sales tax collected by Erie County.

The tax issue, which remains unresolved, is a bellwether of city-county fiscal relations. Some argue that the cities of Buffalo, Lackawanna, and Tonawanda should split the whole of the additional 1 cent per dollar sales tax since the tax was generated for decades primarily from purchases made inside the borders of these most densely developed portions of the region. Others contend that the cities should receive the same tax distribution deal as they have enjoyed in the past, their basic 1 cent per dollar plus a share of the additional 1 cent already divided among county, school districts, cities, towns, and villages.

County officials indicate that public assistance and Medicaid costs have risen faster in each of the last four years than have sales tax revenues. Officials argue that there is a disproportionately high number of welfare recipients in the cities and that the county must have the revenues from the additional 1 cent per dollar to meet the needs of residents who are, in the main, city dwellers. They further argue that most of the enterprises that generate significant sales tax revenue (industries, major department stores, auto and major appliance dealerships) are no longer located inside the cities but in the suburbs. Thus, the argument that the cities made for their own benefit in the 1950s is now used to their disadvantage.

Capital Budgets

Local governments must also secure revenues to fund the substantial cost of acquiring capital equipment or constructing major physical facilities, such as schools, roads, and bridges. Erie County and its constituent municipalities develop and manage capital budgets for these purposes. Although capital budgets are approved annually, they are based upon long-term capital programs, typically six to ten years in length.

Under New York State law, counties, but not municipalities, may issue revenue bonds. To circumvent this constraint, many municipalities create public authorities, which have revenue bonding capability.

Capital budgets are determined once borrowing has been authorized, either by voter approval of a bond issue or by legislative approval of a bond resolution. Bonds are of two types: general obligation bonds, backed by the full faith and credit of the government that issues them; and revenue bonds, which are tied to projects that, upon completion, generate a revenue stream used to retire bond debt. Under New York State law, counties, but not municipalities, may issue revenue bonds. Municipalities may issue tax increment

financing bonds,³ which are rarely used. To circumvent this legal constraint, many

³ Under tax increment financing (TIF) localities designate an area as a TIF district, thereby freezing taxes at a given level on properties within the district. TIF bonds are then issued and their proceeds pay for public improvements needed to induce private investment in the district. For the term

municipalities create public authorities, which have revenue bonding capability. This, in part, explains the proliferation in recent years of public benefit corporations.

Bond purchasers are granted a claim upon the taxing authority of the issuing jurisdiction, which can encumber the jurisdiction's operations. Typically, local governments set aside a portion of annual revenues in bond accounts accruing interest to repay the notes when they come due. Bonds are issued for varied periods, with short-term notes repayable in 1-3 years, medium-term bonds, 5-10 years, and long-term bonds longer than 10 years.

Historically, local governments funded capital projects by issuing general obligation bonds. In recent years revenue bonds have become much more common and popular at the county level. One reason for this is that general obligation bonds pledge a jurisdiction's "full faith and credit" to retire the bond, a promise that implies service reductions or tax increases should the jurisdiction be unable to repay the debt. Another reason is that general obligation bonds can require voter approval. By contrast, revenue bonds pledge revenues raised from the associated facility or project and do not require voter approval. Not surprisingly, local officials and citizens tend to prefer revenue bonds, a preference reflected in the rapid growth of revenue bond debt.

Revenue bonds pledge funds raised from the associated facility or project and do not require voter approval. Not surprisingly, local officials and citizens tend to prefer revenue bonds over general obligation bonds, which pledge a jurisdiction's "full faith and credit."

Erie County government's capital budget is larger and more complex than that of any other unit of local government in the area. The county's capital budget and 6-year capital program include federal Community Development Block Grant funds, dedicated sewer funds, a fund for capital grants to localities, and a capital projects fund.

Municipalities develop capital budgets based upon property taxes, anticipated federal and state aid, and grants from Erie County. A significant amount of capital budgeting is also done through school districts and other special-purpose governments.

Issues of Local Government Finance

Analysis of local government financial data raises four key issues: degree of economic dependency, the extent of intergovernmental transfers, differential tax burdens, and the fallibility of per household expenditure comparisons.

of the TIF bonds, the amount of the tax increment generated by the new land use above the old frozen rate is held in an interest-bearing account to repay bondholders.

1. Degree of Dependency

The larger local government units rely to a greater extent on federal and state aid than do smaller towns and villages, which tend to rely more upon locally generated resources (table 7-2). The City of Buffalo, for example, receives \$65 million, or 23 percent, of its total revenues in non-school state aid, while the Town of Holland receives only 7 percent, or \$81,800. Dependency, or receiving monies from higher-level governments, is a double-edged sword: on the one hand, the jurisdiction receives much needed funds for services; on the other it is more exposed to the funding vagaries and policy demands of the higher-level government.

Dependency is a double-edged sword: more funds for needed services, but also more exposure to the funding vagaries and policy demands of higher-level governments.

The relative financial independence of outlying towns and villages is interpreted by some as an indication of an enviable spirit of self-reliance. Others point out that the more financially dependent cities have a disproportionately large share of the poor, the elderly, the unskilled, and the chronically unemployed concentrated within their borders. These jurisdictions have suffered most from deindustrialization, which has eroded their tax bases to the point where they can no longer cover the cost of services required by residents. Such communities receive relatively higher levels of compensatory assistance from the state and federal governments to supplement local property taxes. In the comparison cited above, Buffalo is attempting to meet the needs of a diverse community of 328,000, whereas Holland's population, which is more homogeneous, totals 3,560.

Even when population sizes are similar, residents' needs may be vastly different. For example, the City of Lackawanna and the Town of Clarence both serve about 20,000 local residents. Lackawanna receives \$170,000 per year in federal aid, while Clarence receives only a limited amount of federal community development block grant funds. The Town of Clarence, however, has no public housing projects located within its boundaries and four times fewer persons living below the poverty level compared to Lackawanna.

The data challenge the conventional wisdom that large cities alone feed at the federal and state troughs. Many outlying rural towns have high ratios of external aid to local revenues.

The data in table 7-2 challenge the conventional wisdom that large cities alone feed at the federal and state troughs. The data reveal that some of the outlying rural towns such as Marilla, Wales, and Sardinia also show high ratios of external aid compared to local revenues. Moreover, the Town of Amherst and the Villages of Gowanda, Kenmore, Orchard Park, Sloan, and Williamsville join the cities of the region in receiving at least 25 cents of state and federal revenue for every tax dollar raised locally.

At the opposite end of the spectrum, the Towns of Alden, Evans, North Collins, and West Seneca join the Villages of Alden, Angola, Blasdell, Depew, and Springville in receiving less than a dime of external support for every local tax dollar raised.

In short, there is a range of economic dependency that only to a very general degree fits stereotypical patterns of dependent cities and self-sufficient suburbs and rural towns. Indeed, one of the most significant observations that can be made about patterns of economic dependency is that no local jurisdiction produces services for its residents without some assistance from higher levels of government.

2. Intergovernmental Transfers

A second dimension of local government finance is the extent to which local governments financially interact with one another. A major source of local revenue is income earned through various contracts and agreements between governments. In 1992, revenue to local governments from other local governments totalled \$26 million, a sum equal to over 80 percent of the value of federal aid to cities in the region.

Ordinarily, transfer payments for utility services such as water and sewer account for a large percentage of intergovernmental transfers. However, evidence of intergovernmental cooperation is in fact more robust. Nine villages share fire protection services, exchanging nearly a million dollars per year among them. Nearly the same amount is exchanged among 11 local towns for snow removal services. Eight towns account for a quarter of a million dollars a year in shared public safety costs. Shared services agreements range across a wide spectrum of other services, from solid waste and transportation to data processing and dog control.

Intergovernmental financial transfers are common. Nine villages share the cost of fire protection services; eight towns share public safety costs; another eleven towns share the costs of snow removal services.

3. Differential Tax Burdens: Can Places Be Compared?

A third local government finance issue concerns the differential tax burden faced by residents across and within different municipalities in Erie County.

Table 7-3 has been labelled, "Is There a Differential Tax Burden?" for a reason. Like the data sometimes reported in the popular media, the numbers appear to indicate that residents in the more densely developed and heavily settled places pay higher taxes for residential properties of identical assessed value. The range of variability on properties with the same assessment is as high as 127 percent, which implies vast differences across municipalities in the bundle of services provided.

Table 7-3

**Is There A Differential Tax Burden?
Residential Property Tax Burden, by Jurisdiction, 1993
Hypothetical \$100,000 Home**

Name	Municipal tax rate (%)	County tax rate (%)	Total tax rate (%)	Total taxes on \$100,000 property	Equalization rate (%)	Total equalized taxes on \$100,000 property
Erie County (Average)	4.90	11.24	16.15	\$1,614.75	90.94	\$1,468.41
Cities (Average)	11.52	9.44	20.96	2096.21	94.04	1971.28
Suburbs (Average)	4.42	11.37	15.80	1579.52	90.71	1432.79
Buffalo city	17.88	11.20	29.08	2907.56	74.74	2173.11
Lackawanna city	4.60	8.44	13.04	1303.69	104.55	1363.01
Tonawanda city	12.09	8.69	20.77	2077.38	102.83	2136.17
Alden town	2.06	10.22	12.28	1228.27	85.07	1044.89
Alden village	2.42	10.22	12.64	1264.49	85.07	1075.70
Amherst town	5.84	9.65	15.49	1548.96	86.12	1333.96
Williamsville village	6.07	9.65	15.72	1572.39	86.12	1354.14
Aurora town	3.33	9.93	13.26	1325.80	83.85	1111.68
East Aurora village	2.00	9.93	11.93	1193.30	83.85	1000.58
Boston town	2.65	9.52	12.17	1216.65	89.63	1090.48
Brant town	4.45	7.11	11.56	1156.40	119.42	1380.97
Farnham village	3.03	7.11	10.14	1013.75	119.42	1210.62
Cheektowaga town	8.06	10.80	18.86	1886.20	80.06	1510.09
Sloan village	8.06	10.80	18.86	1886.20	80.06	1510.09
Depew village	7.30	10.80	18.10	1810.00	80.06	1449.09
Clarence town	2.52	9.08	11.60	1160.10	90.80	1053.37
Colden town	3.89	9.60	13.49	1348.85	87.59	1181.46
Collins town	3.90	8.40	12.30	1230.00	101.75	1251.53
Gowanda village (pt.)	3.81	8.40	12.21	1221.00	101.75	1242.37
Concord town	4.80	10.00	14.80	1480.00	84.54	1251.19
Springville village	1.80	10.00	11.80	1180.00	84.54	997.57
Eden town	6.27	10.48	16.75	1675.36	80.74	1352.69
Elma town	3.77	94.13	97.90	9789.50	8.90	871.26 *
Evans town	7.90	7.86	15.76	1575.70	108.74	1713.42
Angola village	3.78	7.86	11.64	1163.60	108.74	1265.30
Grand Island town	3.60	10.74	14.34	1433.80	80.74	1157.65
Hamburg town	6.00	7.92	13.92	1391.90	105.98	1475.14
Hamburg village	2.65	7.92	10.57	1057.00	105.98	1120.21
Blasdell village	2.65	7.92	10.57	1057.00	105.98	1120.21
Holland town	4.18	7.20	11.38	1138.00	120.77	1374.36
Lancaster town	4.79	7.80	12.59	1259.00	107.87	1358.08
Lancaster village	2.64	7.80	10.44	1043.60	107.87	1125.73
Marilla town	5.00	9.16	14.16	1416.00	90.08	1275.53
Newstead town	2.31	10.80	13.11	1311.00	78.58	1030.18
Akron village	1.92	10.80	12.72	1271.80	78.58	999.38
North Collins town	7.98	10.59	18.57	1856.88	80.78	1499.99
North Collins village	5.18	10.59	15.77	1576.80	80.78	1273.74
Orchard Park town	5.00	8.33	13.33	1332.90	99.30	1323.57
Orchard Park village	4.56	8.33	12.89	1289.00	99.30	1279.98
Sardinia town	2.32	7.56	9.88	988.10	110.31	1089.97
Tonawanda town	6.17	10.61	16.78	1678.00	81.92	1374.62
Kenmore village	3.21	10.61	13.82	1382.00	81.92	1132.13
Wales town	1.40	9.74	11.14	1114.00	85.69	954.59
West Seneca town	11.99	10.38	22.37	2237.00	79.88	1786.92

* Elma has no general town tax, the 3.77% rate in the municipal tax rate column is for the town highway tax only. Elma collects its taxes on property through special district taxes.

Source: Erie County, Department of Budget, Management & Finance, 1992 Annual Report

In fact, the data in table 7-3 are problematic. Because localities have considerable latitude in selecting the quantities and quality of services, costs are likely to vary widely. An example of non-comparability is that financial data for the City of Buffalo include school district finances, but data for other municipalities, which have independent school districts, do not. The amount of ratable industrial and commercially developed land in each jurisdiction also varies widely. Tax equalization rates published annually for all local jurisdictions compare only those service delivery costs financed by the property tax.

In the great majority of cases the tax burden is smaller for villages than for their surrounding town or nearby cities, although there are a few exceptions (namely the villages of Alden, Williamsville, and Sloan). One reason is that the scope or quantity of public services within a village is typically smaller than that of its surrounding town. Another is that village governments are more likely to share services and equipment or to contract with other governments in order to reduce overhead costs, thereby reducing ratepayer burden.

An additional factor affecting comparisons of tax burdens is the presence of school districts and dependent assessment districts. Every household in the county is associated with

one or more special-purpose entity that levies taxes over and above municipal and county taxes. Depending on the number and type of special-purpose entities within which a household is located, it will have some additional tax burden, ranging from negligible to quite substantial.

For numerous reasons, simplistic presentations of local tax burdens for comparative purposes are virtually meaningless.

Given these factors, simplistic presentations of local tax burdens for comparative purposes are virtually meaningless. To illustrate this point,

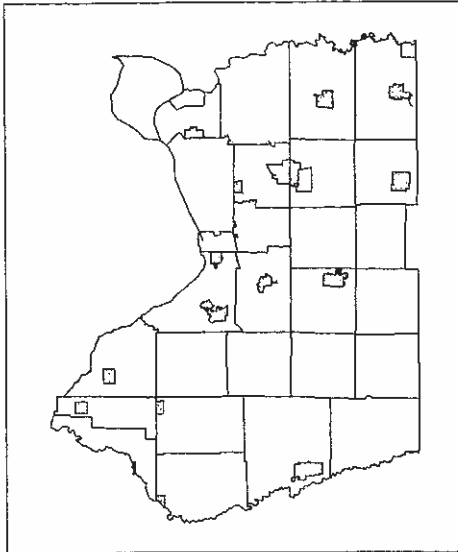
consider a sample of four residential locations in different parts of the Town of Amherst (table 7-4 and map 7-1). Assume that at each location is a hypothetical residential property assessed at \$100,000. Because each property is served by separate and unique service districts, four ratepayers pay four different tax bills, despite owning homes of equal value in the same jurisdiction. Although general town and county taxes are identical at \$1,562, variations due to school and other district taxes yield tax burdens that range from \$4,246 to \$5,128. Stated differently, it is possible to observe as much as a 20 percent variation in property tax burden on homes of equal value inside the same town. Simplistic comparisons of tax burdens across municipal boundaries cannot capture these important distinctions between places.

Table 7 - 4
Comparative Tax Burdens: Town of Amherst

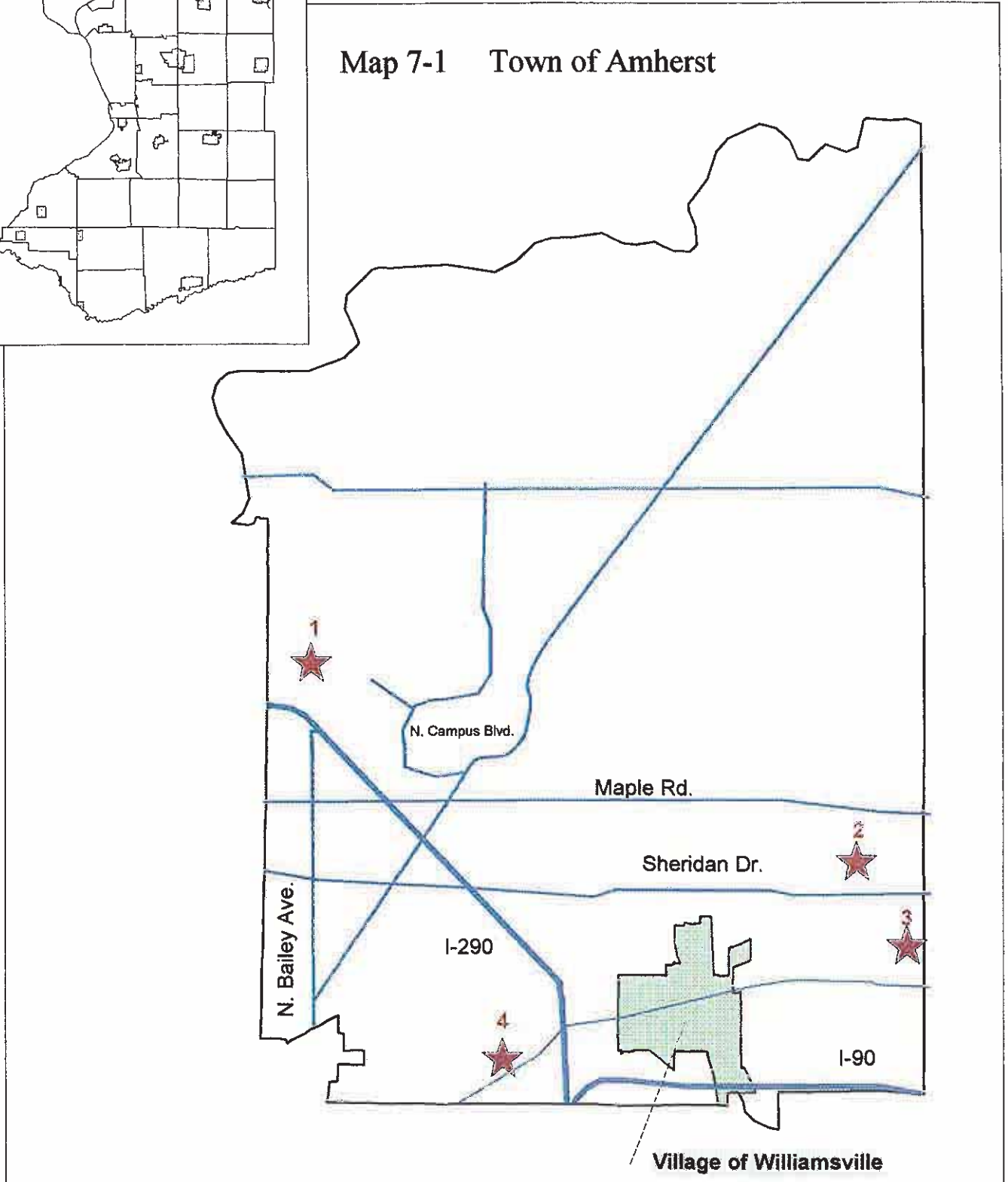
Tax	Location 1	Location 2	Location 3	Location 4
Total Valuation	\$100,000	\$100,000	\$100,000	\$100,000
Percent School Tax	1.50%	2.23%	1.97%	2.49%
School Tax	\$1,496.00	\$2,226.00	\$1,973.00	\$2,485.00
General Town	\$417.09	\$417.09	\$417.09	\$417.09
Highway	179.41	179.41	179.40	179.41
County	220.48	220.48	220.48	220.48
Library	88.42	88.42	88.42	88.42
State Mandate	656.51	656.51	656.51	656.51
TOTAL	\$1,561.92	\$1,561.91	\$1,561.91	\$1,561.91
<u>Special District Taxes</u>				
Fire Protection	\$198.11	\$124.21	\$141.64	\$160.36
Light District	115.54	28.12	291.36	87.21
Central Alarm	24.13	14.24	16.23	19.23
Water District	19.19	3.58	5.87	
Water District	26.98	6.85	20.00	
Water District		161.96		
Garbage District	326.62	192.11	216.37	259.88
Sanitary Trnk Sewer	138.86	106.84	119.74	443.49
Sanitary Trnk Sewer	267.99	289.41	474.40	
Sanitary Trnk Sewer	6.30			
Storm Water Drain	64.81	271.90	65.18	110.73
Storm Water Drain		66.42		
TOTAL Special District	\$1,188.54	\$1,265.64	\$1,350.80	\$1,080.90
TOTAL TAX	\$4,246.46	\$5,053.55	\$4,885.70	\$5,127.81

Source: Town of Amherst Taxes and Assessments 1995

Residential Locations for Comparative Tax Burden Analysis



Map 7-1 Town of Amherst



4. Per Household Expenditures

The final issue of local government finance is interpretation of per household expenditure data. As localities make decisions about their expenditure budgets, frequently they face tradeoffs between quality and cost. Voters and their elected officials are keenly aware of how much quality they are prepared to insist upon and what price they are willing to pay. To interpret a locality's high per capita or per household cost as evidence of economic inefficiency of its government may mask taxpayers' commitment to quality with respect to public services. Similarly, low per capita cost of government services may have less to do with putative efficiency in service delivery than it does with service deficiencies. As with tax burdens, comparative judgments that use per capita expenditures to assess which local governments are most efficient run a serious risk of mismeasurement.

To illustrate this point, consider the data in table 7-5, which show 1992 expenditures for parks and recreation services for selected municipalities. The data indicate a wide range in per household costs for total parks and recreation spending

and separately for parks and recreation expenditures. One might speculate on the reasons why the Town of Clarence spends over \$125 per person on park facilities while the Town of Amherst spends \$24 per person. Facility size? Construction date? Number or type of facilities? Similarly, why might the Town of Alden spend \$24 per person for recreation when the City of Tonawanda spends only \$9 per person? Fewer private options and therefore greater demand? More highly trained or paid personnel?

Why might one jurisdiction spend more per person than another on parks and recreation services? Facility size? Construction date? Number or type of facilities? Fewer private options? Greater demand? More highly trained or paid personnel? There are numerous plausible reasons.

To interpret a locality's high per capita costs as evidence of economic inefficiency may mask taxpayers' commitment to quality with respect to public services.

There are numerous plausible answers to such questions. It may be that residents of these jurisdictions have very different demands for parks and recreation services and convince their elected officials to allocate funds accordingly. Alternatively, demand for parks and recreation services may be identical across jurisdictions, but localities make different arrangements for

provision: some may contract for services with private or other public agencies, while others produce services in-house. Perhaps large per household costs in one year signal a one-time major expenditure in order to start a new program or complete maintenance that had been deferred on a recreation facility. Or it may be that one locality is indeed wasteful while another is frugal in its parks and recreation operations.

Table 7 - 5
Household Expenditures for Parks and Recreation, 1992, Selected Jurisdictions

Place	Government Type	1990 Households	1992 Expenditure		Total Pk/Rec Expenditure per Household	Total Park Expenditure per Household	Total Recreation Expenditure per Household
			Parks	Recreation			
Erie County	County	376,019	\$4,287,220	\$3,419,106	\$7,706,326	\$11.40	\$9.09
Buffalo	City	135,595	\$2,206,013	\$4,998,661	\$7,204,674	\$16.27	\$36.86
Lackawanna	City	8,451	\$105,240	\$99,712	\$204,952	\$12.45	\$11.80
Tonawanda	City	6,869	\$328,021	\$62,035	\$390,056	\$47.75	\$9.03
Alden	Town	3,010	\$44,566	\$71,895	\$116,461	\$14.81	\$23.89
Amherst	Town	41,237	\$997,933	\$2,249,782	\$3,247,715	\$24.20	\$54.56
Aurora	Town	4,919	\$83,181	\$130,853	\$214,034	\$16.91	\$26.60
Boston	Town	2,651	\$33,737	\$89,873	\$123,610	\$12.73	\$33.90
Brant	Town	777	\$10,792	\$18,406	\$29,198	\$13.89	\$23.69
Cheektowaga	Town	39,684	\$1,291,104	\$1,518,917	\$2,810,021	\$32.53	\$38.28
Clarence	Town	6,997	\$876,223	\$148,222	\$1,024,445	\$125.23	\$21.18

Source: NYS Office of the Comptroller, Special Report on Municipal Affairs, 1992.

Drawing inferences from per household expenditure data is risky business. Even more risky, given the variety of reasons for per capita spending differentials, is drawing inferences from comparative spending data across jurisdictions. One simply cannot tell from per capita spending alone whether a jurisdiction spends "too much" or "too little" on a service.

These observations make clear how difficult it is to understand contours of the tax and services landscape in this and other metropolitan regions. The historic absence of regionwide systems of local government financing in the United States has resulted in a tableau of fiscal responsibility in metropolitan areas that is as uneven as the distribution of poverty or economic development.

Drawing inferences from per household expenditure data is risky business.

The actual variability in the finance costs of local public services is an outgrowth of the unusually large range of choices available to local governments in arranging for and delivering those services. One must evaluate with care assertions about the financial status of area municipalities.

Part III

Patterns of Service Delivery in Erie County

Part III focuses on service delivery, often the most visible of the public sector's tasks. Whether governments provide a service, how often, how well, and at what cost are daily concerns of residents and businesses. Indeed, how a community resolves service delivery issues has enormous influence on quality of life and, by extension, on the political fortunes of elected and appointed officials.

Chapter 8 first provides an overview of three commonly misunderstood concepts of service delivery: service efficiency, level of centralization, and degree of privatization or nonproftization. It then discusses the concept of a regional continuum, which provides a useful framework for assessing service delivery arrangements. Subsequent service profiles summarize service delivery arrangements for 16 common public services: planning, economic development, transportation, roads, housing, water, sewer, solid waste, fire protection, emergency medical services, police, courts, social services, health, libraries, and parks and recreation. Each profile outlines the structure of governance for the service, the evolution of that structure, financial considerations of service delivery, and key issues of governance for regional deliberation.

Chapter 8:

Service Delivery

No government function is more basic to local taxpayers and businesses than service delivery. Service delivery provides a contact point with government: the crossing guard who shepherds schoolchildren, the road crew that fixes potholes, the municipal clerk who issues marriage licenses, and the librarian who checks out books are the envoys between a government and its people.

Dimensions of Service Delivery

Although provision of certain services may be mandated by law, specific arrangements for how to actually deliver those services are typically not mandated. Not surprisingly, service delivery arrangements vary widely. Depending on an area's history, politics, demographics, economic structure, local finances, consumer preferences, and legal constraints, a region may organize service delivery in vastly different ways.

Three commonly misunderstood dimensions of service delivery are particularly salient: the nature of efficiency, degree of centralization or decentralization, and the status of private or nonprofit entities in service delivery.

The Nature of Efficiency

There is considerable confusion about the concept of efficiency. For a service to be efficient requires that it meet two basic criteria: first, that it be provided in the quantity and quality that people want; and second, that it be produced at the lowest possible cost (see Appendix A for elaboration).

Efficiency is thus more than a simple measure of cost or consumer preferences. Rather it is a combined measure of value, or colloquially, "bang for the buck."

As such, efficiency takes into account service quality, quantity, and cost. Gauging efficiency requires detailed information on consumer preferences, production processes, and

Service delivery provides a contact point with government: the crossing guard who shepherds schoolchildren, the road crew that fixes potholes, the municipal clerk who issues marriage licenses, and the librarian who checks out books are the envoys between a government and its people.

service output, both in quality and quantity terms. Because these data are rarely collected and hard to measure, determining whether something is efficient is difficult.

As a consequence, easy-to-measure cost variables like expenditures per person are often though erroneously used as substitutes for the concept of efficiency.

The typical presumption is that the lower the expenditure per person, the more efficient the service delivery. A least-cost approach that does not consider service

quality, however, does not equate to efficiency. Indeed, it might well be that high costs per capita are more efficient than low per capita costs, given the quality of service outputs and the nature of consumer demand.

One aspect of service delivery that is often viewed as inefficient is duplication of service. Duplication may in fact be inefficient if the costs of duplication outweigh the

For a service to be efficient requires that it meet two basic criteria: first, that it be provided in the quantity and quality that people want; and second, that it be produced at lowest possible cost.

benefits. Yet this is not automatically the case. For many services, duplication is essential for ensuring that back-up provision is available in the event of service interruptions or emergencies. Just as users of computer technology are wise to duplicate or back up their work on diskettes, so systems of governance are wise to duplicate or back up their services in one or more agencies. Few would argue that back-up providers of health and public safety services, for example, should be abolished to eliminate service duplication. The duplication itself is what guarantees adequate service levels.

Just as users of computer technology are wise to duplicate or back up their work on diskettes, so systems of governance are wise to duplicate or back up their services in one or more agencies.

Degree of Centralization

A second service attribute of interest is the degree of centralization or decentralization in service delivery. Services may be arranged at a variety of levels, from the highly decentralized level of the individual to the highly centralized level of global provision.

The degree of service centralization depends on a number of factors:

- legal provisions (*at what levels can entities legally provide the service?*);
- geographic dispersal of service beneficiaries (*who wants and needs the service?; where are these potential beneficiaries located?*);

- institutional capabilities (*which entities have the technical, financial, and managerial resources to provide the service?*);
- historic arrangements (*how have services been provided in the past?; is there a history of cooperation or competition among service providers?*); and
- properties of the service itself (*is the service subject to economies of scale?; how varied are preferences for the quantity and quality of service provided?; how much service uniformity do customers desire?; does the service generate effects that spill over jurisdiction borders?*)

Services with geographically dispersed customers, a narrow range of preferences, capital-intensive technology, and effects that spill over service area boundaries tend to be relatively centralized.

Services with geographically dispersed customers, a narrow range of preferences, capital-intensive technology, and effects that spill over service area boundaries tend to be relatively centralized. Sewer services, for example, which are capital intensive and associated with narrow range of preferences -- everyone wants about the same level of service, regardless of ethnicity, race, class, or other attribute -- are often regionally provided. Other services with these attributes include airports, transit, and water; not surprisingly,

these are often provided at the regional level.

By contrast, services that are labor-intensive, subject to a wide range of preferences, generate few effects beyond their service area, and have geographically concentrated customers tend to be decentralized. Recreation services, for example, which tend to be labor-intensive, generate few spillover effects, and are associated with a wide range of preferences in service type and quality, tend to be provided at the relatively decentralized municipal scale. Other services with these attributes include elementary education and police patrol.

By contrast, services that are labor-intensive, subject to a wide range of preferences, generate few effects beyond their service area, and have geographically concentrated customers tend to be decentralized.

There are numerous ways to centralize a service when appropriate. Among these are assignment of the function to a regional or state government, creation of an areawide special-purpose government, and shared services agreements between two or more governments. The efficiency advantages of centralization are hotly debated (see Appendix A); empirical evidence generally contests the notion that service centralization is more efficient.

Level of Private and Nonprofit Service Provision

Virtually every "public" service, from fire protection to health to recreation, was once provided by private agencies, especially to people who could afford private contracts. As high-density urban living became more prevalent through urbanization and industrialization in the late 19th century, the need increased for public control over services. In addition to safeguarding public health and safety, public provision enabled equitable and uniform service provision irrespective of socio-economic class of customers.

Today service delivery arrangements span a continuum from purely private to purely public, with numerous hybrid cases in between. The specific degree of private or nonprofit activity depends on numerous factors:

- legal provisions (*what are the legal constraints on formation and operation of private and nonprofit entities?*);
- political ideology (*does the society support private markets?, centralized planning?, other?*)
- interest and capability of private providers (*can private sector entities make a profit? do public sector agencies have the technical and managerial resources to provide the service?*);
- the extent and capabilities of the nonprofit sector (*do appropriate nonprofits exist? are there sufficient donors to fund programs?*);
- societal preferences for service equity (*how important is it that services be provided at uniform levels to all residents?*); and
- properties of the service itself (*for example, can the service be consumed and funded by individuals?*)

Can private sector entities make a profit? Do public sector agencies have the technical and managerial capabilities to provide the service? Are there sufficient donors to fund non-profit programs?

Private provision is most appropriate for services that are divisible (that is, can be priced for individual users), command sufficient demand to make a profit, and do not require universal or uniform service levels. For example, recreation services such as skiing and bowling are ordinarily private, given the potential for profits, the ability to charge patrons individually, and the lack of pressure to provide a standardized level of these services to every resident.

By contrast, public provision is most appropriate for services that are not divisible, warrant collective funding, and require standard service levels to protect public health, safety, and welfare. Transit services and low-income housing, for example, tend to be operated by public agencies in part because private providers cannot make sufficient profit to provide these services and because their availability to all residents is considered socially desirable.

Nonprofit provision is most appropriate when there are specific target populations that require or demand a higher level of a particular service, and when there are sufficient public or private donors willing to fund that service. The American Heart Association, for example, provides special research, education, and counseling services for persons specifically interested in heart disease.

Nonprofit provision is most appropriate when there are specific target populations that require or demand a higher level of a particular service and when there are sufficient public or private donors willing to fund that service.

These generalizations aside, the lines between public, private, and nonprofit sectors are increasingly blurred. There are virtually no public services that do not or can not have a private or nonprofit counterpart. At

the same time, public agencies increasingly exhibit private sector tendencies, such as operating profit-generating corporations or raising revenues from user fees and charges. Customers routinely support public, private, and nonprofit libraries, recreation facilities, health facilities, water purveyors, security forces, education facilities, and other services. Interestingly, many "new" services, such as environmental protection

The lines between public, private, and nonprofit sectors are increasingly blurred.

and information management, have since their inception come in public, private, and nonprofit models.

There is no single public-private-nonprofit mix that is optimally efficient. Depending on an area's goals for a particular service, however, it may lean toward one or another sector as the primary service provider. Private delivery enables the well-to-do to opt out of the use of or reliance upon public services. Persons of more modest means do not have such a choice: If the public sector doesn't provide a needed service, those with low incomes must often go without. The public sector is obligated to serve all residents. Private organizations are under no such mandate, except insofar as it is stipulated by contracts they enter into with governments. Nonprofit providers also selectively serve customers due to the need to impress private donors who support the nonprofit's operations.

Arranging versus Delivering Services

Adding complexity and nuance to the notions of efficiency, centralization, and privatization is a fourth dimension of service arrangements. The tasks of policymaking,

financing, arranging for, and actually delivering a service may be performed by different entities. For example, a town might arrange for solid waste collection by contracting with a private firm, which in turn performs the actual weekly pickup of curbside garbage. A village might arrange for snow plowing services by joining with other municipalities to form a road maintenance district, which actually plows the snow. A state agency may set minimum standards for air quality, but leave the financing and achievement of those standards to local government.

The public sector is obligated to serve all residents. Private organizations are under no such mandate, except insofar as government contracts stipulate. Nonprofit providers may likewise selectively serve potential customers.

Often overlooked is that the tasks of policymaking, financing, arranging for, and actually delivering a service may be performed by different entities.

Separation of service tasks means that even small units of government can remain economically and politically viable. Achieving economies of scale in service provision, for example, does not require consolidation of many small governments into a single large government. Rather, small or fiscally stressed local governments could agree to share services or equipment with one another or, alternatively, transfer service responsibilities to a higher-level

government. In this way small units meet service demands at reasonable cost without sacrificing political autonomy. Task separation also means that individual governments may not control policy decisions even while they finance or actually provide the service.

The Regionalism Continuum

Two important and commonly misunderstood facets of regionalism are that:

- 1) regionalism is not an either/or condition; and
- 2) regionalism is not an ideal state.

Regionalism should be seen not as an either/or condition that either exists or does not in an area. Rather, regionalism should be seen as a series of continua each measuring the degree of regionalism for

Regionalism should be seen as a series of continua each measuring the degree of regionalism for different dimensions of governance, such as commuting patterns, service collaborations, regional identity, and tax revenue sharing.

different dimensions of governance, such as commuting patterns, service collaborations, regional identity, and tax revenue sharing.

For example, a region with relatively isolated, economically self-sufficient communities that cooperate in a tax base sharing program might be represented by the following points along a regional continuum:



Commuting and shopping patterns in this fictional region are relatively localized or decentralized, relative to patterns of service or fiscal sharing. Area residents have a high degree of psychological identity with and commitment to the region as opposed to their local community.

Levels of regionalism along a continuum are relative rather than absolute. There is no quantitative measure of regionalism, which makes metropolitan comparisons difficult. Nonetheless, the regional continuum framework allows a region to assess its relative levels of regionalism for different dimensions of governance and also to track these levels over time by monitoring the direction of movement along the continuum.

The regional continuum framework enables a region to assess its relative levels of regionalism for different dimensions of governance and also to track these levels over time by monitoring the direction of movement along the continuum.

Different tasks within a single service may fall at different positions along a regional continuum. For example, some police functions, such as forensics or central investigation, may be at the high end of the regionalism continuum while foot patrol falls near the low end of the continuum. Sheriff patrols, which serve selected areas, might fall at an in-between position along the regionalism continuum.

The second key point about regionalism is that it is not an ideal state. High regionalism is not inherently superior to low regionalism. For some services, for example recreation services or parking, municipal-level control is appropriate. To regionalize such

services would create inefficiencies in the form of diseconomies of scale and restraints on consumer preferences. Similarly, bureaucracies that have grown so large as to prohibit personal service or flexibility could improve efficiency by moving away from regionalism toward greater localism. For other services a move toward greater

High regionalism is not inherently superior to low regionalism.

regionalism may be appropriate. The key consideration for a region is whether the existing position of the function adequately meets resident and business needs.

Patterns of Service Delivery In Erie County

To explore structures of service delivery and levels of regionalism in Erie County, we examined 16 key public sector functions: planning, economic development, transportation (airports, rail, transit, and port), roads, housing, water, sewer, solid waste, fire protection, emergency medical services, police, courts, social services, health services, libraries, and parks and recreation. Several other functions, including education and utilities, were not examined in part because they are the primary responsibility of nonmunicipal agencies. They may be covered in subsequent Governance Project analyses.

The service profiles that follow summarize findings of these investigations. Each profile contains an overview, the structure of governance for the service, evolution of that structure, the financial framework for service delivery, and key governance issues associated with the service. Although the public sector remains the central focus, each profile indicates the role played by private and nonprofit entities in delivering the service.

Service Profile #1:

Planning

Overview

Planning is a public service in evidence at all levels of government. At the federal and state levels, planning is more often included as part of particular policy-based departments such as transportation, housing, and environmental quality. At the local level, planning occurs not only in service-specific agencies or departments, but also in separate departments devoted to planning as a general municipal function. The power to plan is a closely guarded municipal function, given by state law to the locality.

Planning as a function of government embodies three key dimensions. Planning is:

- *a community service.* Planning consists of numerous functions including policymaking, master planning, land use regulations, design, economic development, and the regulatory functions of zoning, subdivision review, and code administration. The substance of planning has direct bearing on community quality of life, from the economic appeal of the jurisdiction to new investors and residents to the style of street signs in historic preservation districts and the presence of affordable, safe housing for low-income residents. Though seen by some as expendable, planning as a day-to-day, comprehensive community service has as significant and lasting an influence on public health, safety, and welfare as virtually any other governmental function.
- *a professional practice.* Planning reflects the financial commitment of a government to professional rigor and institutional reform through its staffing and budgetary practices. The practice of planning is increasingly carried out by trained planning professionals in communities nationwide.
- *a political function.* More than many functions, planning evidences a clear democratic link to citizenry through an elected or, more commonly, appointed board of citizens that reviews and otherwise makes decisions affecting local development. As such, planning illustrates the benefits and pitfalls of local political democracy with its rich practices of public hearings, citizen reviews, and regulatory oversight. At a basic level, the nature of a planning board's power and influence is the bellwether of political commitment.

Planning has direct bearing on community quality of life, from the economic appeal of the jurisdiction to the style of street signs in historic preservation districts to the presence of affordable, safe housing for low-income residents.

Governance Structure

Through Article 9 of the NYS Constitution and also through the Municipal Home Rule Law and the Statute of Local Governments, New York State delegates to the cities, towns, and villages the power to establish land use controls. These localities are able to enact laws to ensure the public safety, health, and moral and general welfare of the citizenry. This legislation enables localities to execute and administer laws regulating land use, however it does not require them to do so in any particular way. Ultimately, local development is subject to the controls designed by each municipality. The primary responsibility for such planning is vested in the local planning board.

Every municipality in Erie County has the equivalent of a local planning board -- either appointed volunteers, or the elected legislative body acting to perform planning functions.

Every municipality in Erie County has the equivalent of a local planning board. In most cases, the planning board is comprised of volunteer members appointed by the chief executive, the legislative body, or both. In others, the elected legislative body performs the duties of a planning board. In either case, local bodies produce their own mode of review and requirements, prepare or arrange to have prepared a comprehensive plan and other area plans, direct the work of professional staff, if available, and institute procedures for public hearings and actions based upon citizen input. The main activities of the local planning board are to vote recommendations to the municipal governing body regarding zoning changes, authorize building permits, enact and enforce subdivision controls, initiate and update comprehensive plans, and perform other duties related to land use.

It should be noted that nowhere is it required that planning be administered by professionals. As a condition of appointment, planning board members need not have any planning experience, opening the way for appointments that are primarily political. In most jurisdictions in the county there are "non-professional" planners serving "non-professional" boards.

In many jurisdictions there are non-professional planners serving non-professional boards.

Most towns and villages also have a separate zoning board, comprised of members different from those on the planning board -- which undertakes appeals of the planning board's decisions regarding land use. Typically, a zoning board considers issues of zoning variance recommended by the planning board, approved by the legislative body, and administered by a public official.

The Erie County Department of Environment and Planning (DEP) provides oversight and review as well as technical assistance on a project-by-project basis. Legally it is not permitted to supplant the local land use authority, nor does it have the capacity of fully

supporting local planning needs. Thus the county staff functions in a decidedly "reactive" way responding to requests from the town clerks to review and coordinate local zoning actions influencing land use within 500 feet of any municipal boundary. The county staff works with municipalities on other actions, if asked and if resources are available.

Like all other local governments, Erie County, too, has a planning board called the Development Coordinating Board. Made up of 15 members appointed by the County Executive, the board's primary function is to review the annual capital budget and, in concert with the DEP staff, to prioritize the capital program of the county for the County Executive, even though it does so without a countywide master plan.

The only local jurisdictions with full-time professionally staffed planning departments are Erie County, the City of Buffalo, and the towns of Amherst and Hamburg.

The only local jurisdictions with full-time professionally staffed planning departments are Erie County, the City of Buffalo, and the towns of Amherst and Hamburg. When detailed technical assistance has been demanded, some municipalities have maintained standing arrangements with private consultants to be the "planner of record."

The City of Buffalo provides planning services through the Department of Community Development, headed by a Commissioner of Development and broken into two divisions: the

With a new mayor and new urgings from HUD, Buffalo's Division of Planning has begun to prepare targeted strategic plans for specific neighborhoods and an update of the Comprehensive Plan for the city.

Division of Development and the Division of Planning. The Division of Development is responsible for review and oversight of real estate and federally funded Community Development Block Grant (CDBG) construction projects and contracts for building community facilities. During the last five to six years, the Division of Planning has been reduced to working almost exclusively on zoning and land use issues. With a new mayor and new urgings from the Department of Housing and Urban Development (HUD), it has begun to prepare targeted strategic plans for specific neighborhoods and an update of the comprehensive plan for the city. The

Division of Planning reports and makes recommendations on these activities to the Buffalo Planning Board, Common Council, and Mayor.

Planning as a professionally-facilitated service of land use regulation and oversight is found only in the largest jurisdictions. Although most towns and villages produced some form of a comprehensive plan using federal funds in the 1960s, most of these plans have never been updated and in many cases, it is reported, they have literally been lost. The most common working planning document in the municipalities of Erie County is the municipal

Although most towns and villages produced some form of a comprehensive plan using federal funds in the 1960s, most of these plans have never been updated and in many cases, it is reported, they have literally been lost.

zoning plan--the ongoing record of the decisions of the zoning board of the jurisdiction. In the vast majority of smaller towns and villages these activities of planning and zoning remain essentially volunteer efforts of citizen review, recommendation, and regulatory oversight. The practice of planning as either a comprehensive indicator of regional change or as a special policy function is rare. The major exceptions are environmental policy initiatives of the DEP and comprehensive plan preparation in the Town of Lancaster and City of Buffalo.

Evolution of Governance Structure

The formal practice of successful planning goes back many decades in Erie County and in the City of Buffalo. There were two key early city planning history events. The first was the planning and development of the City Beautiful-based, integrated, citywide parks system designed by Frederick Law Olmsted. As discussed more fully under the Parks and Recreation profile, the city employed the redoubtable Olmsted, who designed the famous parkway system, including Delaware Park, Front Park, South Park, and Humboldt (now Martin Luther King, Jr.) Park.

The second event was preparation of the Comprehensive Plan of the City of Buffalo initiated in 1926 by the City Planning Association of Buffalo. The plan, which was both produced and in large part implemented by the city, proposed a "civic center," replete with the Statler Hotel and City Hall.

The formal practice of successful planning goes back many decades in Erie County and the City of Buffalo.

Over the same period, the region was not without its efforts at regional planning. Between 1925 and 1947, the Niagara Frontier Planning Board worked to add an element of coordination and cooperation to the regional development process. After World War II this effort was split between the Erie County Planning Board and the Niagara County Planning Board. Federal matching funds in support of comprehensive planning and regional oversight and coordination of planning and policy was the impetus for a new regional effort, the Erie-Niagara Regional Planning Board, in 1961. This latest agency of regional planning was most successful during the years of fiscal federalism, when federal aid to local governments was at its height and the board served to monitor the expenditure of these funds in light of integrated, comprehensive plans or directions for regional and local development.

Because of the federal stimulation of comprehensive planning at the local level, at a minimum area municipalities today have zoning plans covering their jurisdictions. However,

Planning practices are not so much grounded in the rich traditions of the 1926 Comprehensive Plan of the City of Buffalo or the early reform efforts of the Niagara Frontier Planning Board as they are in the carrot and stick efforts of 1960s fiscal federalism.

as with the initiation of the Erie-Niagara Regional Planning Board, many current land use practices of planning, including comprehensive plans, zoning regulations, and subdivision controls, are not so much grounded in the rich planning traditions of 1926 Comprehensive Plan of the City of Buffalo or the early reform efforts of the Niagara Frontier Planning Board as they are in the carrot and stick efforts of 1960s fiscal federalism. The local move to comprehensive planning was an expedient one, stimulated by the fiscal and legislative efforts of the State and the Federal Comprehensive Planning Assistance

Program dating from the late 1950s through the mid-1970s.

These federal funds, allocated under section 701 of the Federal Housing Act produced a whole host of planning efforts at the regional as well as the local level. With the demise of these federal categorical grant programs (along with A-95 reviews and the grants under 701), New York State was left to offer only limited assistance to planning and zoning in municipalities. Regional planning by the Erie-Niagara Regional Planning Board has all but disappeared, minimized by declining funds and no political constituency.

Regional planning by the Erie-Niagara Planning Board has all but disappeared, minimized by declining funds and no political constituency.

Financial Framework

There is no direct revenue stream either produced by planning or otherwise dedicated to planning. The planning agencies of the cities and the county all have at least advisory involvement in the expenditure of federal funds or capital budget allocations.

The pattern of expenditures by municipality is uneven. According to data provided by the New York State Comptroller, in absolute terms the \$555,000 spent by the City of Buffalo on planning and zoning dwarfs the amounts spent by other jurisdictions. On a percentage basis, the towns of Holland, Clarence, and Colden devote the relatively highest shares to planning functions, although as a percentage of total spending, planning and zoning command approximately 1/10 of 1 percent of total spending.

Governance Issues

There are several issues to consider with respect to planning activity within Erie County. First, for most of the 1990s the Erie-Niagara Regional Planning Board has been dormant, a victim of the demise of federal and state support for local planning and unable to secure support from the local jurisdictions for regional planning. With the exception of such state-designed regional policy entities as the Niagara Frontier Transportation Committee or the New York State Department of Economic Development, the planning function is provided through a plethora of municipally-based practices--all grounded in the legal right of each municipality to maintain autonomous control over its planning and land use decisions.

Without fiscal inducements, however, regional planning remains a tough sell and one that will not be undertaken at any risk to the bottom line rights of land use control. Attempts to reform the disparate conditions of planning service delivery must recognize the deeply-rooted rights of the municipality to control land use and the linkages of this right to the democratic processes of public hearings and citizen boards.

At the same time, because the planning and development decisions of one jurisdiction affects others and because so many planning activities, from transportation and housing to economic development and environmental protection, are performed regionally, area municipalities must cooperate far more systematically and extensively with one another over planning matters. They must also build upon the base of regional planning already at work in some county service agencies and special-purpose governments. One limited exception to the lack of general planning coordination is the Erie County-coordinated CDBG Consortium, a meeting of smaller municipal jurisdictions, coordinated by the county, that jointly negotiates how to allocate the pooled block grant funds of participating jurisdictions. By all accounts, this collaboration is a successful one which has enabled smaller jurisdictions to achieve more numerous and more ambitious development goals than was possible under the previous non-collaborative system.

Area municipalities must cooperate far more systematically and extensively with one another over planning matters.

A second planning issue concerns regional planning efforts beyond Erie County. Officials of Erie and Niagara counties should collaborate more closely, either through a reconstituted and reinvigorated Erie-Niagara Regional Planning Board or another mechanism

Dependence of the region's municipalities on outside consultants for planning expertise can have the effect of diminishing the likelihood that plans are sensitive to local conditions and, as a consequence, plans become contested products that ultimately are not implemented.

non-professional planning practice on the quality of such planning functions as land use and subdivision controls. Although citizen participation in land use planning, subdivision controls, zoning decisions, and platting is an example of direct participation in the fundamental property relations of a liberal democracy, the lack of rationality and coherent direction in town and village development has been raised as an issue in many of the 44 municipalities of Erie County. This lack of technical and professional expertise is often offset by an equally vexing problem for other town critics: some

jurisdictions, to make up for a lack of professional expertise, allocate funds for occasional private planning services. Dependence of the region's municipalities on outside consultants for planning expertise can have the effect of diminishing the likelihood that plans are sensitive to local conditions. As a consequence, plans may become contested products that ultimately are not implemented.

In sum, planning in Erie County is in a conflicted state, requiring change. Such change should respect the basic legal rights of the citizens of local jurisdictions to maintain control over the direction of land use in their areas while enabling a broader multi-jurisdictional structure of regional planning. The region has a history of regional planning to both build on and learn from. At the policy level, although regional planning has suffered some reverses in recent years, there are still important countywide and special-purpose agencies in such areas as transportation, housing, and economic development with which to build new regional approaches to planning.

that achieves sound regional planning. Likewise, officials in Erie County jurisdictions should capitalize on existing links to forge ongoing planning activities with officials in other surrounding counties in Western New York and Southern Ontario.

Finally, the paucity of professional planners in most municipalities should be evaluated to determine the effect of largely

Officials of Erie and Niagara counties should collaborate more closely, either through a reconstituted and reinvigorated Erie-Niagara Regional Planning Board or another mechanism that achieves sound regional planning.

Service Profile #2:

Economic Development

Overview

Over the past few decades, the Buffalo region, once a center of national industrial dominance, has become a victim of economic restructuring. During this time, in Western New York and elsewhere, economic development has become a central interest of public and private leaders in all local jurisdictions. Economic development now represents a formal activity of a variety of state and local governments. Activities include:

- ◆ job retention and training
- ◆ firm retention, expansion, modernization, and attraction
- ◆ formulation of industrial sector strategies and development plans
- ◆ marketing efforts to attract and/or retain firms
- ◆ public-private partnerships to enhance productivity and retain jobs
- ◆ provision of bonds, loans, and other forms of direct and indirect financing of intra-regional economic activities

Governance Structure

Economic development services are provided by 140 agencies in both the public and private sectors and at every level of government (table 8-1). At the local level, every municipality in the region, through the office of mayor of the 19 cities and villages or the office of supervisor of the 25 towns, offers some form of technical assistance to businesses. Seven federal agencies, 7 line agencies of the state and 4 county agencies offer a broad range of financial, business, planning, and education services.

There are few services that benefit more from special-purpose governments and public authorities than local economic development. In 1969 New York State authorized the creation of local development authorities through the *New York State Industrial Development Act*, codified in

There are few services that benefit more from special-purpose governments and public authorities than local economic development.

Economic Development Agencies in Erie County (continued)

Agency Name	#	County	Type of Agency (2)	FINANCE / DEVELOPMENT(1)			BUSINESS SERVICES			PLANNING			EDUCATION
				Infra-structure Assistance	Finance Incentives & Assistance	Marketing	Regulation	Trade, Export, Finance & Information	Technical Assistance	Technology Transfer	Data	Planning	
Mayor, Village of North Collins	69	Erie	5										
Mayor, Village of Orchard Park	70	Erie	5										
Mayor, Village of Sloan	71	Erie	5										
Mayor, Village of Springville	72	Erie	5										
Mayor, Village of Williamsville	73	Erie	5										
Supervisor, Town of Alden	74	Erie	5							*			
Supervisor, Town of Amherst	75	Erie	5							*			
Supervisor, Town of Aurora	76	Erie	5							*			
Supervisor, Town of Boston	77	Erie	5							*			
Supervisor, Town of Brant	78	Erie	5							*			
Supervisor, Town of Cheektowaga	79	Erie	5							*			
Supervisor, Town of Clarence	80	Erie	5							*			
Supervisor, Town of Colden	81	Erie	5							*			
Supervisor, Town of Collins	82	Erie	5							*			
Supervisor, Town of Concord	83	Erie	5							*			
Supervisor, Town of Eden	84	Erie	5							*			
Supervisor, Town of Elma	85	Erie	5							*			
Supervisor, Town of Evans	86	Erie	5							*			
Supervisor, Town of Grand Island	87	Erie	5							*			
Supervisor, Town of Hamburg	88	Erie	5							*			
Supervisor, Town of Holland	89	Erie	5							*			
Supervisor, Town of Lancaster	90	Erie	5							*			
Supervisor, Town of Marilla	91	Erie	5							*			
Supervisor, Town of Newstead	92	Erie	5							*			
Supervisor, Town of North Collins	93	Erie	5							*			
Supervisor, Town of Orchard Park	94	Erie	5							*			
Supervisor, Town of Sardis	95	Erie	5							*			
Supervisor, Town of Tonawanda	96	Erie	5							*			
Supervisor, Town of Wales	97	Erie	5							*			
Supervisor, Town of West Seneca	98	Erie	5							*			
Cheektowaga, Town: Community Development	99	Erie	5	*		*				*			*
NYS Department of Economic Development	100	Erie	6	*	*	*				*			*
NY State Empire Development Corp.	101	Erie	6	*	*	*				*			*
NYS Dept. of Environmental Conservation	102	Erie	6	*	*	*				*			*
NYS Dept. of Labor - Research & Statistics	103	Erie	6	*	*	*				*			*
NYS Dept. of Transportation	104	Erie	6	*	*	*				*			*
NYSE Electric and Gas Corp. (NYSE&G)	105	Erie	6	*	*	*				*			*
NYS Job Development Authority	106	Erie	6	*	*	*				*			*

Economic Development Agencies in Erie County (continued)

Agency Name	#	County	Type of Agency (2)	FINANCE / DEVELOPMENT(1)			BUSINESS SERVICES				PLANNING			EDUCATION
				Infra-structure Assistance	Finance Incentives & Assistance	Marketing	Regulation	Trade, Export: Finance & Information	Technical Assistance	Technology Transfer	Data	Planning	Research	
NYS Urban Development Corporation (UDC)	107	Erie	6											*
Erie County Environmental Compliance Services Program	108	Erie	7											*
Erie County Human Resources Corp. (ECHR)	109	Erie	7		*									*
Erie County: Office of Economic Development	110	Erie	7									*		*
BOCES	111	Erie	8											*
Buffalo & Erie County Library	112	Erie	8						*					*
Canadian Consulate General	113	Erie	8						*					*
Canisius College: Center for Entrepreneurship	114	Erie	8						*					*
Canisius College: Center for Professional Development	115	Erie	8						*					*
Council of International Visitors	116	Erie	8						*					*
ECCC: International Resource Center	117	Erie	8						*			*		*
ECCC: Corporate training	118	Erie	8						*					*
Hamburg Industrial Companies	119	Erie	8						*					*
Industrial Forum of Eastern Erie County (IFECC)	120	Erie	8						*					*
Industrial Real Estate Council	121	Erie	8						*					*
International Institute of Buffalo, NY Inc.	122	Erie	8						*					*
Service Corp of Retired Professionals (SCORE)	123	Erie	8						*					*
Small Business Development Council (SBDC), Buffalo State	124	Erie	8						*				*	*
The Center for Industrial Effectiveness (TCIE) (SUNY)	125	Erie	8						*			*	*	*
WNY Regional Education Center	126	Erie	8						*			*	*	*
Business Assistance Center (IRS)	127	Erie	9						*			*	*	*
Comrail: Economic Development, Industrial & Market Development	128	Erie	9						*			*	*	*
US Army Corps of Engineers	129	Erie	9						*			*	*	*
US Customs Service	130	Erie	9						*			*	*	*
US Dept of Commerce	131	Erie	9						*			*	*	*
US Immigration & Naturalization Service	132	Erie	9						*			*	*	*
US Small Business Administration (SBA)	133	Erie	9		*				*			*	*	*
National Fuel Gas: Economic Development	134	Erie	10		*				*			*	*	*
Niagara Mohawk: Economic Development Department	135	Erie	10		*				*			*	*	*
NYNEX	136	Erie	10						*			*	*	*
Resource Planning Associates	137	Erie	10						*			*	*	*
WNY Venture Capital Association	138	Erie	10		*				*			*	*	*

(1) Sources: Reports of ECIDA (1995); Erie County Department of Economic Development (1995); NYS Western New York Economic Development Cooperation (1994); combined totals of agencies and categories. Does not include agencies which did not fit one of the 10 Agency Types in Column 3.

(2) Types of Agency: 1. Public Development Authority 2. Public Authority 3. Regional Non-Profit Organization 4. Private, Not-For-Profit Organization 5. Municipal Agency 6. State Agency 7. County Agency 8. Miscellaneous 9. Federal Agency 10. Private Institution

Article 18-A of the General Municipal Law of New York State. Pursuant to this legislation, six area jurisdictions formed industrial development agencies (IDAs) in the late 1970s or early 1980s: Erie County and the towns of Amherst, Clarence, Lancaster, Concord, and Hamburg. Except for the Erie County and Amherst IDAs, the IDAs are either inactive (no staff) or they contract with the Erie County IDA (ECIDA) to provide necessary staffing.

In addition to IDAs, the state authorizes formation of local development corporations (LDCs), which, like IDAs, operate to attract and retain commercial and industrial firms. A number of Erie County jurisdictions have LDCs or LDC-equivalents (map 8-1).

IDAs provide a flexible and broad avenue for local capital improvement. The IDAs are effectively local public lending agencies formed to provide low-cost financing of firm location, expansion, or capital improvement through the issuance of industrial development bonds. No public funds are used directly in IDA financing: IDAs are non-taxing entities. Because they are government agencies, most IDA bonds are tax-exempt. IDA properties may also be exempt from real property taxes, although as a practical matter most IDAs contribute via a mechanism known as payments in lieu of taxes (PILOTs). Some projects also include sales and use tax exemptions as well. IDAs may purchase land or make

Most IDA bonds are tax-exempt. IDA properties may also be exempt from property taxes, although most IDAs make payments in lieu of taxes (PILOTs).

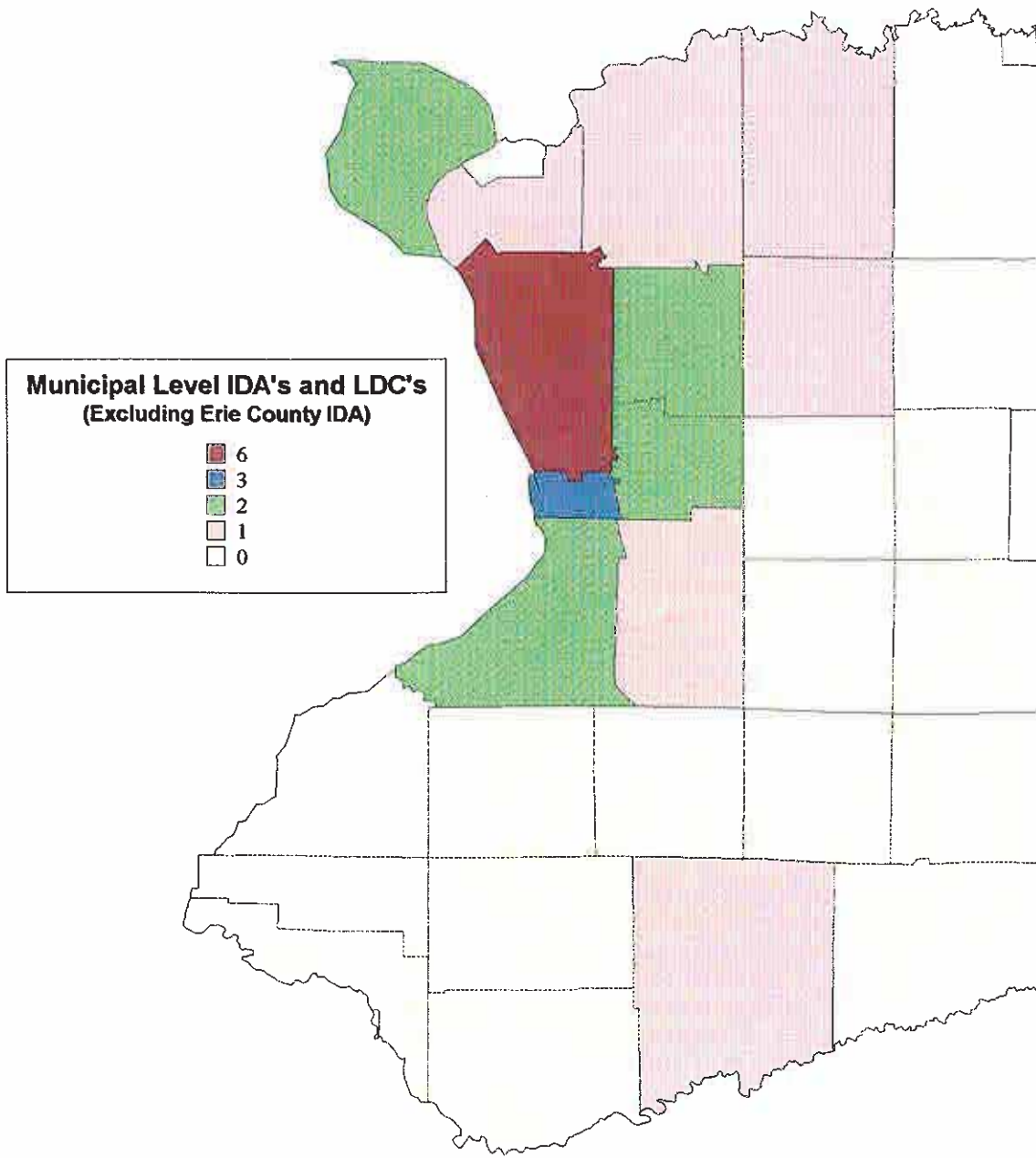
property improvements using bond proceeds. A private firm, in separate agreements, may lease facilities from the IDA, and the IDA may use these payments to retire the bond obligations.

A variety of economic development agencies have been created in Buffalo, including the special municipal board that operates Memorial Auditorium, War Memorial Stadium, and NorthAmericare Park (Bison baseball field). The City of Buffalo also operates the Buffalo Economic Development Corporation (BEDC) that, unlike an IDA, cannot issue bonds. The BEDC, which was formed as a 501-C3 LDC, uses Community Development Block Grant (CDBG) funds, bonds raised by IDAs, loan repayments, and interest to write down loan costs secured through private lenders or incurred through special city exemptions authorized by the Common Council. The BEDC is a good example of how a municipality can take the lead on public infrastructure and private development projects.

The Buffalo Economic Development Corporation, which raises revenues from public and private sources, is a good example of how a municipality can take the lead on public infrastructure and private development projects.

The private and nonprofit organizations of economic development range from such longstanding traditional

Map 8-1 Municipal Economic Development Agencies



marketing and business service agencies, such as local chambers of commerce, to the more recently formed, loosely organized Group of 18, an organization of the top corporate leaders in Erie County, including chiefs of banks, manufacturing corporations, and the president of the University at Buffalo. Recently the Buffalo Chamber of Commerce and the downtown development organization known as the Greater Buffalo Development Foundation were consolidated into a new organization, the Greater Buffalo Partnership (GBP), whose board of directors includes most of the Group of 18. In addition to the GBP, which has interests in regional analysis, marketing, and tourism, there is a host of private development agencies, including 16 chambers of commerce, the Greater Buffalo Convention and Visitors Bureau, Buffalo Place, the Buffalo World Trade Association, the Private Industry Council (PIC) and various industrial forums and councils, offering similar types of services.

Along with the Board of Cooperative Educational Services (BOCES), almost all institutions of higher education offer job training programs. Two examples are the Canisius College Center for Professional Development and Erie Community College's corporate training program. Most colleges and universities in the county also provide technical assistance to business and industry. Centers include UB's Center for Industrial Effectiveness, Buffalo State College's Small Business Development Council, and Canisius College's Center for Entrepreneurship.

A host of private development agencies, including the Greater Buffalo Partnership, 16 chambers of commerce, the Greater Buffalo Convention and Visitors Bureau, Buffalo Place, the Buffalo World Trade Association, the Private Industry Council and various industrial forums and councils, offer regional marketing, tourism, and analysis.

Historically the development function has been embedded in a variety of local government services: planning, public works, housing, and the broader concerns of urban renewal and community development.

All three of the area's major utilities have economic development departments, offering a variety of regional economic development services that include helping businesses with marketing, responding to regulations, and producing economic data.

Evolution of Governance Structure

Historically the development function has been embedded in a variety of local government services: planning, public works, housing, and the broader concerns of urban renewal and community development. More recently, as the nation's economy has shifted its geographic locus of dominance (from frostbelt to sunbelt and from city to suburb),

as well as its dominant mode of production (from manufacturing to service base), economic development has come into its own as a key service of government.

The Buffalo region is no stranger to such changes and to the formulation of economic development services. In this region the notion of economic development has long been, and continues to be, subsumed within the activities of various government agencies, including municipal and county governments, public works departments, the water authority, sewer districts, transportation agencies, municipal housing authorities, the Buffalo Urban Renewal Agency, special municipal agencies such as that operating Memorial Auditorium, and town utility funds like the Springville or the Akron electric enterprise funds.

In this region, economic development is often subsumed within the activities of various government agencies, including local governments, public works departments, the water authority, sewer districts, transportation agencies, municipal housing authorities, and urban renewal agencies.

At the state level, as early as the mid-1960s New York began to provide far more targeted state initiatives to stimulate local economic development through, among other approaches, the use of statewide public authorities. Under the Public Benefit

Article of the state constitution, New York State established the Urban Development Corporation to stimulate local market value housing and industrial development, the Job Development Authority (JDA) to stimulate job retention and training, and the Science and Technology Foundation to stimulate research and development. These authorities, along with executive departments such as the Labor Department and the Department of Commerce (now the Department of Economic Development) combined to produce a broad range of state funds and programs for community economic development. Each of these authorities and executive departments had administrative offices in New York City and Albany, and local offices in each region of the state.

Recently with a change in administration and political philosophy has come a change in the structure of state-initiated economic development agencies. Many of the old agencies and public authorities are gone or are being folded into a new and as yet only partially designed structure.

Financial Framework

According to the New York State Comptroller, Erie County and 35 area municipalities report spending general revenue funds on economic development. In addition, at least 42 separate government agencies within the county have the authority to make economic development funds available. Sixteen of these are local development agencies, of which six are IDAs.

Most economic development services are supplied through special-purpose governments. Support comes from revenue generated by various low-cost financing arrangements, usually including the issuance of revenue bonds. None of these development agencies has the authority to raise taxes. In fact, they often use exemptions from taxes to induce investment and development.

There is also ample public sector funding of economic development. Erie County provides a wide array of services through direct revenues and block grant funds administered through its Department of Environment and Planning. A substantial share of Buffalo's municipally provided economic development services (such as downtown development, economic development, industrial land development, and neighborhood development) is financed through federal CDBG funds and other fiscal strategies, such as those of the BEDC. Most other municipalities provide relatively small amounts of money for economic development promotional activities.

LDCs, IDAs and other development agencies do not have the authority to raise taxes. In fact, they often use exemptions from taxes to induce investment and development.

Funding for LDCs can range from support through CDBG funds for neighborhood public improvements to provision of low-cost financing arrangements similar to those implemented by IDAs.

The state, through the departments of Labor, Education, and Economic Development, and other agencies including the Urban Development Corporation, and the federal government, through Private Industry Councils and the enabling power of New York State's Jobs Training and Partnership Agency, generate most of the funds for job training. Supplementing these public dollars is funding from private sources and local educational institutions, such as Erie County Community College, which itself draws upon state, federal, and local funds to sponsor job training activities.

The Department of Economic Development, aided by several officers of the newly created Empire State Development Corporation, including those of the former Horizons Waterfront Commission, now forms the basis of the state's economic development effort.

Governance Issues

Several issues are currently affecting the ability of the region to forge and implement a coherent and successful economic development strategy.

First, the structure of state-level economic development in Erie County is being dramatically altered. The Department of Economic Development, aided by several officers of the newly created Empire State Development Corporation, including those of the former Horizons Waterfront Commission, now forms the basis of the state's effort. With the elimination of the Urban Development Corporation, the Job Development Authority, and the

Science and Technology Authority, the state's efforts in business services, job training, and research and development are likewise being folded into the Empire State Development Corporation. Because many local industrial development efforts had come to depend upon grants and loans from the more decentralized authority process, the relationship of state and local governments and the direction of regional policy has the potential to change dramatically.

Second, communication between the large economic development entities, public and private, is very poor, with a great deal of distrust and little, if any, source of agreeable regional strategic activity. The GBP is perceived as highly aggressive in its advisory role to local governments, but it lacks fiscal power. The Erie County IDA, with more fiscal resources, is perceived as equally aggressive, attempting to move into new areas but without strong regional political support. The Amherst IDA, with its recent success at attracting new industries is perceived as a hostile neighbor by economic development officers in the City of Buffalo who are critical of attempts by suburban municipalities to attract not only new firms but also to allegedly lure city firms to relocate in their jurisdictions. In at least one case, charges and countercharges of unfair economic competition are being resolved through legal channels.

Communication between the large economic development entities, public and private, is very poor, with a great deal of distrust and a weak foundation for agreeable regional strategic activity.

Third, and more broadly, the sheer number of economic development agencies and nonprofit organizations brings into question the ability to communicate clearly a coherent strategy of servicing the economic landscape of Erie County, let alone to work toward mutually beneficial economic development goals. A recent survey of the staff directors of the majority of these agencies identified several issues. Smaller agencies expressed the need for a

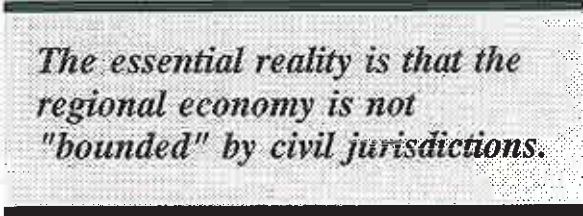
The sheer number of economic development agencies brings into question the ability to even communicate a coherent strategy of servicing the economic landscape of Erie County, let alone to work toward mutually beneficial economic development goals.

regional development strategy, given that they felt under-represented and often competitively disadvantaged relative to the larger and richer agencies. Training providers, such as the PIC and certain community college programs, felt themselves in competition with each other, even though they often represented very different state agencies and both public and private purposes in their mandate. Some agencies providing multiple services were perceived to be providing duplicate services to the same client base. Fewer than two-thirds of the economic development agencies could identify a specific function as their primary focus. Inter-agency communication

was very low, and client confusion and overlapping requirements for funding requests were very high.

In sum, the combination of regional restructuring of economic development agencies, the large numbers of sometimes overlapping and non-communicative agencies providing development services, and the competitive nature of the regional economy itself, which reinforces political balkanization, frustrates successful

implementation of much-needed development strategies. The essential reality is that the regional economy is not "bounded" by civil jurisdictions. Economic linkage and redevelopment are regional phenomena that transcend local jurisdictions. Economic development services should be restructured to match up with regional economic processes.



The essential reality is that the regional economy is not "bounded" by civil jurisdictions.

Service Profile #3:

Transportation (Air, Rail, Port, Transit)

Overview

Transportation is a vital public service designed to move people and goods within the Niagara Frontier and between the Frontier and the rest of the nation and world. The nature and quality of transportation services affect virtually everyone who lives, works, or travels through the region: from high school students, freight haulers, corporate CEOs, and the disabled to shoppers, downtown office workers, foreign tourists, and the region's elders.

In this region, transportation services encompass four functions:

- ◆ air transport;
- ◆ railroad transport;
- ◆ port operations; and
- ◆ transit, the latter including both bus and light rail services.

Governance Structure

Transportation is a highly centralized service that is delivered in this region by two major players, the Niagara Frontier Transportation Authority (NFTA), and the more broadly constituted Niagara Frontier Transportation Committee (NFTC), of which the NFTA is one member.

The NFTA is a regional public authority created by the state legislature in 1967. The mission of the Authority is to provide residents of Erie and Niagara Counties with a multimodal (air, water, and surface) public transit system. The NFTA is governed by a chairperson and a ten-member Board of Commissioners, appointed by the Governor of New York State, with advice from Erie and Niagara County officials. The NFTA Board is ordinarily composed of local civic, labor, and business leaders with diverse backgrounds, talents, and experiences. Local governments in the

The NFTA Board is ordinarily composed of local civic, labor, and business leaders. Local governments in the region do not have direct representation on the board.

and experiences. Local governments in the region do not have direct representation on the NFTA board.

The NFTA Board sets policy and provides oversight for the Authority's six business centers: Metro Bus and Rail, the Greater Buffalo International Airport (GBIA), Niagara Falls International Airport (NFIA), Small Boat Harbor (SBH), the Metropolitan Transportation Center (MPC), and the Real Property Center (RPC). As a public authority, the NFTA has the power to issue bonds and to keep other public or private entities from competing with or duplicating transportation services provided by the Authority. Property owned, leased, or used by the NFTA is exempt from taxation.

The Metro public transit system has 354 fixed-route buses, 5 paratransit vehicles and 27 railcars that operate up to 20 hours a day, seven days a week. Metro also operates the rail system, which runs over a 6.4 mile line between downtown Buffalo and the University at Buffalo's South Campus.

The Metro public transit system provides bus and light rail service for the region. As of 1993-94, Metro also operates paratransit service in the Tonawandas, Buffalo, and Niagara Falls. The Metro has 354 fixed-route buses, 5 paratransit vehicles and 27 railcars that operate up to 20 hours a day, seven days a week. Metro operates the rail system, which runs over a 6.4 mile line between downtown Buffalo and the University at Buffalo's South Campus. The light rail system includes a total of 14 stations, six on the surface and eight underground. The public transit system provides a higher level of service to the denser, urban parts of the region, with

routes centered on the City of Buffalo (table 8-2; map 8-2).

The financial mainstay of the NFTA is the Greater Buffalo International Airport, the region's primary commercial airport. GBIA serves more than 3 million passengers annually and has lease agreements with six scheduled air carriers and six regional-commuter airliners. Its air cargo complex handles 68 million pounds of cargo and 30 million pounds of air mail annually. Niagara Falls International Airport is primarily a general aviation airport and home base of the 914th Tactical Air Group, the 107th Flight Reserve and the U.S. Army National Guard Helicopter Wing. The Small Boat Harbor is a full-service marina and recreational facility on Buffalo's outer harbor. The SBH has 14 boat launching and retrieval ramps, an attended fuel dock, and 4 transient docks available for 24 hour rental. The SBH is the largest marina on the Great Lakes and provides recreational opportunities for the boating public.

The NFTA's transportation centers are responsible for the management and operation of the Metropolitan Transportation Center in Buffalo and the Niagara Falls International Transportation Center. These two transportation centers operate facilities for commercial bus service, primarily for Greyhound and Trailways. The centers also provide maintenance and janitorial services for Metro's Operations Control Center. The Buffalo facility, which served one million people in 1993, has 21 bus bays, two of which are used by Metro.

Table 8 - 2

NFTA Bus Ridership and Costs by Route, 1993-1994

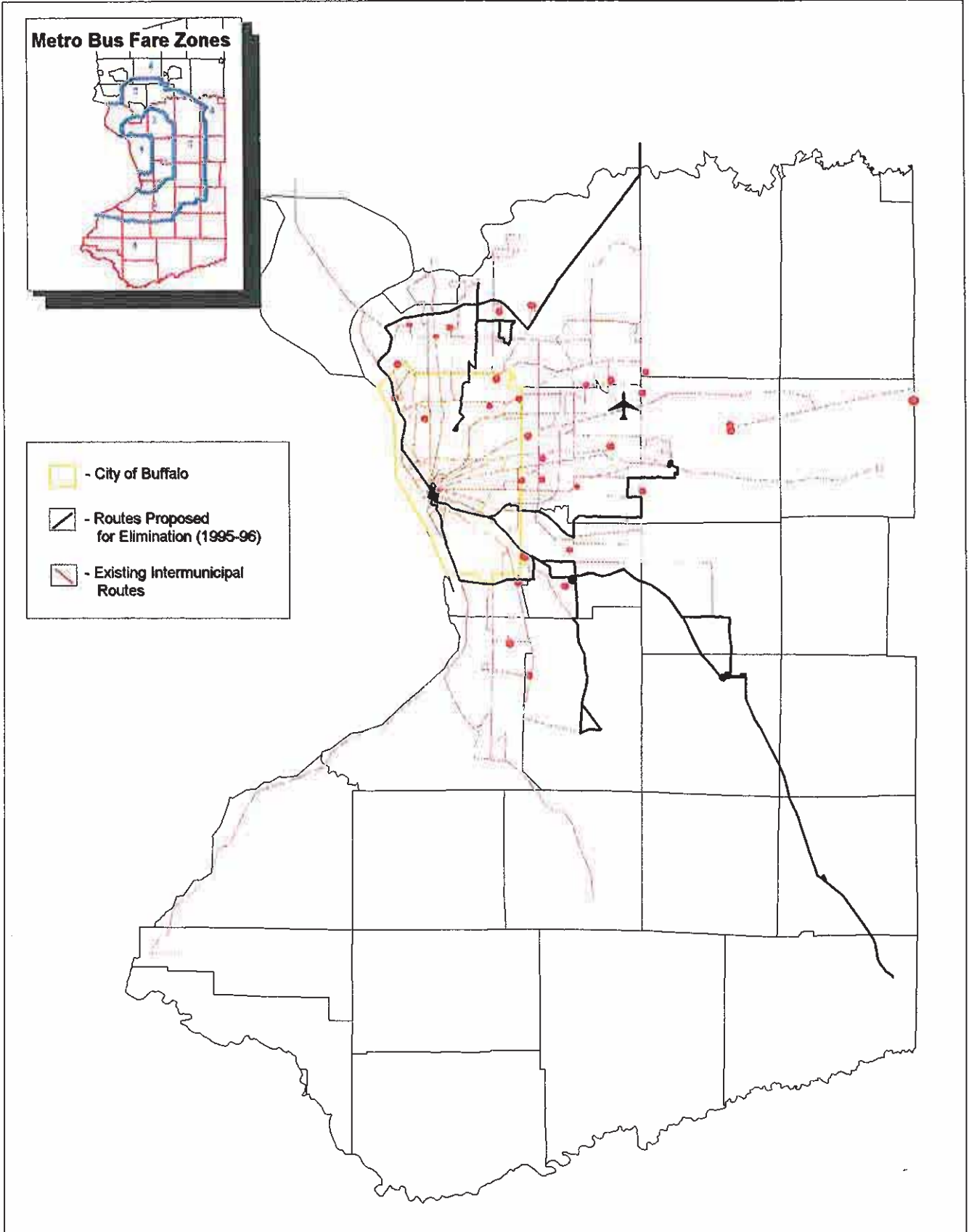
Bus Route*	Ave. Daily Weekday Ridership	Annual Revenues	Annual Operating Cost	Farebox Recovery Ratio**
3 Grant	5129	\$1,085,204	\$1,971,513	0.55
20 Elmwood	5056	\$985,204	\$2,248,908	0.44
5 Niagara	4080	\$812,915	\$1,878,762	0.43
25 Delaware	3782	\$818,144	\$2,470,015	0.33
4 Broadway	3770	\$772,556	\$1,960,372	0.39
24 Genesee	3124	\$645,372	\$1,778,036	0.36
6 Sycamore	2600	\$586,135	\$1,695,145	0.35
14 Abbott	2242	\$443,148	\$1,622,883	0.27
15 Seneca	2094	\$364,040	\$1,352,146	0.27
22 Porter/Best	1902	\$331,551	\$790,973	0.42
11 Colvin	1898	\$417,590	\$1,486,769	0.28
1- William	1781	\$321,355	\$1,325,982	0.24
2 Clinton	1661	\$343,576	\$1,087,090	0.32
30 Kenmore	1372	\$223,142	\$1,148,775	0.19
32 Amherst	1328	\$163,453	\$1,192,484	0.14
48 Williamsville	938	\$226,374	\$714,386	0.32
55 Pine Avenue	874	\$196,902	\$987,128	0.20
34 Niagara Falls Blvd.	864	\$182,865	\$695,489	0.26
36 Hamburg	813	\$206,331	\$987,143	0.21
7 Baynes	609	\$122,472	\$410,776	0.30
38 Angola	478	\$157,503	\$1,027,262	0.15
44 Lockport	361	\$91,088	\$525,900	0.17
50 University	353	\$67,002	\$720,173	0.09
54 Military	317	\$58,402	\$923,742	0.06
74 Boston	259	\$61,765	\$516,007	0.12
66 Williamsville	223	\$54,044	\$255,109	0.21
70 East Aurora	197	\$40,346	\$309,735	0.13
49 Hopkins	160	\$22,241	\$249,993	0.09
60 Niagara Falls	154	\$38,602	\$163,968	0.24
67 Cleveland Hill	126	\$25,735	\$144,182	0.18
69 Alden	123	\$31,140	\$235,128	0.13
72 Orchard Park	123	\$25,190	\$153,471	0.16
61 North Tonawanda	120	\$23,934	\$156,152	0.15
76 Lotus Bay	110	\$29,338	\$219,588	0.13
62 Parker	98	\$23,419	\$130,144	0.18
65 Amherst	95	\$20,331	\$146,065	0.14
42 Lackawanna	78	\$13,981	\$388,661	0.04
68 George Urban	70	\$16,213	\$136,644	0.12
71 Holland	64	\$14,746	\$183,996	0.08
64 Lockport	49	\$13,897	\$127,404	0.11
56 River Road	32	\$4,589	\$152,835	0.03

Notes: * Data shown is for routes that cross one or more fare zones.

** Farebox recovery ratio = revenues / operating costs.

Source: Niagara Frontier Transportation Authority 1993-1994.

Map 8-2 Inter-municipal Bus Routes In Erie County



The Real Property Center has three main functions. It manages the NFTA's non-public transportation assets, which include 1.2 million square feet of industrial warehouse distribution, arranges the acquisition, sale, or lease of real estate, and manages land planning and development activities. The paratransit access line (PAL) offers curb-to-curb service to disabled persons who are unable to use the fixed route system. Disabled persons making trips between locations within three-quarters of a mile of a Metro Bus route are eligible to use PAL services.

The second critical agency involved in transportation services is the NFTC. The NFTC is an interagency planning group composed of those governments and agencies with principal responsibility for establishing and implementing the region's (two-county) transportation programs. The NFTC's eight-member policy board comprises two city representatives (mayors of the cities of Buffalo and Niagara Falls), two county representatives (County

Executive of Erie County and chairperson of the Legislature of Niagara County), two regional representatives (chairpersons of the NFTA and the Erie-Niagara Regional Planning Board, which retains board membership even though the agency is mostly inactive), and two state representatives (Commissioner of the New York State Department of Transportation and Executive Director of the New York State Thruway Authority). Given this framework of governance, the region's central cities have direct representation on the NFTC, while suburban cities, towns, and villages are represented on the NFTC by the Erie County Executive and Chairperson of the Niagara County Legislature.

The NFTC's eight-member policy board comprises two city representatives, two county representatives, two regional representatives, and two state representatives.

Since 1975, the NFTC has been the region's metropolitan planning organization (MPO), a federal and state designation that formalizes and expands its planning and

Since 1975, the NFTC has been the region's metropolitan planning organization (MPO), a federal and state designation that formalizes and expands its planning and coordinating functions. As MPO, the NFTC has responsibility for allocating federal aid authorized by the 1991 Intermodal Surface Transportation Act (ISTEA).

coordinating functions. Federal legislation requires an operating MPO in every urban area of 50,000 or more people. As the regional MPO, NFTC shares responsibility with the state to cooperatively develop transportation plans and programs to insure that Erie and Niagara Counties have an efficient, well-coordinated transportation system.

Advising the NFTC on a permanent basis are the Federal Highway Administration, Urban Mass Transit Administration, Federal Aviation Administration, the U.S. Department of Housing and Urban Development, and the New York State Department of Environmental Conservation. Other

organizations advise the NFTC as appropriate to provide Federal, State and local coordination of regional transportation development.

The relationship between the NFTC and the NFTA can be a source of confusion. The NFTC is responsible for transportation policy and planning for all of the region's major highways, including those highways that are eligible for federal assistance, and for the regional transit system and facilities. The NFTA operates under the planning and policy auspices of the NFTC. However, the NFTA does its own planning and policymaking when it comes to local roads and the transit system.

There are several varieties of rail service. Intercity rail passenger service is provided by Amtrak, a federal government corporation. Passengers may also ride the excursion trains operated by the New York & Lake Erie Railroad, whose headquarters is in Gowanda. Rail freight is carried by several private rail companies, including CSX and Buffalo & Pittsburgh Railroad.

For much of Erie County history transportation was a private concern, centered by the turn of the century on an extensive network of rail lines, including both trains and privately owned trolleys.

Evolution of Governance Structure

For much of Erie County history transportation was a private concern, centered by the turn of the century on an extensive network of rail lines, including both trains and privately owned trolleys. The advent of the automobile, decline of passenger trains, and the Great Depression wiped out many train and trolley companies. By the 1940s, commuter rail transportation had all but disappeared in Erie County.

The commuter transportation system was revived during World War II under two private companies, the International Railway Company and the Buffalo Transit Company. In the 1950s these two firms merged to form the Niagara Frontier Transit Company (NFT), a regional private monopoly providing transportation services. Suburban decentralization and greatly increased auto travel made it impossible for a private firm to recover its costs from farebox revenues, however. By the early 1960s the NFT faced both labor and financial difficulties.

The formation of the NFTA by Governor Rockefeller in 1967 brought together a variety of agencies and authorities to form a unified public transit system in Erie and Niagara Counties. The consolidation united under a central administration the Niagara Frontier Port Authority, Buffalo and Fort Erie Public

Suburban decentralization and greatly increased auto travel made it impossible for a private firm to recover its costs from farebox revenues. By the early 1960s the private Niagara Frontier Transit Company faced both labor and financial difficulties.

Bridge Authority, Buffalo's Municipal Piers and Small Boat Harbor, the state-owned barge canal terminal, located at Buffalo Harbor, and the Greater Buffalo International Airport. Prior to consolidation, the GBIA was owned and operated by the City of Buffalo.

Since 1967, the NFTA has expanded its charge several times. Shortly after its formation, the NFTA assumed responsibility for the Niagara Falls International Airport. In 1974, the NFTA acquired the NFT and created the Niagara Frontier Transit Metro System, a wholly-owned subsidiary of the Authority to provide mass transportation services on the Niagara Frontier. State acquisition of NFT meant not only that NFTA had consolidated air, water, and surface transport under a single administration, but that the era of private provision of transportation services in the region had effectively ended. The acquisition also made the NFTA New York State's only upstate multimodal transportation authority.

State acquisition [in 1974] of Niagara Frontier Transit Company meant not only that the NFTA had consolidated air, water and surface transport under a single administration, but that the era of private provision of transportation services in the region had effectively ended.

The NFTC was formed in 1970 to permanently establish a regional decision-making forum to guide the development of a multimodal integrated transportation system in Erie and Niagara Counties. Transportation development is highly dependent on federal assistance, primarily through the Federal Highway Administration and the Federal Transit Administration. Because of this reliance on federal assistance, the planning role of NFTC has been expanded over time. In 1975, as noted, New York State designated the NFTC as the region's MPO responsible for transportation planning on the Niagara Frontier. The urban decision-making responsibilities of NFTC were reaffirmed in late 1991 with passage of the *Intermodal Surface Transportation Efficiency Act* (ISTEA). The Act called for investment in all modes of surface transportation required for building an economically and environmentally sound transportation system that efficiently moves people and goods throughout the region.

Financial Framework

The NFTA's activities are reported in two enterprise funds: the Authority Fund and the Metro Fund. The Authority Fund includes operations of the GBIA, NFIA, SBH, Metro Transportation Centers, and Property Management operations. The Metro Fund operates the region's bus and light rail transit systems.

NFTA depends primarily on its operating revenues and governmental operating assistance to cover the cost of the Authority and Metro business centers. Revenues from the Authority's five business centers are generated from landing fees, pleasure craft, dockage and launch fees, land and building rentals, concessions and commissions, resales and rebillings, fines, retail sales, and other commercial activities. Metro Fund revenues are derived from transit fees ("farebox revenues"), advertising, and fines.

Metro expenses are much higher than those of the Authority Fund's business centers, and Metro routinely run a deficit. Budget projections for 1995 indicate that Metro is expected to generate \$28.8 million in revenues, while incurring more than three times that amount in expenses, \$65.3 million, leaving a shortfall of \$43.5 million.

When governmental operating assistance does not close the Metro deficit, NFTA helps by using surplus revenues from the Greater Buffalo International Airport to close the fiscal gap; this amounts to about \$2 million annually.

To close its deficit, Metro receives operating assistance from the federal, state, and local governments. Federal assistance is provided by subsidy payments from the Urban Mass Transportation Administration (UMTA). State funding comes from general aid and the petroleum business tax. In 1995, the State will also provide about \$257,000 in funding for paratransit. Paratransit is a mandated, but unfunded public service. Local assistance comes from

the Erie County sales tax, mortgage recording tax, the Erie and Niagara Counties' match for state aid, and the Peace Bridge Authority. When governmental operating assistance does not close the Metro deficit, NFTA helps by using surplus revenues from the GBIA to close the fiscal gap, which amounts to about \$2 million annually.

By contrast, the Authority Fund typically runs in the black, in large part due to consistent surpluses from the GBIA, SBH, and Property Management operations. Of these three centers, the most profitable is the GBIA. In 1995 the GBIA is expected to generate a surplus of \$8.5 million. A portion of the funds are used to subsidize Metro, a cross-subsidy traditionally justified by the important public service that bus and rail transport provide to the region.

In 1995 the airport is expected to generate a surplus of \$8.5 million. A portion of the funds are used to subsidize Metro, a cross-subsidy traditionally justified by the important public service that bus and rail transport provide to the region.

The activities of the NFTC are funded primarily by the Federal Highway Administration and the Federal Transit Administration with 20 percent matching contributions from the state and local community. The Federal Transit Administration, which allocates funds to the states on behalf of the MPOs, provides funding for NFTC's unified planning work program, the agency's combined planning and capital budgets program. NFTC participants provide matching funds, usually in the form of in-kind contributions, to support their own transportation planning staff and federally funded studies. Depending on the particular project, funding for the work plan may come from other sources. For example, funds are being received in the region for the Continuous Aviation Systems Planning Program, and federal aviation funds are also received by NFTA for the GBIA Master Plan Airport Improvement Study.

Governance Issues

Transportation plays a critical role in the development of Niagara Frontier. It is the force that ties together and links the region to the rest of the world. Transportation services require close scrutiny because they are regional in scope and because they provide services for both the central city and suburban region. Within this context, several governance issues warrant mention:

1. The first issue deals with the relationship between the GBIA and Metro Bus and Rail. For years, airport profits have subsidized the NFTA's mass transit operations. However, in 1994, the House Appropriations Committee criticized the agency for such subsidies. Of the 22 airports studied by the committee, only Buffalo used its profits to subsidize mass transit. Faced with congressional threats to cut federal funding to airports that divert profits to other uses, the NFTA has proposed a five-year budget that phases out the practice. The loss of this subsidy is likely to have a drastic effect on the quality of bus and rail service in the region, unless alternative sources of funding are found.

2. The future of a regionwide mass transportation system is clouded. Federal opposition to the use of airport surpluses to help finance rail and bus services, and cuts in federal aid and mandated special services for the disabled will not only raise the cost of transportation, but threaten the area's regionwide transportation system. In June 1995 the NFTA voted to raise transit fares and tokens 15 cents each, transfers 5 cents, one-zone monthly passes \$5.80 and all-zone monthly passes \$7.00. In the fall of 1995, over the stiff opposition of suburban riders, the NFTA voted to sharply curtail service on nine suburban bus routes and trim another 16 routes that consistently ran deficits.

In the fall of 1995, over the stiff opposition of suburban riders, the NFTA voted to sharply curtail service on nine suburban bus routes and trim another 16 routes that consistently ran deficits.

The economic problems facing Metro Bus and Rail are likely to increase. Local support for Metro comes mostly from Erie County, which allocated sales tax revenue totalling around \$11.25 million in 1994. The general perception is that the City of Buffalo is the prime beneficiary of the system. There is growing opposition among suburbanites over subsidizing the system, particularly in light of recent route cutbacks.

Without imaginative, proactive thinking, the idea of a regional mass transit system will disappear in the wake of cuts in government funding.

Without imaginative, proactive thinking, the idea of a regional mass transit system will disappear in the wake of cuts in government funding. In that event, travel outside the central city will be dependent

mostly on the private automobile. This will place hardship on those central city residents who are dependent on mass transit. The reduction in suburban bus routes means fewer buses going to industrial parks, shopping malls and grocery superstores in the suburbs where the bulk of entry-level jobs exists. That, combined with the suburbanization of retailing will restrict the employment and shopping options of transit-dependent residents.

There is growing concern about the limited number of non-stop flights between Buffalo and destinations important to business travelers.

3. The third issue deals with the quality of air service in the region. There is growing concern about the limited number of non-stop flights between Buffalo and destinations important to business travelers. This concern has led to discussion over the role of the NFTA at the airport. Both congressional representatives John J. LaFalce and Jack F. Quinn have questioned whether the NFTA should be in charge of

marketing the airport. Air service and its relationship to the development of the region will remain an important issue requiring a public-private resolution.

Service Profile #4:

Roads

Overview

Construction, maintenance, lighting, and plowing of roads and bridges, while having many private sector roots, nevertheless represents one of the earliest, most basic services provided by local government. In the initial settlement and development of Western New York, as well as most every area of the country, public safety and road services were fundamental priorities of new communities. Even with the many alternative forms of transportation in the 20th century, providing the capability to move people and goods from one place to another on roadways has been and continues to be a principal function of government at all levels.

As the transportation infrastructure has evolved in Erie County since colonial times, each level of government from villages through the federal level has assumed a degree of ownership and/or responsibility for roads and road services. The physical interrelationship among those roads and the governmental relationship among those "owners" represent the fundamentals of the structure of road services in the region.

There are also several modes of private sector participation in road services in the region. Private contractors, for example, provide a large proportion of construction and maintenance functions as contracted by area governments. Although not yet frequent in this region, it is increasingly common in many areas for so-called "gated communities" to provide certain road services within the confines of their own development.

Even with the many alternative forms of transportation in the 20th century, providing the capability to move people and goods from one place to another on roadways has been and continues to be a principal function of government at all levels.

Road services have a direct relation to other governmental functions. Roads, for example, usually serve as the physical route for water, sewer, and utility services.

Governance Structure

Road services are the responsibility of a decentralized network of government agencies at several levels. Administrative departments to carry out road services, such as a Department of Public Works, Department of Transportation, or Department of Highways, are common to every general purpose government within Erie County. Villages, towns, cities,

The cooperative arrangements that have evolved for road maintenance, lighting, and plowing, and the controversies that have resulted, are at the heart of road governance issues in the region.

Erie County, and New York State all play primary roles as "owners" of roads, highways, and bridges. The federal government, by contrast, plays primarily a financing and regulatory role with respect to roads.

Ownership of a road by a government does not necessarily mean that that government provides all maintenance, lighting, plowing, or other services connected with the road. The cooperative arrangements that have evolved in this regard, and the controversies that have

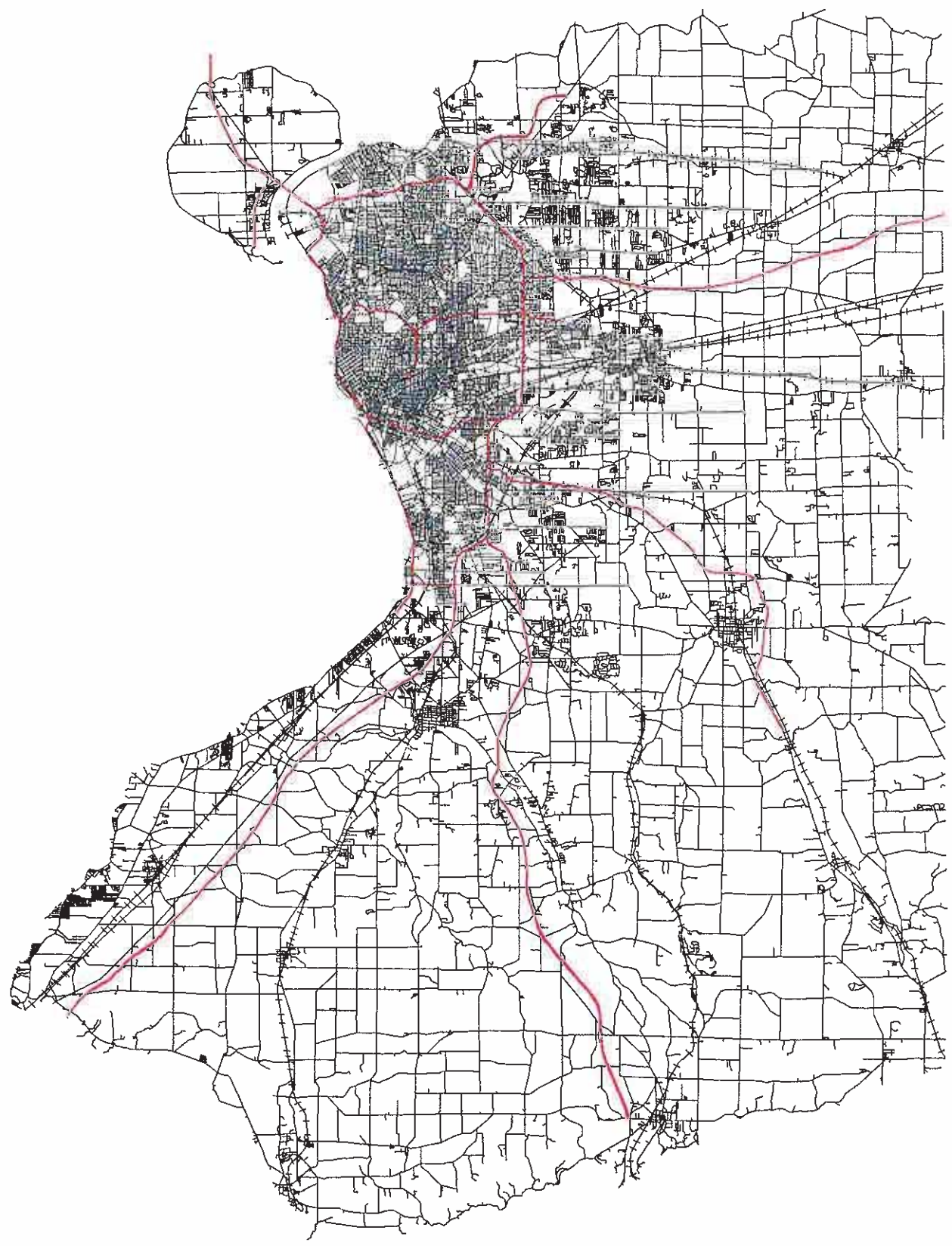
resulted, are at the heart of road governance issues in the region.

Within Erie County there are approximately 1,200 road miles (as distinguished from lane miles) of county roads, a similar number of local road miles (of which the City of Buffalo has about 730 road miles), and approximately 600 road miles of New York State roads or highways, including approximately 70 miles owned by the New York State Thruway Authority. Understandably, the network of roads and highways is densest in the most built-up areas of the county (map 8-3).

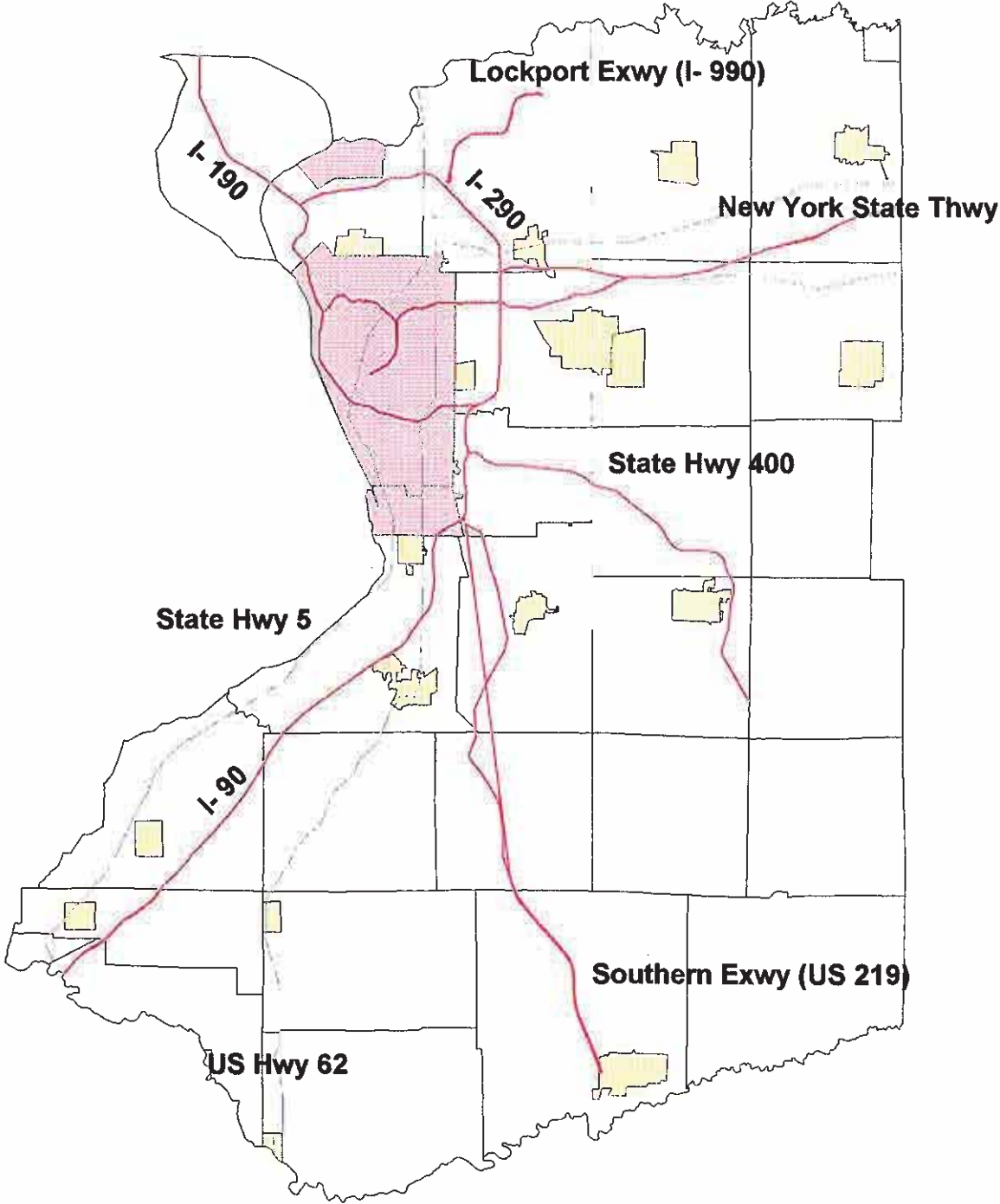
Jurisdiction over state roads is divided between two agencies: the State Department of Transportation and the Thruway Authority. The Authority has jurisdiction over the I-90 and I-190, and the Department has jurisdiction over the I-290, I-990, Kensington Expressway, Scajaquada Expressway, and a significant number of roadways (map 8-4). Minimum construction and safety standards are examples of the administrative oversight function of the state with respect to local roads.

Included among the intergovernmental arrangements that affect road services in Erie County are: contracts between individual municipalities and the county for plowing services, contracts between individual municipalities and the state for sweeping services, establishment of special assessment districts for lighting services in many areas, contractual arrangements with electric utilities for lighting services, informal arrangements among individual municipalities, and, most importantly, a mutual aid agreement now covering most of the municipalities within the county.

Map 8-3 Surface Transportation System In Erie County



Map 8-4 Federal and State Highways In Erie County



The road mutual aid agreement is an initiative in which Erie County municipalities have set an impressive precedent for the entire state. This agreement represents the first formal effort at a countywide structure of mutual aid for road services in the state. Currently, all 25 towns are party to the agreement, all 3 cities, 13 of 16 villages, Erie County, and tacit participation by the State of New York. It is the goal of the participants to include the remaining 3 villages and the State of New York in the near future so as to have total participation within the county.

The mutual aid for road services agreement, which involves all 25 towns, all 3 cities, 13 of 16 villages, and Erie County, eliminates the need for formal action by municipal boards when cross-border assistance is rendered. The agreement sets an impressive precedent for the entire state.

The private sector plays a direct and important role in the road infrastructure within the area, particularly with respect to construction and repair. On most major road and bridge projects the government contracts out to private sector construction companies on the basis of competitive bids.

On most major road and bridge construction and repair projects, the government contracts out to private sector construction companies on the basis of competitive bids.

A formal bidding process is required on these public contracts, including various prevailing wage, Wicks Law (requiring separate contracts on a public project), and other implications that are of importance to governmental budgets. Moreover, it has been increasingly common for localities to require construction of roads and provision of additional services by developers of new residential subdivisions and commercial/industrial projects as a prerequisite to municipal approval of the development.

Evolution of Governance Structure

Over the course of many decades a series of *ad hoc* arrangements evolved within Erie County that have resulted in a distinct, perhaps peculiar, mix of ownership of area roads and services for those roads. For example, as discussed below, Erie County contracts with municipalities for plowing services on county roads and yet the county provides plowing services to the state on certain state roads. Clearly, issues of finance, governance, and politics have played a decisive role in the evolution of this structure.

A significant step in this evolution was taken in 1983 with the initiation of the mutual aid agreement, mentioned above, among area municipalities. This agreement essentially eliminates the need for formal action by the respective municipal boards when cross-border assistance is rendered. This is not only less cumbersome procedurally, but is also more responsive to emergency situations where time is of the essence. In addition to emergency

dilemmas, the agreement also provides for lending of pavers and other equipment in certain routine or non-emergency situations simply as a matter of effective use of expensive equipment. The agreement provides for reimbursement of labor costs of the contributing municipality and, in some instances, reimbursement for equipment usage. Each municipality pays for the materials used within its own borders. The mutual aid agreement is an example of a collaboration that responds to a clear need and is initiated by area municipalities, as opposed to being mandated from above.

For many years, Erie County has contracted with individual municipalities for those municipalities to provide snow plowing and road salting services on county roads within the borders of the municipality. A set fee is established in the contract which applies to all municipalities and has been the subject of considerable controversy. There has traditionally been a three-year duration of the contracts.

In the 1970s the contract provided for about \$600 per lane mile for the year. This figure has now risen to \$1550 per lane mile under the current contract, but this amount

Ironically, Erie County provides some of the same plowing and salting services to New York State as municipalities provide for the county. This results in the anomaly of the county working on state roads at the same time it contracts out such services for its own roads.

represents only about two-thirds of the cost of the municipalities in providing plowing and salting services to the county. Essentially, the only incentive the municipalities have to participate in such contracts is that their constituents and taxpayers perceive the municipality as having responsibility to keep the roads open. The municipalities will therefore get the complaints and political burden of unplowed roads irrespective of legal ownership by the county.

Ironically, Erie County provides some of the same services to the State of New York on certain state roads. The State pays a more generous fee of over \$2000 per lane mile, which results in the anomaly of the county working on state roads at the same time as contracting out such services for its own roads.

In addition to the mutual aid agreement and formal contracts among different governments within the county, there are *ad hoc* arrangements that also affect provision of road services. Joint services frequently involve consultation and advice, lending of equipment, overlapping projects, and others. The primary determinant for such arrangements is the relationship of towns to the village or villages within them. Improved relationship between many towns and villages is one of the frontiers of governance pertaining to roads.

Financial Framework

The fiscal structure of road services largely reflects the complex governance arrangements reviewed above. Local governments use revenues primarily from taxes and

bonds to pay for road construction and then maintain and plow the roads as a general municipal service or pursuant to cooperative agreements.

Through state budgetary appropriations, the Consolidated Highway Improvement Program (CHIPS), the Dedicated Highway and Bridge Trust Fund, and administration of federal highway funds, including the recent *Intermodal Surface Transportation Efficiency Act* (ISTEA) monies, New York State also plays a vital funding role for the transportation infrastructure within Erie County.

The county's role in road services has decreased over the past several decades, as illustrated by a drop in total equipment and road employees.

The county's role in road services has decreased over the past several decades, as illustrated by a drop in total equipment and road employees. While the tax burden allocated to road services is currently

approximately \$25 million, only about ten percent of that amount is actually expended on materials for improvement of county roads. The remaining ninety percent goes toward salaries, administration, and related expenses of the county's highway operation.

The issue of the timing and location of road repair and maintenance has perhaps been the most visible area of contention on a year to year basis within the Erie County government and the County Legislature in particular. Recent proposals for surcharges on vehicle registrations to generate funds for road projects have added to the friction.

The issue of the timing and location of road repair and maintenance has been perhaps the most visible area of contention within the Erie County Legislature in recent years. Proposals for surcharges on vehicle registrations to generate funds for road projects have added to the friction.

Governance Issues

A paradox currently exists wherein road services provide one of the most compelling examples of precedent-setting cooperation among governments in the region and, at the same time, provide examples of the exceedingly difficult and controversial tensions among area governments, officials, and taxpayers.

In light of the rather haphazard mix of services and contractual arrangements among levels of government in the area, road services are sometimes cited as a candidate for a more consolidated, regional approach to service delivery. Although roads frequently travel across multiple jurisdictions, each municipality in the county has its own department to maintain its limited section of roadway. The existence of cost-saving agreements between some area municipalities confirms the potential for greater efficiencies in road repair and other services. Given the potential for economies of scale, especially good prospects for additional collaborations are at the village-town level, which often involve a village jurisdiction

It is not clear that the benefits of countywide road service consolidation would outweigh the costs. County officials note that greater efficiencies in road maintenance might accrue if responsibility for county roads were shifted to municipalities.

completely surrounded by a larger town government. At the same time, it is not clear that the benefits of countywide road service consolidation would outweigh the costs. County officials note that greater efficiencies in road maintenance might accrue if responsibility for county roads were shifted to municipalities. This is an area ripe for in-depth analysis to determine the potential for service and fiscal improvements in road service delivery.

transfers of responsibilities and costs among levels of government to eliminate some of the tensions and anomalies currently in existence. Area policymakers should consider the possible role to be played by the Niagara Frontier Transportation Committee, discussed further in the preceding Transportation Services profile, in assisting the formation and operation of intra-regional collaborations.

There is, however, potential for additional cooperative agreements and

Service Profile #5:

Housing

Overview

Along with food and clothing, shelter is one of life's three basic necessities. The poignancy of the present plight of our society's homeless population is based upon the universal recognition of how pivotal housing is to the quality of people's lives. Since 1949, we have been attempting to achieve the goal of "a decent home and living environment for every American household." Despite nearly a half-century's experience with government intervention into housing markets, we are still a considerable distance away from achieving that goal.

Housing can best be understood as falling within two broad categories of activity, each of which can be subdivided:

- ◆ Activities related to the production of stock, including:
 - *conventional public housing projects*, in which a local public housing authority (PHA) obtains federal and/or state funds to construct, own, and operate a residential project(s) for benefit of low-income persons and households; and
 - *publicly assisted housing developments*, including rehabilitation, in which a locality and/or its nonprofit or for-profit agents supply housing to low-to-moderate income persons or households, taking advantage of available public (mainly federal and state) subsidies;
- ◆ Activities related to the flow of services, including:
 - *issuance of certificates and vouchers* which may be utilized by consumers on the open market in order to supplement their incomes to secure housing which is supplied privately; and
 - *housing-related services*, in which public agencies or their nonprofit grantees provide to housing consumers the technical assistance, advice, counsel, or other intangible services related to obtaining or maintaining standard housing.

These activities are carried out by governments directly, by a wide variety of public authorities and public benefit corporations, and by private corporations and individuals. Beneficiaries are individuals and households of chronic low-income, those who have been displaced from jobs, the elderly, the physically and mentally challenged, veterans of military service, racial minorities and women who are discriminated against on the open market, and

Housing services are distributed geographically like other human service operations, increasing in frequency with increases in population density and the incidence of poverty, but generally available everywhere.

low- to moderate-income households requiring financial assistance to maintain acceptable standards of health and safety and/or to become homeowners.

Conventional public housing projects have tended historically to be constructed in central cities and, to a lesser extent, in their contiguous suburbs. In contrast, publicly assisted housing is scattered widely across metropolitan regions, as well as dotting the rural landscape. Housing services are distributed geographically like other human service

operations, increasing in frequency with increases in population density and the incidence of poverty, but generally available everywhere.

Governance Structure

Housing services in Erie County are characterized by a highly centralized government funding system, coupled with a highly decentralized decision-making system, sometimes at the neighborhood or community level.

In response to federal legislation dating back as far as the 1930s, states and localities were encouraged to create independent local housing authorities as a prerequisite for receiving federal funds for public housing. In New York State governments of major central cities tended to create these "federal" authorities, which proceeded to construct and manage conventional public housing projects.

In subsequent decades, and especially in response to the availability of state housing programs and funding, some suburban municipal governments opted to create housing authorities. While housing authorities in central cities utilized state program funds as well as federal funds, most suburban authorities did *not* apply for or receive *federal* assistance to construct conventional public housing. Most have no independent professional management staffs. Some analysts have argued that suburban authorities were created to take advantage of state-authorized bonding capability and certain state-level housing assistance programs targeted at select needy populations such as the elderly.

Housing services in Erie County are characterized by a highly centralized government funding system, coupled with a highly decentralized decision-making system, sometimes at the neighborhood or community level.

Erie County has examples of both types of municipal housing authorities. The City of Buffalo, the City of Lackawanna, and the Village of Kenmore, opted to create full-fledged federal authorities. Four other jurisdictions, the Town of Cheektowaga, the Village of Lancaster, and both the City and Town of Tonawanda, created housing authorities oriented to state, rather than federal housing programs.

The City of Buffalo is by far the regional leader in size of public housing authority. In 1990, Buffalo's 328,000 people were divided into 136,436 households occupying year-round dwelling units. Of that number, 6,661 dwellings or 4.8 percent were located in conventional public housing projects. The City of Lackawanna has the second largest conventional public housing operation, with 497 units, which represents 5.9 percent of its total housing units. Kenmore, the only other jurisdiction with a full-fledged federal housing authority, operates 400 units of conventional public housing, accommodating 5.6 percent of its total households (map 8-5).

In the City of Buffalo, 6,661 dwelling units, or 4.8 percent of the total occupied stock, were located in conventional public housing projects as of 1990.

In response to the perceived shortcomings of conventional public housing projects, various federal policy changes in the 1960s shifted the emphasis away from public ownership toward subsidies to private housing suppliers. The principal result of this change in policy emphasis was a reduction in the size of public housing developments. Where "the projects" had become increasingly centralized throughout the urban renewal era of the 1950s and early '60s, publicly assisted housing developments in the late '60s and early '70s became smaller in numbers of units and increasingly constructed in the suburbs.

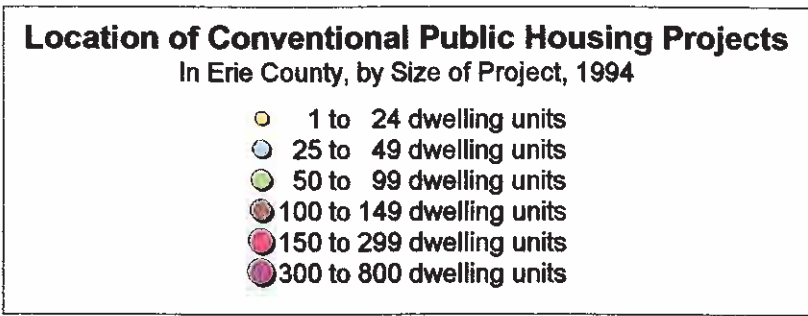
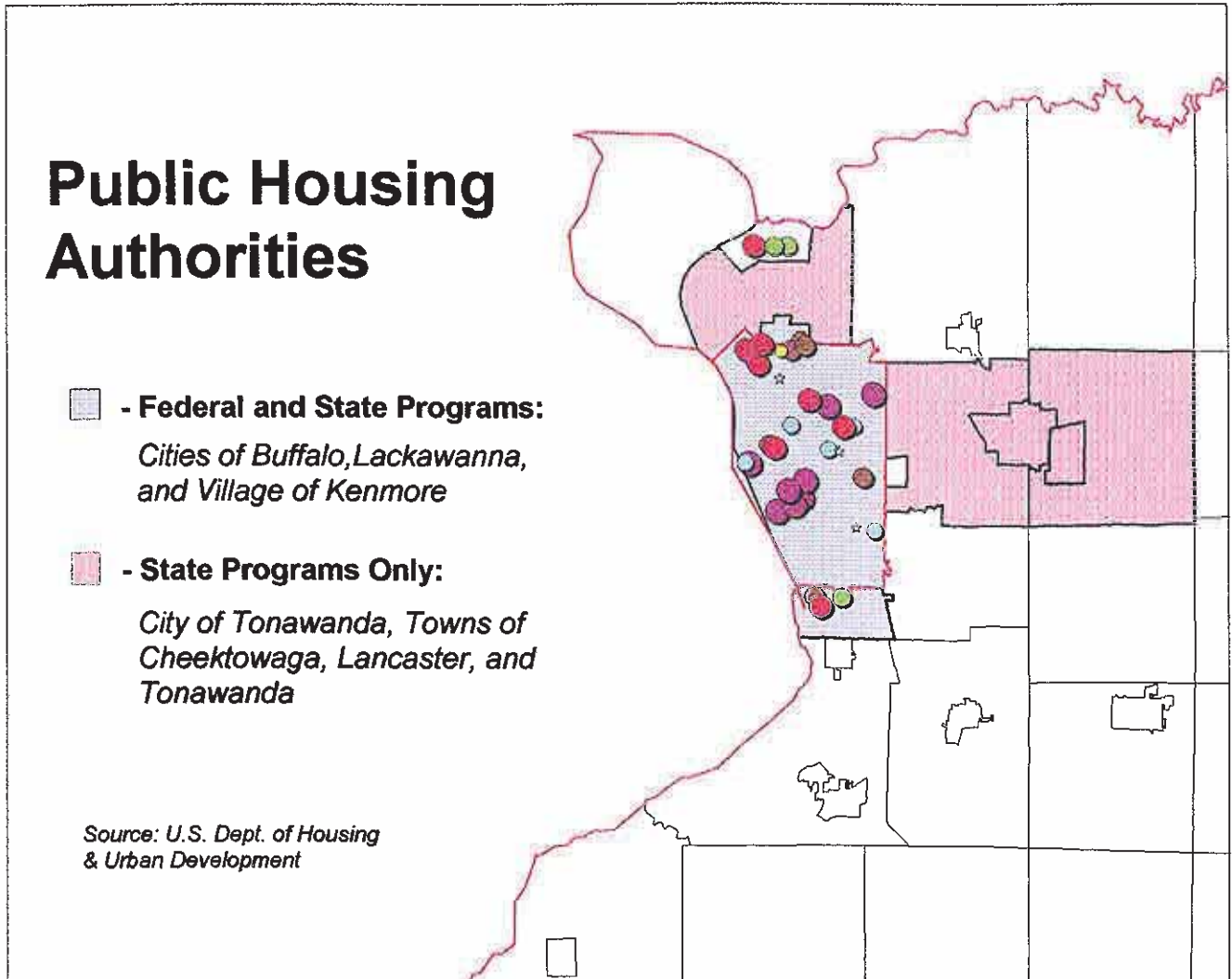
Housing patterns in Erie County reflect these national trends. Although the majority of the region's 17,215 units of publicly assisted housing (60%, or 10,046 units) is located in developments inside the City of Buffalo, the geographic dispersal of this housing is far more extensive than that of conventional public housing projects (map 8-6). Publicly assisted housing is located even in the rural farming communities at the outer edge of the region.

Although the majority of the region's 17,215 units of publicly-assisted housing is located in developments inside the City of Buffalo, the geographic dispersal of this housing is far more extensive than that of conventional public housing projects.

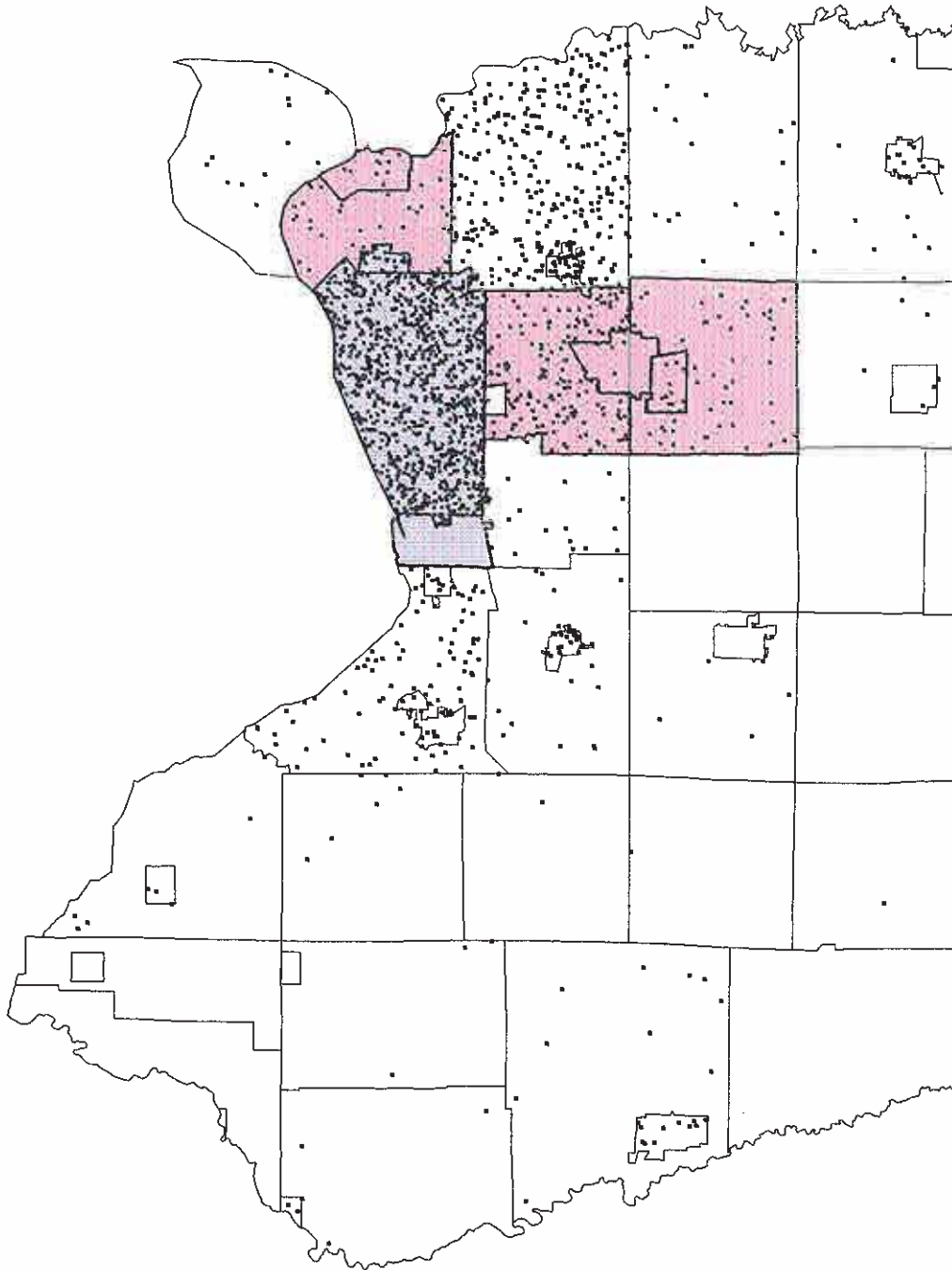
Beginning in the 1960s and '70s private nonprofit organizations came to play a significant role in the production and supply of low-cost housing, especially in central cities. By way of illustration, 99 percent of the City of Buffalo's 1994 Community Development Block Grant expenditures for housing went to neighborhood level nonprofits for either

program budgets or construction projects.

Map 8-5 Public Housing Authorities In Erie County



Map 8-6 Publicly Assisted Housing Developments



Publicly-Assisted Housing Developments (1994)

Unit dots are randomly placed in each jurisdiction

1 Dot = 10 Assisted Units

Following years of experience in trying to make conventional public housing work successfully, the traditional model of large-scale, publicly-owned and operated facilities has given way, as has the model of publicly-subsidized, privately-constructed facilities, to a new approach. Low-income housing consumers are now apt to receive a rental assistance commitment from the federal government in the form of a voucher, which enables them to seek housing on the open market. In principle, housing vouchers are offspring of Section 8 certificates, which were essentially rent supplements for eligible households.

Under the newest form of public assistance, there are more suburban households receiving aid than central city households.

As of December 1994, over 2,700 households in the City of Buffalo were supported by housing vouchers or Section 8 certificates. Another 1,600 households receive Section 8 certificates, and over 1,300 receive vouchers, for a total of 2,900 suburban households receiving public assistance for housing. The geographic distribution of housing vouchers cannot be mapped because the public subsidy is no longer attached to physical sites or to specific buildings, but rather to households

which can and do move. The data above are based upon voucher recipients' addresses at the time their applications for public assistance were approved. By that method, there are more suburban households receiving aid than central city households.

In historic terms, the provision of housing services has little or no connection to programmed expenditures across other functional areas of governmental expenditure. Despite housing's obvious relationship to streets and sanitation, parks and recreation, police, health care, and schools, until recently there was no mandate that the provision of housing services had to be coordinated with other public services.

Despite housing's obvious relationship to streets and sanitation, parks and recreation, police, health care, and schools, until recently there was no mandate that the provision of housing services had to be coordinated with other public services.

Evolution of Governance Structure

Because residential development represents about 85 percent of all structures in U.S. urban areas, it is easy to see how housing came quickly to fall within regulatory purview. For the most part, the provision of housing is a matter of private sector arrangements between consumers and suppliers. The historic role of government in the provision of housing services has been justified on the basis of the unregulated market's inability to deliver and enforce acceptable minimum standards of dwelling quality, especially for low-income households.

Initially, government intervention in housing services was *indirect*. From the inception of building codes in the late 1880s through the introduction of zoning ordinances beginning in the teens and 1920s, government's regulatory interest has derived from the 14th amendment of the U.S. Constitution. Ultimately, government is obliged to protect the public's health, safety, and welfare. The justification for *direct* government intervention into housing markets, which began in the 1930s, is to assist low-income persons and households, urban and rural, and to attend to their needs and interests.

With the advent of publicly assisted housing, a great deal more subsidized housing was constructed outside of the region's central city than was true of conventional public housing.

The need for public assistance in housing is closely tied to the ecology of American urban areas. Older, heavily industrialized northeastern cities, including the City of Buffalo, contain the housing stock most aged and physically deteriorated. These cities also served as points of immigration, for both international immigrants and, for the first half of the 20th century, black immigrants from the rural south. As a centerpiece of American social

and economic policy in the Great Depression era, the cities of the industrial northeast, Buffalo included, are where the storied history of conventional public housing has its origins and where this component of the stock remains concentrated.

In the 1950s and 1960s, various stigmas associated with public housing grew in the public mind, especially poverty, crime, drugs, and physical decay. By the end of the 1960s, federal policy shifted away from the creation of large public projects to smaller-scale, geographically dispersed facilities operated by cities, private owners, or community-based organizations.

Also during the 1960s a greater measure of public participation was invited in the planning and implementation of publicly assisted housing efforts. These changes were reflected in different ways in Erie County. Most significantly, publicly assisted housing began to be constructed in the suburbs outside of the City of Buffalo, mainly in the form of rental complexes for the elderly.

In many suburban jurisdictions elderly housing was the primary purpose for creating their housing authorities; in most, such housing was built under contracts with private developers, subsidized by federal funds. With the advent of publicly assisted housing, a great deal more subsidized housing was constructed outside of the region's central city than was true of conventional public housing.

Eventually, federal policy shifted to a system in which eligible tenants received a Section 8 certificate, which committed the federal government to pay a portion of the tenant's rent.

By the 1970s, when a conservative federal administration came to power, arguments that the private market could more efficiently deliver housing services carried the day. Eventually, federal policy shifted to a system in which eligible individuals and households received a Section 8 certificate. That certificate could be presented to a landlord as evidence of the federal government's willingness to be responsible for paying a portion of the tenant's rent.

Rental assistance provided by the federal government fills the gap between a fixed percentage of tenant income -- currently 30 percent -- and a housing payment standard calculated for each region.

The 1980s saw the introduction of the housing voucher system, allegedly as a means of increasing tenant choice. Under the Section 8 system, no recipient of rental assistance could go into a housing unit that exceeded a limit known as the "fair market rent" for a unit of a certain size in a specific market region. The voucher system permits this option if the tenant pays the amount above the region's "payment standard." Rental assistance provided by the federal government fills the gap between a fixed percentage of tenant income (deemed the

appropriate fraction of income for housing, currently 30 percent), and the payment standard.

Financial Framework

In view of the magnitude of housing costs, it is not surprising that government has had to devise means of intervening into market arrangements, both to ensure an adequate supply of decent, safe, sanitary shelter as well as to guarantee its price. In both conventional public housing as well as in publicly assisted housing there is a "user fee" attached to the housing in the form of tenants' contributions to rental costs.

In Erie County, as elsewhere, housing services represent a substantial fraction of the federal and state dollars flowing into the region to supplement local revenue budgets. The federal-municipal transfer payment for public housing is labelled the "annual contributions contract" with the Buffalo Municipal Housing Authority (BMHA). For the current fiscal year, the value of that contract's operating subsidy is just over \$13 million, half as much as the City of Buffalo's entire federal block grant allocation. In addition, the contract provides a \$16 million grant for physical plant modernization, bringing the BMHA total to \$30 million, about 25 percent more than the City of Buffalo's block grant total.

For the current fiscal year, the value of the federal transfer payment to the Buffalo Municipal Housing Authority for public housing is just over \$13 million, half as much as the city's entire federal block grant allocation.

The actual magnitude of money flows for housing and related services is complicated by the

sheer number of federal programs, the participation of private and nonprofit agencies, and the accounting complication of calculating the time value of money.

In publicly assisted housing, government plays a significant indirect role in production by assembling attractive financing packages, which induce production by private producers. Moreover, rental assistance programs (namely certificates and vouchers) relieve government of operations, maintenance, and management burdens and costs while maintaining its regulatory functions.

A recent study by HUD found that costs associated with administering Section 8 and voucher programs are nearly equivalent to the administrative costs of conventional public housing.

The underlying assumption is that the private sector can provide housing and housing services more efficiently. To date empirical evidence is not available to verify this assumption. Some argue that administrative oversight by local government, such as housing quality inspections, for example, pose higher costs than did conventional public housing projects on densely concentrated sites. A

recent study conducted by the U.S. Department of Housing and Urban Development (HUD) found that costs associated with administering Section 8 and voucher programs are nearly equivalent to the administrative costs of conventional public housing. The national Public Housing Directors Association disputes these findings, arguing that when definitive research is finally completed it will be seen that conventional public housing is actually *less* costly.

Governance Issues

Analysis of housing service provision in the region raises five issues of governance.

First, despite concerns that public housing has been costly and inefficient, no socially acceptable alternative has yet been identified for it. Recent federal attempts to address "severely distressed" low-income projects have been limited in scope. Little hope is held out that this stock can be sold off to its occupants who, in any event, continue to lack the resources to purchase it, although attempts to sell public housing projects have been initiated. However, under a current HUD demonstration program, there are national models where distressed rental projects have been turned around, and national experiments continue with conversion of public housing to forms of cooperative ownership and/or tenant management. Depending on the outcome of these demonstrations, housing professionals in Erie County should consider these programs' potential for local implementation.

Second, there is concern over which of several public housing policy alternatives promotes racial integration and social harmony. A complex question is the matter of voluntary versus involuntary neighborhood segregation by race. Although publicly assisted housing has been constructed in suburban jurisdictions, racial segregation of the metropolitan area remains a fact of regional life that warrants deliberate intervention.

A third issue is federal reporting practices, which impede examination of housing finance and service delivery. Public housing transactions are tied to other real estate development transactions, which are customarily shielded from public view. For example, a housing program popular during the 1970s, the Section 236 mortgage interest subsidy, continues to generate cash flow to the Western New York economy. Between 1971 and 1976, thirteen developments totalling over 2,500 units were built in Buffalo, with another five developments totalling nearly 1,000 units built elsewhere in Erie County. HUD is not obligated to record, monitor, or report data on the amount of interest subsidy payments coming in to the area, however. As a consequence, these payments are part of the "invisible web" of the submerged housing economy.

Although publicly assisted housing has been constructed in suburban jurisdictions, racial segregation of the metropolitan area remains a fact of regional life that warrants deliberate intervention.

Fourth, in view of a strong American tradition of private property rights, how are we to reconcile existing public policy goals in the housing field with the trends in private market-rate housing? Although still relatively rare in the Western New York market, private residential developments (known as gated, private, or common interest communities) are growing in popularity. These developments eschew the traditional connection between privately owned housing and an associated bundle of public services, such as police, roads, recreation, and garbage disposal. Rather, homeowner services are privatized through payment of monthly fees to the community association. "Public space" is typically open only to residents of the community. Policymakers should monitor the extent and effects of such communities.

Given the redistributive nature of low-income housing provision and the social and economic implications of concentrated public housing, there is ample need and rationale for developing regional structures and processes of housing service delivery.

The final issue concerns the regional nature of housing services. The municipally based structure of public housing provision hampers regionwide approaches to financing and delivering services to needy residents. Lack of cooperation stems from strong home rule provisions, continuing social resistance to racial and economic integration, and, to a lesser extent, protection of minor political patronage jobs. Given the redistributive nature of housing provision and the social implications of concentrated public housing, there is ample rationale for developing regional structures and processes of housing service delivery.

Service Profile #6:

Water

Overview

Water is essential for life. Not surprisingly, where water supplies are scarce or of poor quality, water service delivery is of great political and economic concern. In Erie County and most of Western New York, where water supplies are abundant and the quality generally high, water service provision receives comparatively little attention. Nonetheless, when the quantity or quality of water for drinking, bathing, irrigation, or recreation falls short of normal levels, water issues ascend quickly to the forefront of the regional agenda, a reminder of the significance of clean and abundant water for health, safety, and welfare.

Water service delivery consists of three primary functions:

- ◆ water supply, from surface water, groundwater supplies, or both;
- ◆ water treatment to ensure potability; and
- ◆ water distribution.

The primary distinction in water service delivery is between urban areas, in which households and businesses receive water through a delivery system of pipes and treatment plants, and rural areas, in which households and businesses rely on wells operated by local governments or individuals.

Governance Structure

Every resident of Erie County has access to potable water. As of 1993, approximately 10 percent of Erie County residents relied on individual water systems, typically wells.

Relative to many metropolitan areas, water service in Erie County is highly decentralized. There are four major independent water systems and a number of minor and private producers. The major water systems, in order of system capacity as of mid-1995, are:

Relative to many metropolitan areas, water service in Erie County is highly decentralized. There are four major independent water systems and a number of minor and private producers.

- 1) City of Buffalo (Department of Public Works and Municipal Water Finance Authority), system capacity of 160 million gallons per day (MGD), of which 106 MGD are currently used on an average day;
- 2) Erie County Water Authority (ECWA), 140 MGD capacity, of which 62 MGD are used on an average day;
- 3) Town of Tonawanda Water System, 24 MGD capacity, of which 12 MGD are used on an average day; and
- 4) City of Tonawanda System, 8 MGD capacity, of which 4.5 MGD are used on an average day.

The decentralized network of water providers also includes several smaller municipal water systems serving the Towns of Grand Island and Sardinia, and the villages of Akron, Alden, Gowanda, and North Collins (map 8-7; table 8-3).

The urban systems draw water from either Lake Erie or the Niagara River. The City of Buffalo's water delivery system, which draws from Lake Erie, is essentially coterminous with city limits. The system serves all residences and commercial enterprises within municipal borders plus a small number of immediately adjacent facilities, which account for less than one percent of the system's water consumption.

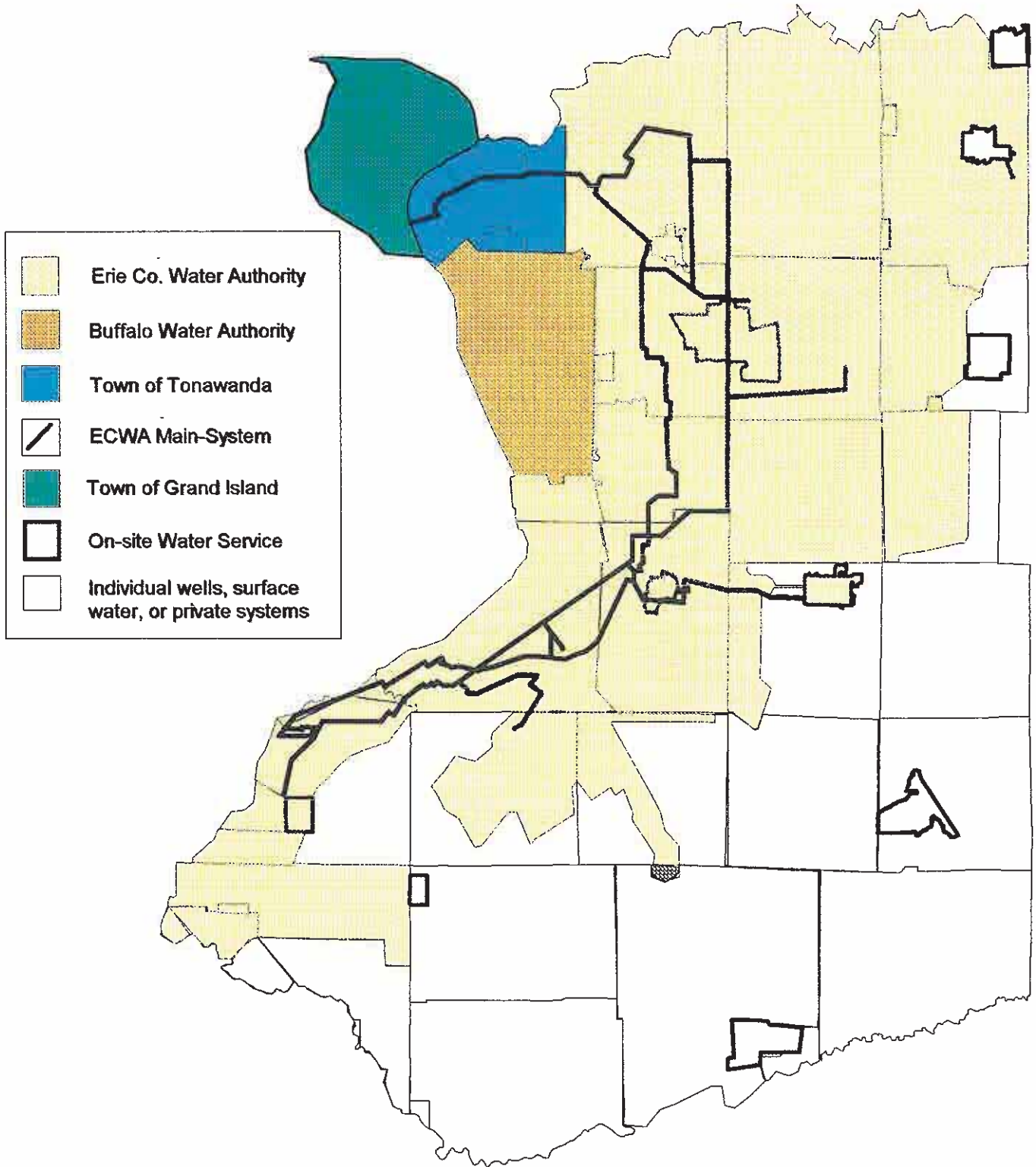
The towns of Tonawanda and Grand Island each own and operate a separate water system to serve residents. Both systems are relatively new and have ample capacity for future projected needs. There are no plans to incorporate these systems into either the larger City of Buffalo or ECWA systems.

By contrast, the older City of Tonawanda water system has experienced capacity, quality, and financial problems in recent years. The severity of problems has prompted the city to open discussions with the Town of Tonawanda about incorporating the city's water system into the town's.

The greatest degree of regionalism in water service delivery is provided by the ECWA, a regional public benefit corporation that operates independently of county and municipal governments. The regional nature of ECWA operations is evident in the location of its service area and system facilities. The ECWA provides water services to most inner suburbs, including all of eight towns, ten villages, and one city, and parts of another eight towns. As of 1994, the ECWA served over 460,000 persons in a 600 square mile area

The Erie County Water Authority, which operates independently of county and municipal governments, serves over 460,000 persons in a 600-square mile area covering most of urbanized Erie County.

Map 8-7 Water Service Providers



**Table 8-3
Water Purveyors by Jurisdiction**

Name	Type	1990 Pop.	Water Treatment	Water Distribution	Service Type (ECWA)
Buffalo	City	328,123	BMWFA/Bflo Water Bd	BMWFA/Bflo Water Bd	n/a
Lackawanna	City	20,585	ECWA/ City of Buffalo	ECWA/City of Buffalo	ECWA owned
Tonawanda	City	17,284	City	City	n/a
Alden	Town	10,368	ECWA (pt)	ECWA (pt)	lease-manage
Amherst	Town	111,725	ECWA	ECWA	lease-manage
Aurora	Town	13,390	ECWA (pt)	ECWA (pt)	lease-manage
Boston	Town	7,445	ECWA (pt)	ECWA (pt)	lease-manage
Brant	Town	2,119	Wells	Wells	under construction
Cheektowaga	Town	99,300	ECWA	ECWA	ECWA owned (most)
Clarence	Town	20,041	ECWA	ECWA	wholesale
Colden	Town	2,899	Wells	Wells	n/a
Collins	Town	6,020	Wells	Wells	n/a
Concord	Town	8,387	Wells	Wells	n/a
Eden	Town	7,416	ECWA (pt)	ECWA (pt)	lease-manage (pt.)
Elma	Town	10,398	ECWA	ECWA	wholesale
Evans	Town	17,478	ECWA (pt)	ECWA (pt)	lease-manage/wholesale
Grand Island	Town	17,561	Town	Town	n/a
Hamburg	Town	53,735	ECWA	ECWA	lease-manage
Holland	Town	3,560	Wells	Wells	n/a
Lancaster	Town	32,185	ECWA	ECWA	lease-manage
Marilla	Town	5,250	Wells	Wells/ECWA	lease-manage (pt.)
Newstead	Town	7,440	Wells	Wells/ECWA/Akron	under construction
North Collins	Town	3,502	Wells	Wells	n/a
Orchard Park	Town	24,611	ECWA	ECWA	lease-manage/wholesale
Sardinia	Town	2,667	Wells	Wells	n/a
Tonawanda	Town	82,464	Town	Town	n/a
Wales	Town	2,929	Wells	Wells	n/a
West Seneca	Town	47,851	Town	ECWA	lease-manage
Akron	Village	2,906	Village	Village	n/a
Alden	Village	2,457	Village	Village	n/a
Angola	Village	2,231	ECWA	ECWA	wholesale
Blasdell	Village	2,900	ECWA	ECWA	wholesale
Depew	Village	17,673	ECWA	ECWA	wholesale
East Aurora	Village	6,647	ECWA	ECWA	wholesale
Farnham	Village	415	ECWA	ECWA	wholesale
Gowanda (pt.)	Village	885	Village	Village	n/a
Hamburg	Village	10,442	ECWA	ECWA	lease-manage
Kenmore	Village	17,180	Town of Tonawanda	Town of Tonawanda	n/a
Lancaster	Village	11,940	ECWA	ECWA	wholesale
North Collins	Village	1,335	Village	Village	n/a
Orchard Park	Village	3,280	ECWA	ECWA	lease-manage/ wholesale
Sloan	Village	3,830	ECWA	ECWA	ECWA-owned
Springville	Village	4,310	Wells	Wells	n/a
Williamsville	Village	5,583	ECWA	ECWA	wholesale

ECWA = Erie County Water Authority

BMWFA = Buffalo Municipal Water Financing Authority

covering most of urbanized Erie County, except for the cities of Buffalo and Tonawanda, and the towns of Tonawanda and Grand Island.

The ECWA system, which draws from Lake Erie and the eastern branch of the Niagara River, consists of two treatment plants, Sturgeon Point (Town of Evans) and Van de Water (Town of Tonawanda), nine storage facilities, nine pumping stations, and 810 miles of water transmission and distribution mains. The ECWA also operates and maintains 23 storage facilities, ten pumping stations, and 835 miles of water mains through lease-managed agreements.

Regionalism is also evident in ECWA's various customer service categories. ECWA customers may be: 1) retail customers who receive direct service through facilities owned and operated by ECWA (approximately 45% of total sales as of 1994; 2) retail customers who receive service through facilities owned by municipalities or private companies and lease managed by ECWA (39% of total sales); and 3) wholesale customers who receive service

Even while the overall system of water service delivery remains decentralized, partial regionalization is increasing as the ECWA expands operations into rural areas, including Marilla, Evans, and Brant.

through municipal or water district systems (16% of total sales); and 4) wholesale customers who receive services via third party brokers through ECWA-operated and maintained facilities. The most prominent arrangement in this latter category involves the Town of Clarence, which buys water wholesale from ECWA and sells a portion to the Town of Newstead.

Even while the overall system of water service delivery remains decentralized, partial regionalization is increasing as the ECWA expands its

operations into rural areas. The Authority's newest customers are the towns of Marilla and Newstead, which recently negotiated lease management agreements, and the Town of Brant, which recently negotiated an agreement for managed wholesale service. In 1994, the Village of Angola became another new ECWA customer when village officials closed their treatment plant and became wholesale customers of the ECWA. Still, there are currently no plans to incorporate into the ECWA system the smaller municipal and private water systems operating in Alden, Akron, and several other outer areas, which reinforces the fragmented nature of water service delivery in Erie County, at least in the short term.

One consequence of the decentralized structure of water service delivery in the region is the existence of numerous intergovernmental and interagency ties.

One consequence of the decentralized structure of water service delivery in the region is the existence of numerous intergovernmental and interagency ties. The federal Environmental Protection Agency and the New York Department of Environmental

Conservation (DEC) set and enforce water quality and service standards for local water providers. The DEC stipulates and enforces rules for water extraction from Lake Erie and the Niagara River. Locally, the Erie County Department of Health, under the auspices of the State Health Department, monitors the quality of treated and distributed water. As of 1993 the department monitored 125 non-community water systems that draw from wells and springs. These groundwater systems serve campsites, restaurants, mobile home parks, and smaller apartment complexes in rural areas.

Evolution of Governance Structure

The origins of the decentralized system of water delivery in Erie County date back to the late 1800s, when the City of Buffalo constructed and operated the area's earliest water system. Although much of the land outside the city core but within city limits remained undeveloped, commercial and industrial development in suburban jurisdictions, notably around the burgeoning railroad yards in the Village of Depew, resulted in significant need for water supplies in outer areas. Despite requests from suburban jurisdictions in the 1890s and early 1900s, however City of Buffalo officials refused to extend the city's water lines. To officials, use of city supplies for suburban growth would jeopardize their ability to serve future residential and commercial projects in the still undeveloped parts of the city. Moreover, suburban economic expansion was seen as a threat to city economic development plans.

As a consequence, suburban jurisdictions developed water systems independent of the city, a path that ultimately thwarted a single consolidated water system within the region. Initially, most suburban systems were owned and operated by private companies, the largest of which was the Western New York Water Company, which served much of the area east and north of the City of Buffalo.

Suburban jurisdictions experienced chronic water service problems throughout the first half of the 1900s. Private water companies typically provided a lower level of water quality and quantity for higher costs than did the City of Buffalo system. Suburban jurisdictions routinely petitioned the city for incorporation into its water system, which had excess capacity throughout the century. Except for provisions for emergency hookups, however, the city maintained its longstanding policy to not tie suburban areas into the city system.

City of Buffalo officials refused to extend water lines to eastern suburbs, despite requests throughout the 1890s and early 1900s. As a consequence, suburban jurisdictions developed independent water systems, a path that has ultimately thwarted a single consolidated water system within the region.

In 1948, the combination of rapid suburbanization, the specter of inadequate water supplies, and frustration with unsuccessful attempts to join with the City of Buffalo system prompted suburban officials to seek permission from the state legislature to form the Erie

County Water Authority, an independent agency to provide water services in suburban areas. The new authority, which was established later that year, began negotiations to purchase the unpopular Western New York Water Company. When negotiations failed, the ECWA condemned the property through court action. After taking over the private facilities in 1952, the ECWA immediately initiated plans to construct the Sturgeon Point Treatment Plant, which began operations several years later. The Van de Water Treatment Plant was constructed in the 1960s to expand system capacity and to provide a backup for the Sturgeon Point plant in case of emergencies.

Use of city facilities to meet suburban demand would eliminate the need for at least one and possibly three of the four treatment plants serving suburban areas.

Over the next several decades and continuing to the present, the ECWA gradually expended, either by taking over failing private systems or assuming responsibility for municipal systems on a lease-managed or wholesale basis. In the late 1980s, the ECWA condemned the private Wanakah Water Company serving lakeshore customers in Hamburg, and took over the Village of Orchard Park's water treatment plant, after abandonment of that system.

The legacy of this evolution is separate city and suburban water systems. The irony is that, with over 40 percent fewer residents than in 1950 and stagnant or declining levels of commercial and industrial customers, the City of Buffalo finds itself with a significant overcapacity in its water treatment facilities. Use of city facilities to meet suburban demand would eliminate the need for at least one and possibly three of the four treatment plants serving suburban areas.

Historic rivalries and independent infrastructures have traditionally diminished the likelihood of a wholesale merger of city and suburban water systems. Recently, the ECWA proposed to the BMWFA that it consider consolidating service in several small areas in West Seneca and north Buffalo.

Given historic rivalries, independent infrastructures, variations in system quality, and the patronage value of water agencies, there is little likelihood of a wholesale merger of city and suburban systems in the near future.

More comprehensive consolidations between city and suburban water systems would seem to face four obstacles. The first is the fiscal and political reality of independent capital plants, the abandonment of which at this time would be seen as imprudent waste of sound infrastructure. A second obstacle is variation in the quality of lines and treatment facilities across different systems. The most likely candidates for merger are those whose lines need rehabilitation to ensure long-term adequacy

of supply. Newer, better maintained systems show little interest in mergers, given the financial implications for their current customers. Third, water agencies represent significant

sources of employment and political patronage posts, which makes mergers politically unpopular with the elected officials who control appointments. Finally, the longstanding historic rivalry between the City of Buffalo and its suburban neighbors over water services may retard serious negotiations toward system consolidation.

Financial Framework

Water service customers pay either a flat fee for water service or a variable fee based on actual metered water use. Monthly charges for metered customers are typically lower than those for flat fee customers unless the former are extensive users of water.

In return for a one-time cash infusion from sale of the city water system and greater bonding capacity through the public authority mechanism, the City of Buffalo has sacrificed formal control over water service policy and programs.

Until recently, the City of Buffalo water system was owned and operated by the city through its Division of Water. Fiscal stress, the need for a cash infusion, and pressure to remain within state-imposed municipal debt limits prompted the city in 1992 to form the non-taxing Buffalo Municipal Water Financing Authority (BMWFA) to operate city water services. Unlike other public authorities, the BMWFA neither owns nor operates the Buffalo system, but rather has powers solely to issue bonds for water system improvements and capital projects. The Buffalo Water Board (a not-for-profit public benefit corporation) owns the system and

pledges system revenues to repay BMWFA bonds. The Water Board is required to set rates to raise sufficient revenues to meet operating costs and bond expenses of the BMWFA.

In return for the one-time cash infusion from sale of the city water system and greater bonding capacity through the public authority mechanism, the City of Buffalo has sacrificed formal control over water service policy and programs. In place of elected city officials, the seven-member appointed board of directors sets policy for and administers water service delivery.

In part because of the newness of the Water Board and the fact it has no employees, the board contracts with the City of Buffalo Division of Water for system management and staffing. The Water Board also contracts with other city departments for administration, billing, accounting, and legal services. In addition, the Common Council and the Department of Administration and Finance exert direct control over the Division of Water as an agency of the city, thereby exercising some control over the operating expenses of the water system.

Nonetheless, the public authority mechanism necessarily shifts some direct control over water services from elected to appointed officials, a change viewed by some as a threat to accountability and responsiveness. Opponents of the authority financing mechanism

The public authority mechanism necessarily shifts direct control over water services from elected to appointed officials, a change viewed by some as a threat to accountability and responsiveness.

question the wisdom of having traded long-term municipal control over water services for short-term fiscal gain.

The non-taxing ECWA likewise controls revenue raising and sets the financial terms for water service delivery within its borders, although in the case of the ECWA these powers are in a single agency. The ECWA is self-supporting, raising its funds from revenue bonds and user fees. Municipalities or sub-municipal districts that join the ECWA pay for

extension of water lines, typically raising revenues through local water improvement district taxes to finance capital costs.

Because of this incremental evolution, although volume charges are identical throughout the system, ECWA customers pay different amounts for water when capital and operating costs are combined. Differences depend on the quality of the system in place when taken over by the ECWA, the number of customers in the ECWA sub-territory, and the technical demands of line extension. For the most part, the longer-term direct service customers in the inner ring suburbs of Cheektowaga, West Seneca, and southern Amherst pay a lower total cost than do newer customers in lease-managed systems in second ring suburbs. Customers in the Southtowns pay more because they pay separately for some distribution system development costs through improvement district taxes.

Water service delivery in Erie County raises three important issues: centralization, coordination, and water quality.

Governance Issues

Water service delivery in Erie County raises three important issues: centralization, coordination, and water quality.

1. Water services in Erie County display an uneasy balance of regionalization amidst decentralization. The ECWA continues its longstanding practice of splicing together small suburban and rural water systems into a regionalized water system. With recent additions, the ECWA today provides water to over two-thirds of suburban and rural residents and has the potential to serve more. Also on the horizon is the takeover by the Town of Tonawanda of the City of Tonawanda's ailing water service delivery system, a merger that would decrease the number of independent water systems in the county. A recent proposal for limited consolidation of ECWA and City of Buffalo water services opens the way to promising discussions along these lines.

At the same time, there remain in Erie County five separate water systems serving an area of approximately 700 square miles (not counting rural areas that rely on wells) and fewer than 1 million people. One legacy of this decentralization is the extensive infrastructure

Historic rivalries and settlement patterns spawned a fragmented water delivery system; short-term political and fiscal considerations maintain it.

devoted to water service delivery -- for example, there are two water treatment plants on Lake Erie and four on the Niagara River. Another legacy is five separate administrative apparatuses that operate these systems and, not insignificantly, provide jobs. Although in some regions physical considerations might justify separate systems, no such physical geographic conditions pertain in Erie County. Rather, historic rivalries and settlement patterns spawned the fragmented water delivery system; short-term political and fiscal considerations maintain it.

Most analysts here and elsewhere acknowledge the economic and service advantages of integrated water services, even as they recognize the short-term political and fiscal benefits of separate systems. A 1990 study commissioned by the ECWA to examine the potential for merging the area's suburban water systems found that plant reductions and certain service consolidations would achieve some economies of scale, but might raise concern about the financial viability of large-scale, long-term capital investments. Nonetheless, many experts consider water system consolidation to be an important long-term goal for the urbanized portions of the county to ensure efficient, high quality, cost-effective water service delivery. The key questions for Erie County officials and residents is when and how that integration might take place and how to plan for the eventuality.

2. Lack of coordination between water and other services in the region jeopardizes good planning and cost-effective service delivery. Separation of water providers and providers of other services with important connections to water, such as fire protection, sewer service, planning, and public health, presents a serious problem for planning and quality of life in Erie County. An especially troublesome tension exists between the ECWA, which has a policy to extend water lines into rural areas that request service, and the Erie County Division of Sewer Management, which has a policy to restrict sewer line extensions into those same rural areas, a situation that has confounded residents and developers. Serious as the problems of uncoordinated growth policies are, however, even more serious are the institutional complexities of resolving such controversies. Because public authorities and local governments are independent entities there is no mandate that they coordinate with one another to plan and implement services.

3. Although water supplies in Erie County are generally abundant, water quality remains a concern in some areas. The nature of water supply itself deems that water quality issues be addressed regionally.

One immediate source of tension exists between the Erie County Water Authority, which has a policy to extend water lines into rural areas that request service, and the Erie County Division of Sewer Management, which has a policy to restrict sewer line extensions into rural areas.

Delayed maintenance of water infrastructure has not only threatened the quality of water supplies in some areas, it has also sowed the seeds for future higher costs to rehabilitate inadequate systems. County residents are reminded of the importance of water quality when weather conditions raise turbulence levels in Lake Erie to abnormally high levels, thereby increasing the level of solids in water supplies. Such problems prompt officials to urge that residents either boil public water supplies or purchase bottled water in the marketplace. The inadequacy of pipes and treatment capacity in some suburban jurisdictions, notably the Town of Clarence, frustrates residential and commercial development, and threatens the quality of life and health of current residents. Such incidents underscore the importance of secure and high quality water supplies.

In response to water quality concerns there is an immediate need for better and more coordinated fiscal and land use planning. Because rivers flow across jurisdictions, lakes serve residents of many areas, and underground water supplies transcend political borders, ensuring secure water supplies requires regional collaboration. Coordinated efforts are already underway in several places. In the southern part of the county, for example, a county-initiated collaboration of eleven jurisdictions whose borders include Cazenovia Creek is investigating ways to ensure the

continued viability of that important tributary of the Buffalo River. Likewise, joint efforts between Erie and Niagara county jurisdictions to address water quality issues along the Niagara River. Such alliances should continue and expand to include cross-jurisdiction, cross-county, and cross-nation alliances to maintain and enhance underground and surface water supplies.

Because rivers flow across jurisdictions, lakes serve residents of many areas, and underground water supplies transcend political borders, ensuring secure water supplies requires regional collaboration.

Service Profile #7:

Sewer

Overview

Sewer services are among the most unsung of urban services. Adequate sewer services permit large numbers of people to live in proximity without undue fear of personal or environmental contamination. Indeed, society's ability to remove, treat, and dispose of human and industrial wastes is fundamental to protecting public health and welfare.

Sewer service delivery consists of three related functions:

- ◆ sewage collection;
- ◆ sewage treatment; and
- ◆ sewage disposal

Like its complementary service, water, the primary distinction in sewer service delivery is between urban and rural areas. Urban sewer systems consist of networks of pipes that carry sewage from residential, commercial, and industrial facilities to treatment plants, where the sewage is treated before discharge into waterways. Because of the capital-intensive nature of sewer systems and the economies of scale associated with sewage treatment, urban systems typically serve areas larger than a single political jurisdiction.

Rural sewer systems commonly consist of septic tanks in which suspended solids sink to the tank bottom, eventually degrading into a harmless humus, which is periodically removed and disposed of in sewage treatment plants. Liquid effluent flows slowly from the tank into leaching fields where soil bacteria destroys the remaining organic material. In some cases, septic systems are operated by a municipality; in other cases, individual residents own and operate the septic tank.

Society's ability to remove, treat, and dispose of human and industrial wastes is fundamental to protecting public health and welfare.

Governance Structure

Relative to sewer services in many urban counties, those in Erie County are exceptionally decentralized.

systems, eight village systems, six county sewer districts (which are geographically separate but administratively integrated), and various on-site systems (generally septic systems serving individual properties or private subdivisions) handle sewage collection in the county.

Sewage treatment and disposal are only slightly less decentralized. Rural areas depend on on-site treatment and disposal, primarily individual or package septic systems. In the built-up portions of Erie County, six entities own and operate sewage treatment plants (map 8-8):

- Buffalo Sewer Authority (BSA)
- Town of Tonawanda
- Town of Grand Island
- Town of Amherst
- Southtowns Sewage Treatment Agency (which contracts with Erie County for management services)
- Erie County (through the Division of Sewerage Management in the Department of Environment and Planning)

Sewage treatment and disposal are only slightly less decentralized: six separate entities operate sewage treatment plants in urbanized Erie County.

The Erie County system has evolved over time with the county taking over failing sewer systems or constructing new lines as needed to accommodate urban growth. As a consequence, the Erie County sewer system is more accurately described as a system of sub-systems, with each sub-system numbered as an Erie County sewer district (ECSD) and operated under a separate set of arrangements.

The decoupling of sewage collection and treatment functions has prompted numerous interjurisdictional agreements and a complex network of "regionalism

Relative to sewer services in many urban counties, those in Erie County are exceptionally decentralized. Numerous public and private entities are responsible for sanitary service collection, treatment, disposal, and administration (table 8-4).

Sewage collection is particularly fragmented. Two city systems, three town

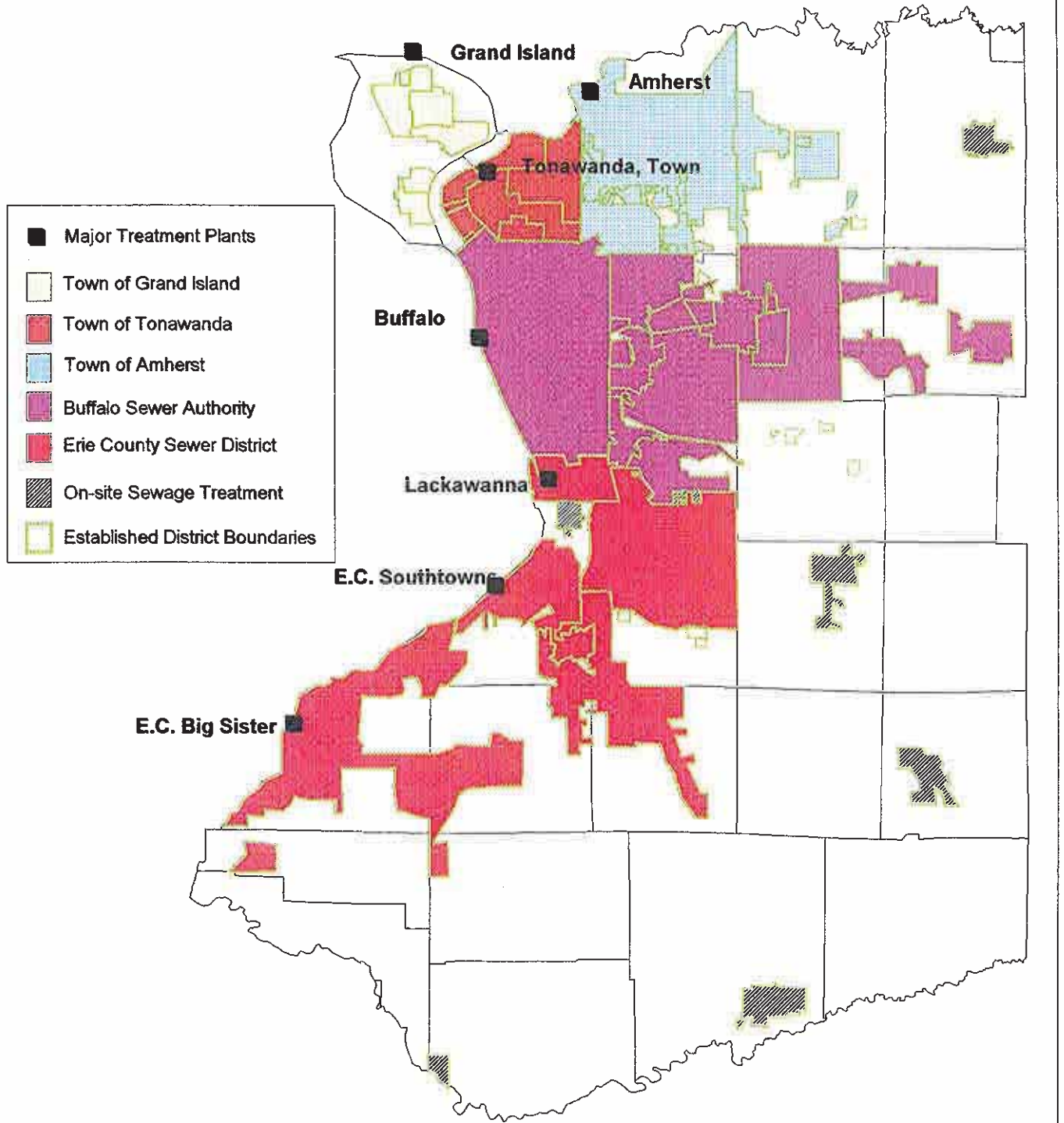
Sewage collection is especially fragmented: there are two city systems, three town systems, eight village systems, six county sewer districts, and various private, on-site systems.

**Table 8-4
Sewer Service Purveyors by Jurisdiction**

Name	Type	1990 Pop.	Sewer Collection	Sewage Treatment and Disposal
Buffalo	City	328,123	Bflo Sewer Authority	Bflo Sewer Authority
Lackawanna	City	20,585	ECSD #6	ECSD #6
Tonawanda	City	17,284	City System	Town of Tonawanda
Alden	Town	10,368	ECSD #4	BSA (pt.), on-site
Amherst	Town	111,725	Town System/ECSD #5 (pt)	Town System
Aurora	Town	13,390	on-site	on-site
Boston	Town	7,445	ECSD #3	Southtowns, on-site
Brant	Town	2,119	ECSD #2	ECSD #2, on-site
Cheektowaga	Town	99,300	ECSD #1, town system	BSA
Clarence	Town	20,041	ECSD #5 (pt)	Town of Amherst (pt.), on-site
Colden	Town	2,899	on-site	on-site
Collins	Town	6,020	on-site	on-site
Concord	Town	8,387	on-site	on-site
Eden	Town	7,416	ECSD #2 (pt)/ ECSD #3	ECSD #2, on-site
Elma	Town	10,398	BSA (pt)	BSA (pt), on-site
Evans	Town	17,478	ECSD #2 (pt)	ECSD #2, on-site
Grand Island	Town	17,561	Town System	Town System, on-site
Hamburg	Town	53,735	ECSD #2 (pt)/ ECSD #3	Southtowns, on-site
Holland	Town	3,560	ECSD #3	ECSD #3, on-site
Lancaster	Town	32,185	ECSD #4	BSA, on-site
Marilla	Town	5,250	on-site	on-site
Newstead	Town	7,440	on-site	on-site
North Collins	Town	3,502	ECSD #2 (pt)	ECSD #2 (pt.), on-site
Orchard Park	Town	24,611	ECSD #3/ BSA	Southtowns, BSA, on-site
Sardinia	Town	2,667	on-site	on-site
Tonawanda	Town	82,464	Town System	Town System/BSA
Wales	Town	2,929	on-site	on-site
West Seneca	Town	47,851	ECSD #1 & #3/BSA/town system	BSA
Akron	Village	2,906	Village System	Village System
Alden	Village	2,457	Village System	Village System
Angola	Village	2,231	ECSD #2	ECSD #2
Blasdell	Village	2,900	Village System	Village System
Depew	Village	17,673	ECSD #4/ BSA	BSA
East Aurora	Village	6,647	Village System	Village System
Famham	Village	415	ECSD #2	ECSD #2
Gowanda (pt.)	Village	885	Village System	Village System
Hamburg	Village	10,442	Village System	Village System
Kenmore	Village	17,180	Town of Tonawanda/ BSA	Town of Tonawanda/ BSA
Lancaster	Village	11,940	ECSD #4	BSA
North Collins	Village	1,335	ECSD #2	ECSD #2
Orchard Park	Village	3,280	Village System	Southtowns
Sloan	Village	3,830	BSA	BSA
Springville	Village	4,310	Village System	Village System
Williamsville	Village	5,583	Village System	Town of Amherst

ECSD = Erie County Sewer District
Southtowns = Southtowns Sewage Treatment Agency
BSA = Buffalo Sewer Authority

Map 8-8 Sewage Treatment Providers and Service Areas



decentralization" in sewer service arrangements. Some urban jurisdictions provide sewage collection but lack treatment facilities and so contract with other entities, typically the BSA, Town of Amherst, or Erie County, for treatment services. Some others receive sewage collection services from Erie County, but contract with the BSA for treatment and disposal.

The extent of regionalism amidst decentralization is evident from a glance at sewer agency service areas. The BSA, which operates the area's largest treatment plant (peak capacity of 240 million gallons per day (MGD); current treatment around 160 MGD), provides treatment services for all properties in the City of Buffalo, the towns of Cheektowaga and West Seneca, ECSD #1 and #4 (covering all or part of the villages of Sloan, Depew, and Lancaster, and the eastern portion of the Town of Lancaster). The BSA also serves small parts of the towns of Tonawanda, Elma, Alden, and Orchard Park.

Most other urbanized areas outside the City of Buffalo are within one of the other four Erie County sewer districts. ECSD #2, including the towns of Evans, southern Hamburg, and Eden, and the villages of Angola and North Collins, are served by the county-owned and operated Big Sister Plant, located in Angola. On the basis of out-of-district agreements, the Big Sister plant also serves the Village of Farnham, part of the Town of Brant, the Lotus Bay area, and Evangola State Park. ECSD #3, which is connected to the Southtowns Sewage Treatment Agency, serves parts of the towns of Hamburg, Boston, Orchard Park, and Eden. ECSD #5 serves the Transit Road area, with treatment services provided by the Town of Amherst treatment facility. ECSD #6 serves the City of Lackawanna.

Compounding the sense of decentralization in sewer service delivery is the existence in the Amherst, Tonawanda, Grand Island and Erie County systems of over one hundred dependent town sewer districts.

Compounding the sense of decentralization in sewer service delivery is the existence in the Amherst, Tonawanda, Grand Island, and Erie County systems of over one hundred dependent town sewer districts. As the earlier chapters on legal and financial aspects of governance indicated, such districts are *not* independent sewer authorities, but are rather financial accounting units. As new subdivisions develop, municipal officials calculate the costs of connecting to and using the town sewer treatment facilities. Because the size, configuration, and available technologies vary for different subdivisions, charges also vary. As a consequence, individual town sewer districts have their own tax rate, a system that requires considerable administration and prompts much confusion.

One consequence of decentralization is the extensive system of physical infrastructure devoted to sewer services. For example, the Erie County sewer system comprises over 800 miles of pipe, six treatment plants, and nearly 100 pumping stations. (ECSD #2 recently proposed construction of an additional 10.4 miles of sewer lines to serve approximately 230 properties in Evans, Eden, and Hamburg. The \$4.1 million project faces opposition from area residents who object to cost increases and who fear that increased development will follow sewer lines.) The BSA system consists of over 830 miles of combined relief and storm

One consequence of decentralization is the extensive system of physical infrastructure devoted to sewer services.

sewers, a treatment plant on Squaw Island adjacent to the Niagara River, and nine pumping stations.

One concern is maintaining the quality of sewer lines. Over half of the sewer lines in the Buffalo system were built prior to 1910, with only 12 percent constructed since 1940. Despite the age of pipes, managers consider the system to be

in fair condition, although replacement of antiquated lines is an ongoing project. Of immediate concern is that the system is "combined," which means that both stormwater and wastewater use the same pipes. As a consequence, heavy rainfalls may cause sewage overflows into local waterways. As part of its sewer line replacement program the BSA is constructing separate systems for stormwater and wastewater to abate the overflow problem.

The state and federal governments also play a regulatory role in area sewer services. The federal *Clean Water Act of 1972*, together with associated state laws, establishes standards for water quality and wastewater treatment. The New York State Department of Environmental Conservation more directly regulates discharge of industrial effluent into waterways. On the local level, the Erie County Health Department inspects public and private sewer systems in the county to ensure compliance with federal, state, and local ordinances.

Over half of the sewer lines in the Buffalo system were built prior to 1910, with only 12 percent constructed since 1940. Despite the age of pipes, managers consider the system to be in fair condition.

Evolution of Governance Structure

The City of Buffalo was the first community in Erie County to establish a modern sewer system, which in the early 1900s entailed networks of brick and clay pipes designed to carry both stormwater and human wastewater. The catalyst for the system was persistent

The catalyst for construction of the Buffalo sewer system was persistent health concerns stemming from the common practice of disposing of raw sewage in the Niagara River.

health concerns stemming from the common practice of disposing of raw sewage in the Niagara River. Water pollution and outbreaks of typhoid led to the 1909 treaty between the U.S. and Canada to prevent further pollution of the river. Nonetheless, nearly 30 years later polluted waterways, including Lake Erie and the Buffalo River in addition to the Niagara River, remained serious health and environmental hazards.

In 1935, in the height of the Great Depression, the New York State Department of Health directed the City of Buffalo to halt pollution of waterways. Saddled with extensive debt and legally unable to borrow more, the city complied with the state mandate by establishing the financially independent Buffalo Sewer Authority. The Authority, a public benefit corporation under New York State law, assumed the assets of and control over the city's sewer system in 1938.

The pattern of sewer service delivery in Erie County is unlike many northeastern metropolitan areas, in which the need for sewer services in smaller, newer suburban jurisdictions prompted annexations and mergers by the central city. Although the City of Buffalo operated the only sewer system around the turn of the century, city-suburban annexation and consolidation did not occur. One reason for this atypical pattern was the longstanding strained relations between the City of Buffalo and its suburban neighbors over the city's refusal to extend infrastructure lines, discussed more fully in chapter 4.

Unlike many New York counties, despite urging from the state in the 1960s and 1970s, Erie County did not centralize its sewer treatment and collection services.

As a consequence, there evolved a decentralized pattern of sewer services, mirroring the path of urban growth in Erie County. As suburbs developed they established municipal or sub-municipal sewer systems. Some jurisdictions constructed sufficient capacity for future growth. Others, however, notably inner-ring suburbs east of the City of Buffalo, ultimately had to turn to the treatment capacity of the Buffalo Sewer Authority to continue growing.

Over time, Erie County assumed responsibility for administration, ownership, and operation of individual plants in many suburban areas, a process of *ad hoc* consolidation that continues today. System integration was by no means complete, however. Unlike many New York counties, despite urging from the state in the 1960s and 1970s Erie County did not centralize its sewer treatment and collection services. Indeed, decentralized arrangements for sewer services not only persisted during this time, they actually intensified. With financial assistance from the federal government in the 1970s, the Town of Grand Island constructed its own sewage treatment plant, while the towns of Tonawanda and Amherst expanded and upgraded theirs. Recently, the towns of Clarence and Amherst agreed to jointly fund an expansion of the Amherst plant, with new capacity to be shared by both communities.

Sewer system experts generally agree that the capital-intensive nature of sewer services implies economies of scale and cost savings from centralized arrangements.

Sewer system experts, nationwide and locally, generally agree that the capital-intensive nature of sewer services implies economies of scale and cost savings from centralized arrangements. Integration has remained elusive in Erie County, however, for four reasons: 1) local unwillingness to lose control over the timing and location of development; 2)

technical and financial concerns associated with combining sewer systems of varying age, specifications, and quality; 3) opposition from sewer system employees who may lose their jobs following consolidation; and 4) the reluctance of elected officials to forfeit the considerable number of political patronage posts offered by sewer departments, districts, and authorities.

Financial Framework

As independent entities, the BSA and separate town or county sewer districts have the power to raise their own revenues, set fees and charges, and incur debt. Fees are set by the entity's governing board to ensure coverage of operating costs and capital debt service. BSA customers pay a monthly fee based on either assessed valuation of property, or actual water use. Customers in county or town sewer districts pay fees that vary depending on location and assessed valuation of the property. In general, customers in smaller districts or those that rely on older and longer lines pay more for sewer services.

Although legally autonomous, as a practical matter the BSA relies on the City of Buffalo for financial management and system administration. The Mayor of the City of Buffalo appoints the five members of the Authority Board, subject to confirmation by the Common Council. In addition, the Authority contracts for personnel, legal, purchasing, audit, treasury, and other services from the City of Buffalo. These services cost over \$2 million dollars in 1994-95.

In general, customers in smaller districts or those that rely on older and longer lines pay more for sewer services.

The ECSDs and town sewer districts, many of which have no staff, contract with the Erie County Division of Sewerage Management or municipal governments for financial management and

most technical functions. Services rendered are charged back to the districts according to interagency agreements. The County Executive appoints a board of managers to govern the ECSDs. Town sewer districts have their own boards, with members appointed by the town mayor or board.

Issues of Governance

Three issues, mirroring those confronting water service delivery in Erie County, are of fundamental importance to the delivery of sewer services in the region.

1. Erie County's highly decentralized arrangement for sewer services is probably inefficient and almost certainly unwise. Although detailed analysis of environmental, financial, and administrative impacts is necessary, evidence from other metropolitan areas suggests potential for considerable cost savings from greater sewer system integration. System integration would also enable better coordination of the pace and timing of regional growth and development.

Fragmentation of capital-intensive service delivery systems tends to be cost-ineffective. Given the already extensive coordination and collaboration between sewer service agencies in collection, treatment, and disposal, agency heads should address what may be artificial divisions that serve political and short-term fiscal needs to the detriment of long-term fiscal and service quality considerations. To the extent that continued separation of agencies no longer makes sense, administrative collaborations and mergers should occur.

System integration would also enable better coordination of the pace and timing of regional growth and development.

2. There is insufficient functional coordination between sewer providers and agencies providing water and other urban services. Of particular concern are the conflicting policies of the Erie County Division of Sewerage Management and the independent Erie County Water Authority with respect to extension of service to rural areas. To curtail development pressures and reduce sprawl, Erie County currently prohibits extension of sewer services to smaller, rural sites, and to areas in designated agricultural districts. The Erie County Water Authority extends water lines as requested provided a project is financially and technologically feasible. As a consequence, there is no consistent areawide policy on rural growth and development.

The onus is on affected agencies to establish a dialogue and process for resolving policy discrepancies. Such a forum could lead to better coordination of infrastructure use and financing, both of which would enhance residential quality of life and remove contradictory signals sent to potential investors in the county.

3. There is a clear need for ongoing upgrade of treatment plants and sewer lines, especially in the BSA system. Environmental and health concerns require that the Authority replace antiquated lines and also continue to construct separate storm and wastewater lines. New regulations enacted in 1991 by the State Department of Environmental Conservation upgraded water quality levels for numerous waterways, in turn necessitating higher levels of wastewater treatment, an expensive proposition. Stricter treatment standards, coupled with the elimination in recent years of federal and state funding for construction and upgrading of sewer lines, raises concern about the short- and long-term safety and security of area sewer systems.

Service Profile #8:

Solid Waste

Overview

Solid waste services get more attention when they are absent than when they are present. For many metropolitan residents who place their garbage at the curb on Monday night, and find it predictably removed by Tuesday morning, solid waste services are out of sight and out of mind. When some event upsets that chain of events, however -- a garbage strike, a Monday holiday, or weather factors -- and garbage remains piled at curbside, residents are reminded of the importance of solid waste services. In recent years, greater media attention on landfills, hazardous waste transport, the environmental impact of incinerators, and international trade in waste disposal has further sensitized people to the local-regional-global significance of solid waste services issues.

Solid waste services entail two basic functions:

- ◆ solid waste collection; and
- ◆ solid waste disposal

Solid wastes are classified as either organic (paper, yard and food wastes, wood, plastics, and textiles) or inorganic (glass and metals). Waste is generated by residences, industries, or businesses. Consistent with the public sector's role to protect the health, safety, and welfare of area residents, prompt removal of waste materials is required by law.

Solid waste services get more attention when they are absent than when they are present.

Federal and State laws (including the *National Environmental Protection Act*, *Solid Waste Act of 1965*, *Solid Waste Disposal Act*, *Resource Conservation and Recovery Act*, *Clean Air Act*, *Clean Water Act*, and numerous parallel state acts, including the *New York State Environmental Quality Review Act* and *Environmental Conservation Law*) regulate solid waste service provision in the state. In addition, some local governments regulate private disposal firms that serve the municipality. The generation, transport, and disposal of hazardous, medical, toxic, or other special wastes are the most highly regulated components of solid waste services.

Governance Structure

The provision of solid waste services in Erie County is highly decentralized with individual municipalities setting the terms for garbage pickup and disposal. Collection and disposal are handled by the municipality, private waste haulers, or waste generators themselves (individuals or corporations). In most municipalities solid waste pickup occurs once per week for residences, with special pickups for yard waste, leaves, and larger items. The county coordinates periodic pickup of hazardous materials.

Solid waste collection is perhaps the most privatized of all public services in the county.

Except for the cities and a handful of towns and villages, municipalities contract with private corporations for garbage collection (map 8-9). As a consequence, solid waste collection is perhaps the most privatized of all public services in the county. In addition, to the extent that different jurisdictions rely on the

same private contractor, in practice there is a small, though *ad hoc*, degree of regionalization in garbage collection (table 8-5).

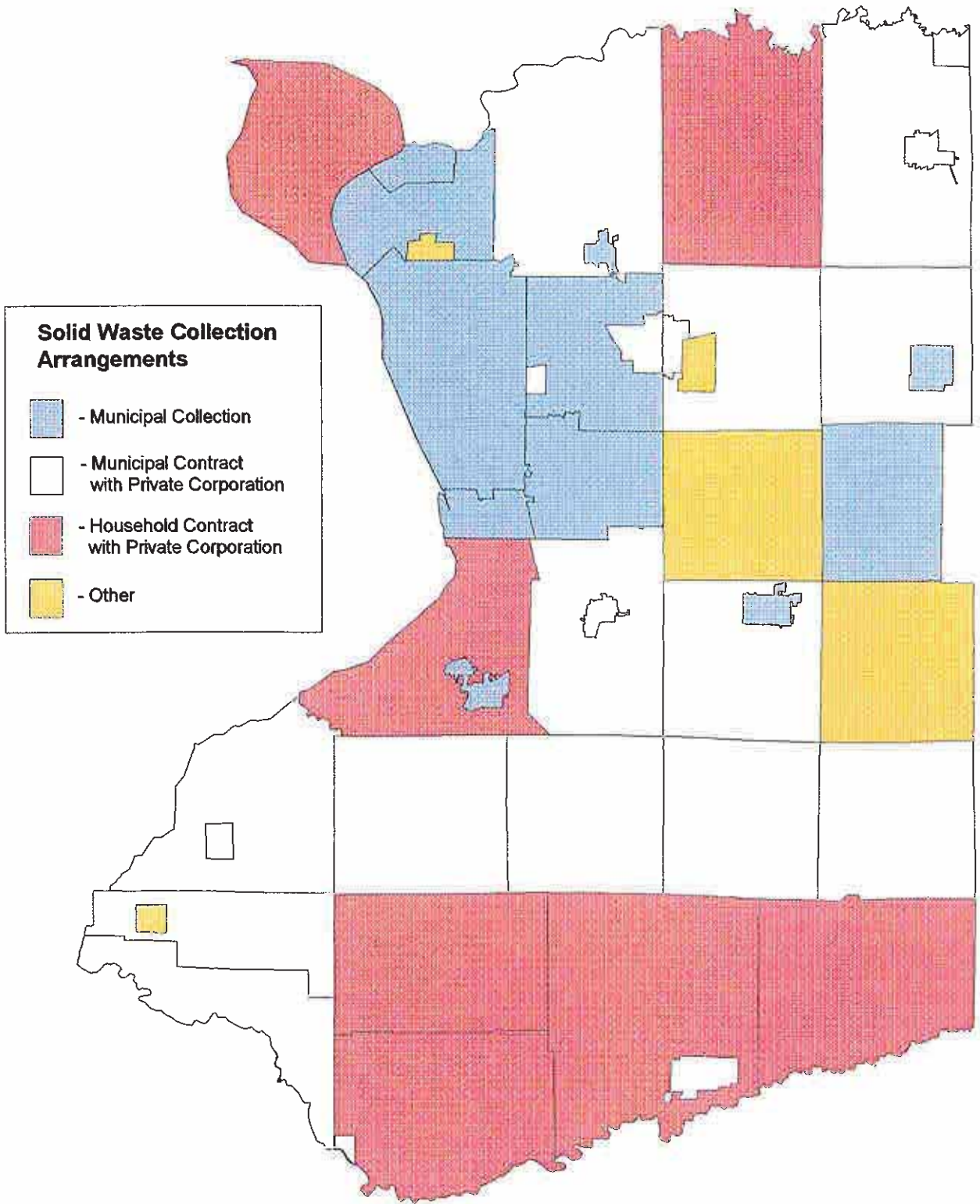
There are three dominant methods of waste disposal in the county: landfill, incineration or resource recovery, and recycling. The Erie County Department of Environment and Planning estimates that in 1994 Erie County residents generated 813,567 tons of solid waste, including recyclables.

Like solid waste collection, provision of solid waste disposal in Erie County is decentralized at the municipal scale with each individual jurisdiction determining its own arrangements. Unlike solid waste collection, however, no jurisdictions perform their own disposal services, leaving this aspect of the service wholly privatized through contracts.

Because municipalities contract with a limited number of private firms, there is some sub-county regionalization of solid waste disposal (map 8-10). Over half (55 percent) of municipal solid waste from Erie County was processed in the American Refuel Energy From Waste (EFW) facility located on the Occidental Chemical site in Niagara Falls. The EFW site, which is the only working resource recovery incineration plant in the region, accepts commercial, industrial, and residential wastes from Canada and much of Western New York, including 17 municipalities in Erie County. The facility has an available capacity at normal production of 680,000 tons per year, and processed around 665,000 tons in 1994.

Over half (55 percent) of municipal solid waste from Erie County was processed in the American Refuel Energy From Waste facility located on the Occidental Chemical site in Niagara Falls.

Map 8-9 Solid Waste Collection



**Table 8-5
Solid Waste Service Purveyors by Jurisdiction**

Name	Type	1990	Solid Waste Collection	Solid Waste Disposal
		Households		
Buffalo	City	136,436	City DPW	Am Ref Fuel
Lackawanna	City	8,459	City DPW	IWS Transfer Station
Tonawanda	City	6,842	City DPW	BFI, Am Ref Fuel
Alden	Town	2,991	Town Contract with Niagara Sanitation	Am Ref Fuel
Amherst	Town	41,320	Town Contract with BFI	BFI
Aurora	Town	4,960	Town Contract with CID	CID
Boston	Town	2,623	Town Contract with BFI	Am Ref Fuel
Brant	Town	774	Town Contract with BFI	BFI
Cheektowaga	Town	39,695	Town DPW	Am Ref Fuel
Clarence	Town	6,967	Household Contracts with private firms	CID, Modern
Colden	Town	1,049	Town Contract with Maple City	Pennsylvania Landfill
Collins	Town	1,649	Household Contracts with private firms	Town Transfer Station to CID landfill
Concord	Town	3,053	Household Contracts with BFI, CID, or Maple City	Varies with contractor
Eden	Town	2,526	Town Contract with BFI	Am Ref Fuel
Elma	Town	3,668	Household transport to Town transfer sta.; Town contract with BFI for bulky	Am Ref Fuel
Evans	Town	6,146	Town Contract with BFI	Ellery Landfill (Cattaraugus Co.)
Grand Island	Town	6,245	Town Collection	Modern
Hamburg	Town	19,847	Household Contracts with BFI or CID	Varies with contractor
Holland	Town	1,259	Town Contract with Maple City	Maple City
Lancaster	Town	12,117	Town Contract with IWS	Am Ref Fuel
Marilla	Town	1,781	Town DPW	Am Ref Fuel
Newstead	Town	2,869	Town Contract with Modern	Am Ref Fuel
North Collins	Town	1,189	Household Contracts with Maple City	Maple City
Orchard Park	Town	8,858	Town Contract with BFI	BFI
Sardinia	Town	906	Household Contracts with CID or Maple City	CID Landfill
Tonawanda	Town	33,765	Town DPW	Am Ref Fuel, BFI
Wales	Town	1,017	Private Subscription	Town
West Seneca	Town	17,386	Town DPW	Am Ref Fuel

Table 8-5 (con't.)

Akron	Village	1,185	Village Contract with WMI	Am Ref Fuel
Alden	Village	955	Village DPW	Am Ref Fuel
Angola	Village	822	Village Contract with CID	CID
Blasdell	Village	1,184	Village Contract with BFI	Orleans County Landfill
Depew	Village	6,707	Village Contract with CID	WMI
East Aurora	Village	2,488	Village DPW	CID Landfill
Farnham	Village	149	Town of Brant Contract	Town of Brant Contract
Hamburg	Village	4,035	Village DPW	Am Ref Fuel
Kenmore	Village	7,101	Under Town of Tonawanda	Under Town of Tonawanda
Lancaster	Village	4,760	Town of Lancaster Contract	Town of Lancaster Contract
North Collins	Village	473	BFI	BFI
Orchard Park	Village	1,365	Village Contract with BFI	BFI
Sloan	Village	1,636	Village Contract with BFI	Am Ref Fuel
Springville	Village	1,634	Village Contract with Maple City	CID/ Bid now open
Williamsville	Village	2,522	Village DPW	Am Ref Fuel

Am Ref Fuel = American Refuse Fuel

BFI = BFI Waste Systems, Kenmore

CID = CID Refuse Service, West Seneca (commercial, industrial, domestic)

IWS = Integrated Waste Services, Buffalo

Maple City = Maple City Disposal Services, Delavan

Modern = Modern Disposal Service, Model City






WMI = Waste Management of New York, Inc., Buffalo

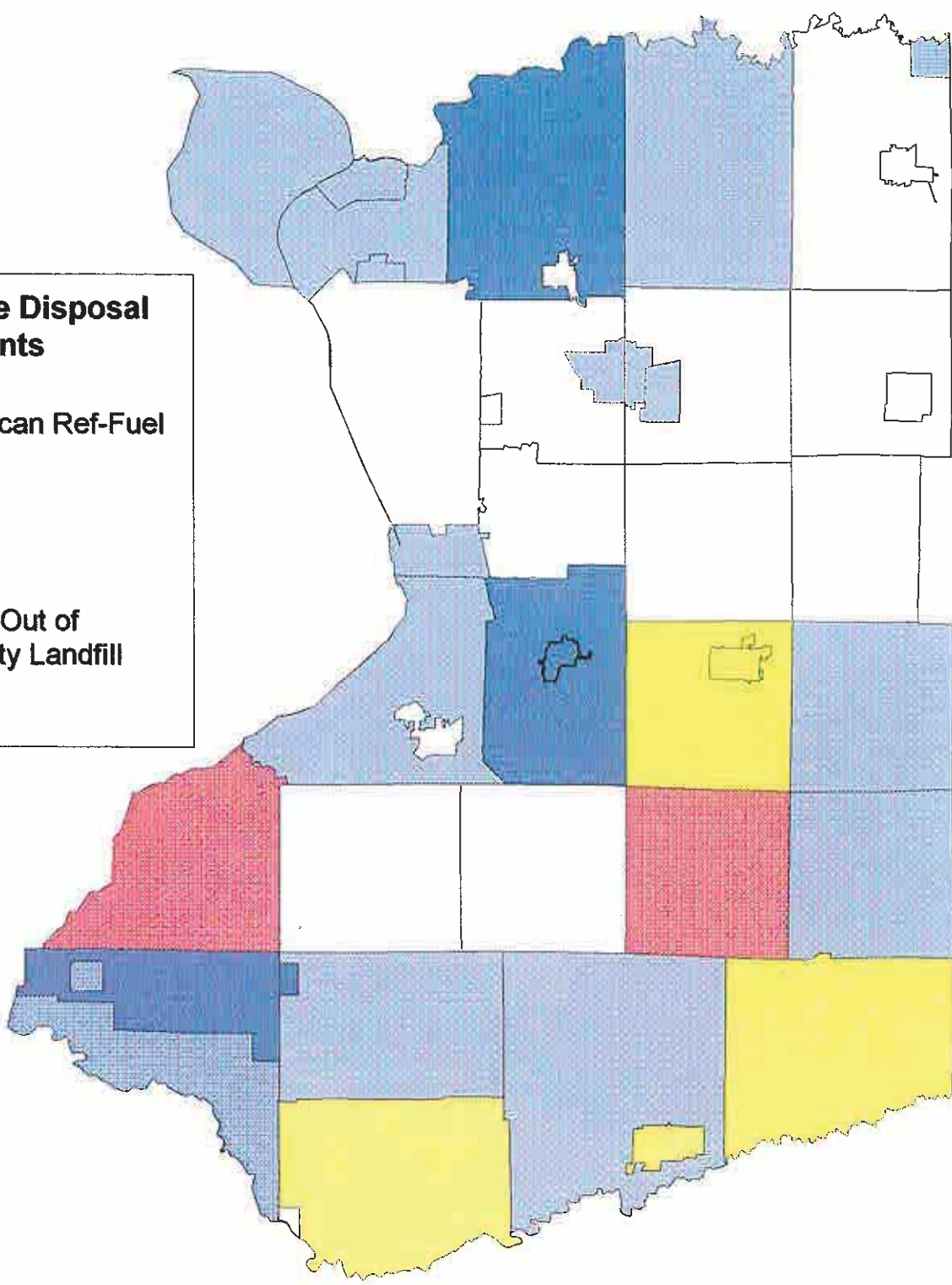
Financial data: 1992 Comptrollers Report on Local Government Finance

Most of the remaining wastes were disposed of in one of four private landfills in Erie and Niagara counties (Commercial Industrial Disposal (CID), Niagara, Niagara Recycling, and Modern). Available capacity varies from none in the Niagara Landfill to twenty years in the CID facility. Some jurisdictions dispose of wastes outside the area. The Town of Evans sends waste to a Chautauqua County-owned landfill in Ellery, New York, the Town of Colden to a private landfill in Pennsylvania, and the Village of Blasdell disposes of solid wastes in an Orleans County landfill. Three industrial waste landfills accommodate the wastes generated by area corporations, notably Niagara Mohawk Power Company, National Fuel and Gas, and Schultz Construction and Demolition.

Map 8-10 Solid Waste Disposal

Solid Waste Disposal Arrangements

-  - American Ref-Fuel
-  - BFI
-  - CID
-  - Misc. Out of County Landfill
-  - Other



Recycling services in Erie County mirror solid waste collection and disposal in their high degree of decentralization at the municipal scale. Although every municipality requires residents and businesses to recycle, program specifics vary by community. Typically, patrons must recycle glass, aluminum cans, and newsprint, plus an assortment of other items including plastics, cardboard, and junk mail. As of 1994, county residents and businesses recycled around 70,200 tons of materials, which accounts for approximately 9 percent of total solid waste generated.

The one aspect of solid waste services that has a formal degree of centralization is financial bargaining with private waste haulers. With the exception of the cities of Buffalo and Lackawanna, and the Village of Angola, every Erie County municipality belongs to one of two intergovernmental solid waste management districts, the Northeast/Southtowns Solid Waste Management Board and the Northwestern Communities Solid Waste Management Board. The primary purpose of the solid waste management districts is to provide municipal members with bargaining leverage to strike more favorable terms with private garbage firms than would be possible bargaining alone. Erie County provides technical assistance and planning primarily to the Northwest/Southtowns Solid Waste Management District.

The primary purpose of the solid waste management districts is to provide municipal members with bargaining leverage to strike more favorable terms with private garbage firms than would be possible bargaining alone.

Because participation in a solid waste management district is voluntary, at first glance the districts can be taken as evidence of regionalization through service sharing agreement.

Not only did Erie County not join with other counties to form regional solid waste districts, municipalities within the county could not agree to collaborate even at the county level.

The reality, though, tells a different story. The solid waste management districts formed in 1988 in response to provisions in the *Solid Waste Management Act* which encouraged multicounty preparation of solid waste management plans. The state's goal was for substate districts to collectively rationalize disposal of solid wastes on a regional scale. Most regions complied and established multicounty planning units. Erie County was an exception. Not only did it not join with other counties in regional solid waste districts, county municipalities could

not agree to collaborate even at the county level. In that regard, the fractured solid waste management districts, which together do not include all area municipalities are seen by area experts as evidence of local unwillingness to forge alliances, even with legislative and economic incentives.

Evolution of Governance Structure

Like health services, the history of solid waste services parallels the history of urban centers. For years people burned, buried, or dumped their solid wastes. With increased population densities in urban centers, however, burning, burying, and dumping rapidly became unacceptable due to environmental and health concerns.

The single greatest impetus for public assumption of solid waste services was the series of cholera epidemics that swept through the county in the mid-1800s. Each epidemic left scores of deaths and much speculation by medical professionals and residents over the causes. The conventional wisdom was that unsanitary conditions caused or certainly fueled the spread of disease. Municipal officials hastened to clean up city streets by removing the piles of wastes that often gathered in front of residences and places of business. Although the last cholera epidemic swept through Erie County in 1866, the benefits of cleaner city streets in an industrial age was solidly established. Municipal departments of sanitation took over the collection and disposal of wastes in urban areas.

The single greatest impetus for public assumption of solid waste services was the series of cholera epidemics that swept through the county in the mid-1800s.

Until the 1960s, the practices of solid waste disposal remained relatively unchanged. Most waste was disposed of by private or municipal incineration, or dumped into largely unregulated town dumps. In suburban and rural areas residents also burned wastes in backyards. The advent of increased environmental consciousness and scrutiny in the 1960s brought greater regulation of solid waste disposal. In many areas municipalities began operating their own incineration units or landfills.

Public disclosure in the early 1970s of chemical contamination of soils and water supplies in the Love Canal area of Niagara Falls focused national attention on the dangers of inadequate disposal of toxic wastes. The Love Canal case became the impetus for the federal *Comprehensive Environmental Response, Compensation, and Liability Act* (known as CERCLA or more commonly as "Superfund"), designed to finance cleanup of contaminated sites.

Subsequent federal and state legislation strengthened regulations for the creation, transport, and disposal of toxic materials.

Of increasing concern in Erie County, and also nationally and internationally, is accommodating the sheer volume of solid waste materials that need disposal.

Today, solid waste disposal has become a specialized business, with highly regulated practices for hauling and disposing different types of waste, from foods to plastics. The health and safety of disposal processes remains a priority within the region. Of increasing

concern in Erie County, and also nationally and internationally, is accommodating the sheer volume of solid waste materials that need disposal.

Financial Framework

There are three common methods of financing solid waste collection services: taxation, flat user fees, and variable user fees (which depend on the quantity, location, and frequency of collection). As noted, many communities contract for solid waste collection services from private companies.

Fees for the disposal of waste vary depending on the disposal facility and tonnage. Disposal fees have increased significantly in the last fifteen years, from \$15 per load to over \$45 per ton, in part because of more stringent requirements for landfill management since the enactment of *Resource Conservation Recovery Act* provisions.

Solid waste collection is frequently cited as a service ripe for privatization. Faced with rising personnel and equipment costs, municipalities increasingly look to competitive bidding and privatized contracts to cut costs and improve services.

Privatization faces stiff opposition from municipal unions, however, which view such efforts as political ploys that jeopardize service quality and undermine unions. Proponents of privatization cite greater efficiency and point to places where privatization brought lower costs without loss of service quality.

Solid waste collection is frequently cited as a service ripe for privatization given rising personnel and equipment costs.

Many Erie County municipalities contract with private firms for solid waste collection and disposal services. In several instances contracts stipulate that the municipality receive the most favorable terms of agreement offered by a private firm to any area jurisdiction. Provisions of this sort recently translated into sharp decreases in disposal costs for jurisdictions that contract with American Ref-Fuel, following that company's execution of a new low-cost contract with the Town of Amherst.

Governance Issues

Three issues are of particular significance to solid waste service delivery in the region: centralization, practices of hazardous waste disposal, and fiscal/environmental tradeoffs in solid waste disposal.

1. Although service centralization may lower costs and improve service quality, area municipalities continue to resist collaborations. Solid waste experts generally agree that economies of scale exist in solid waste removal, especially in the case of homogenous, as opposed to heterogeneous waste streams. By virtue of its size and land uses, the City of Buffalo has the largest waste stream in the county. Economies of scale considerations suggest that city-suburban collaborations would likely reduce costs for all parties. In particular,

Consolidation would likely bring savings through route simplification, standardized bidding, and greater bargaining power with private haulers and disposal firms. Suburban governments have resisted such collaborations with the City of Buffalo, however.

consolidating service areas would likely bring savings through route simplification, standardized bidding, and greater bargaining power with private haulers and disposal firms.

Suburban governments have resisted such collaborations with the City of Buffalo, however. The suburban sentiment is that the city has unique circumstances in terms of finances and solid waste facilities, and that the city mismanaged its recycling and solid waste programs in the past. Also working against collaboration are inertia and union pressures. Buffalo has a tradition of

going it alone in solid waste services, providing most services via unionized workforces. Some area experts note that fiscal pressures in the city and suburban jurisdictions may soften political resistance to regional alliances.

The challenge for area policymakers is how to put economic and service considerations before political ones to forge genuine regional solid waste collectives following the spirit of state law. Until then, Erie County will remain the state's sole holdout, to the detriment of area governments, residents, and businesses, which could realize cost savings and improved solid waste services.

2. There is immediate need for a plan for disposal of hazardous materials, including toxic, medical, and chemical wastes. One consequence of the lack of areawide planning for solid waste services is absence of a plan and set of procedures for hazardous waste disposal and cleanup. Revelations of contamination on sites in and around urban areas have focused attention on this critical lack of planning. The costs of cleanup, which will be paid by both taxpayers and private corporations, are considerable.

For example, a recent federal review of sites used in the manufacture of atomic and hydrogen bombs during the 1940s to 1960s estimated that it will cost federal taxpayers \$60 to \$300 million dollars to clean up nuclear wastes at five Erie County sites (and \$230 billion nationwide). Four of the local sites are in the Town of Tonawanda (Seaway Industrial Park, Linde Air Products (now Praxair Inc.), and Ashland Oil sites 1 and 2), and one is in the City of Buffalo (the former Bliss & Laughlin Steel plant on Hopkins Street). Other sites in the region include the Niagara Falls storage site in the Town of Lewiston and the former West Valley nuclear fuel reprocessing plant in Cattaraugus County, a cleanup project estimated to cost \$3.75 billion alone.

On the local level, the university, businesses, and municipalities, notably the City of Buffalo, are studying the problem of contaminated, abandoned industrial sites known as brownfields.

On the local level, the university, businesses, and municipalities are studying the problem of contaminated, former industrial sites known as brownfields. Efforts have progressed furthest in the City of Buffalo, which has established an interagency working group to document the location of brownfields and develop strategies for brownfields redevelopment. It is unclear at this point whether the working group will ultimately urge redevelopment without extensive cleanup or will insist on complete remediation of brownfields.

It is unclear at this point whether the brownfields working group will ultimately urge redevelopment without extensive cleanup, or will insist on complete remediation of brownfields.

One challenge for area officials is to recognize the essential regional nature of hazardous waste disposal as the backdrop for areawide planning and alliances. The problems of brownfields, water and soil contamination, and hazardous materials

transport are concerns for every Erie County municipality. The Erie County Department of Environment and Planning, which already aids the region's solid waste management districts, could take the lead on forging countywide collaborations to address these issues.

3. The region must confront the fiscal and environmental impacts and tradeoffs associated with development of solid waste disposal facilities. As demand increases amidst limited supply of space for waste disposal, municipalities increasingly pursue revenue-producing disposal sites or transfer stations. The Village of Blasdell, for example, recently approved a private proposal for a transfer station, which would bring much-needed tax revenue to the village. The application met with vigorous opposition from nearby residents of the Town of Hamburg who complained about the increase in truck traffic and environmental spillover effects. State officials from the Department of Environmental Conservation expressed their support for the project, moving it one step closer to approval and construction. The broader issue for municipalities is whether waste disposal facilities are financial and environmental assets or liabilities in the long term.

The broader issue for municipalities is whether waste disposal facilities are financial and environmental assets or liabilities in the long term.

This is one area where the need for up-to-date, accurate information on the experience of other communities with solid waste transfer sites is so evident. Given the interest on the part of several area municipalities, the Erie County Association of Governments might be an excellent forum to gather and disseminate data on the experience of places that have implemented transfer stations as a revenue raising strategy.

Service Profile #9:

Fire Protection

Overview

The fire protection function is as old as modern civilization. Archaeologists have found evidence of fire departments dating back to as early as 3000 B.C. in ancient Rome. In the United States, for generations, one of the earliest dreams of children has been to grow up and become a firefighter. As such, fire protection is a service that has always been with us, synonymous with concerns over community safety and individual acts of heroism. Over time, the job of firefighter has expanded beyond mere fire suppression. Indeed, fire protection is a service with strong links to and blurred lines between it and other public safety services such as EMS and police. Not only do fire companies put out the fire, they also perform the rescue and render emergency aid.

Governance Structure

The County and City Laws of the State of New York authorize counties, cities, towns, and villages to provide fire protection services to residents. General County Law 225a, for example, enables counties to create a fire advisory board and fire coordinator. The General City Law of the State authorizes each city to create its own fire company, staffed either by volunteers or by formally trained and employed professionals.

The provision of fire protection services in Erie County is complex and highly decentralized, with 93 volunteer fire companies and 3 paid companies organized into 33 independent fire districts and 26 additional fire protection districts.

The provision of fire protection services in Erie County is complex and highly decentralized, with 93 volunteer fire companies and 3 paid companies organized into 33 independent fire districts and 26 additional fire protection districts (table 8-6).

The decentralized arrangements offer widely varied approaches to fire protection services. The City of Buffalo, for example, has one large professional department of almost nine hundred fighters, working out of 22 company stations, with 36 pieces of equipment (ladder trucks,

pumpers, and heavy and light rescue vehicles) to serve residents, businesses, and other facilities. The Town of Cheektowaga (including the villages of Sloan and Depew) relies on 12 volunteer companies with a total of 59 pieces of equipment to serve its 98,300 residents. Together the Town and Village of Lancaster, with 32,185 residents, have 5 volunteer

**Table 8-6
Fire Companies and Expenditures by Municipalities, 1992**

Name	Number of Fire Companies	Base Station	Fire Expenditure (in thousand)	
			Current Operations	Equipment & Capital
Erie County	NA	NA		
Buffalo city	1	Tonawanda (city)	\$53,351.0	--
Lackawanna city	1	Tonawanda (city)	\$3,218.6	\$11.6
Tonawanda city	1	Tonawanda (city)	\$1,828.7	\$39.4
Alden town	2	Lancaster	\$352.7	--
Amherst town	9	Amherst	\$2,591.0	--
Aurora town	1	E. Aurora	\$251.6	--
Boston town	3	Hamburg	\$412.1	--
Brant town	1	Angola	\$34.0	--
Cheektowaga town	10	Cheektowaga	\$238.2	--
Clarence town	3	Amherst	\$869.8	--
Colden town	1	Hamburg	\$2.1	--
Collins town	1	Helmuth	\$100.6	--
Concord town	2	Hamburg	\$158.1	--
Eden town	2	Hamburg	--	--
Elma town	4	E. Aurora	\$335.6	--
Evans town	4	Angola	\$438.9	\$0.1
Grand Island town	1	Tonawanda (city)	\$510.1	--
Hamburg town	7	Hamburg	\$1,681.3	--
Holland town	1	E. Aurora	\$1.9	--
Lancaster town	3	Lancaster	\$935.3	--
Marilla town	1	E. Aurora	\$118.0	--
Newstead town	1	Amherst	\$167.9	--
North Collins town	3	Helmuth	\$66.5	--
Orchard Park town	2	Hamburg	--	--
Sardinia town	1	Springville	\$88.0	--
Tonawanda town	5	Tonawanda (town)	\$410.6	\$1.6
Wales town	2	E. Aurora	\$63.2	--
West Seneca town	6	West Seneca	\$103.0	--
Akron village	1	Amherst	\$145.0	--
Alden village	1	Lancaster	\$38.2	\$16.7
Angola village	1	Angola	\$0.7	\$20.7
Blasdell village	1	Hamburg	\$62.7	\$12.8
Depew village	1	Lancaster	\$120.6	\$23.4
East Aurora village	1	E. Aurora	\$69.3	\$30.8
Farnham village	1	Angola	\$4.0	\$3.8
Gowanda village	1	Hamburg	\$31.6	\$4.5
Hamburg village	1	Hamburg	\$163.4	\$22.8
Kenmore village	1	Tonawanda (town)	\$341.6	\$3.6
Lancaster village	1	Lancaster	\$45.7	\$16.0
North Collins village	1	Hamburg	\$11.1	--
Orchard Park village	1	Hamburg	--	--
Sloan village	1	Cheekowaga	\$50.5	\$6.7
Springville village	1	Springville	\$49.8	\$33.3
Williamsville village	1	Amherst	\$289.2	\$23.4
Cat Ind. Res.	1			
Ton Ind. Res.	0			
Totals	96			

Sources: Erie County Emergency Medical Services, Expenditure data from the NYS Office of the Comptroller, Special Report on Municipal Affairs, 1992.

companies. The combination of the high cost of new fire equipment (for example, \$280,000 for a fire truck or \$70,000 for a rescue vehicle), relatively sparse population, and limited tax bases prompts rural towns and villages to rely to a great extent on mutual aid agreements that permit them to share volunteers and equipment to continue to provide fire services.

The sheer number of companies is the product of longstanding traditions of volunteerism and close-knit fraternity of company membership. Decentralized arrangements are seen by many as both a strength, in terms of the loyalty and dedication to service, and a liability in terms of duplicative expenditures for costly equipment purchased in response to competitive intercompany turf battles.

Communication between fire companies and between dispatch centers and companies is likewise complex and decentralized through 30 PSAPs, or Public Safety Answering Points (map 8-11), which are described more fully in the profile of EMS services. Emergency phone calls, automated system results, and fire box transmissions are all

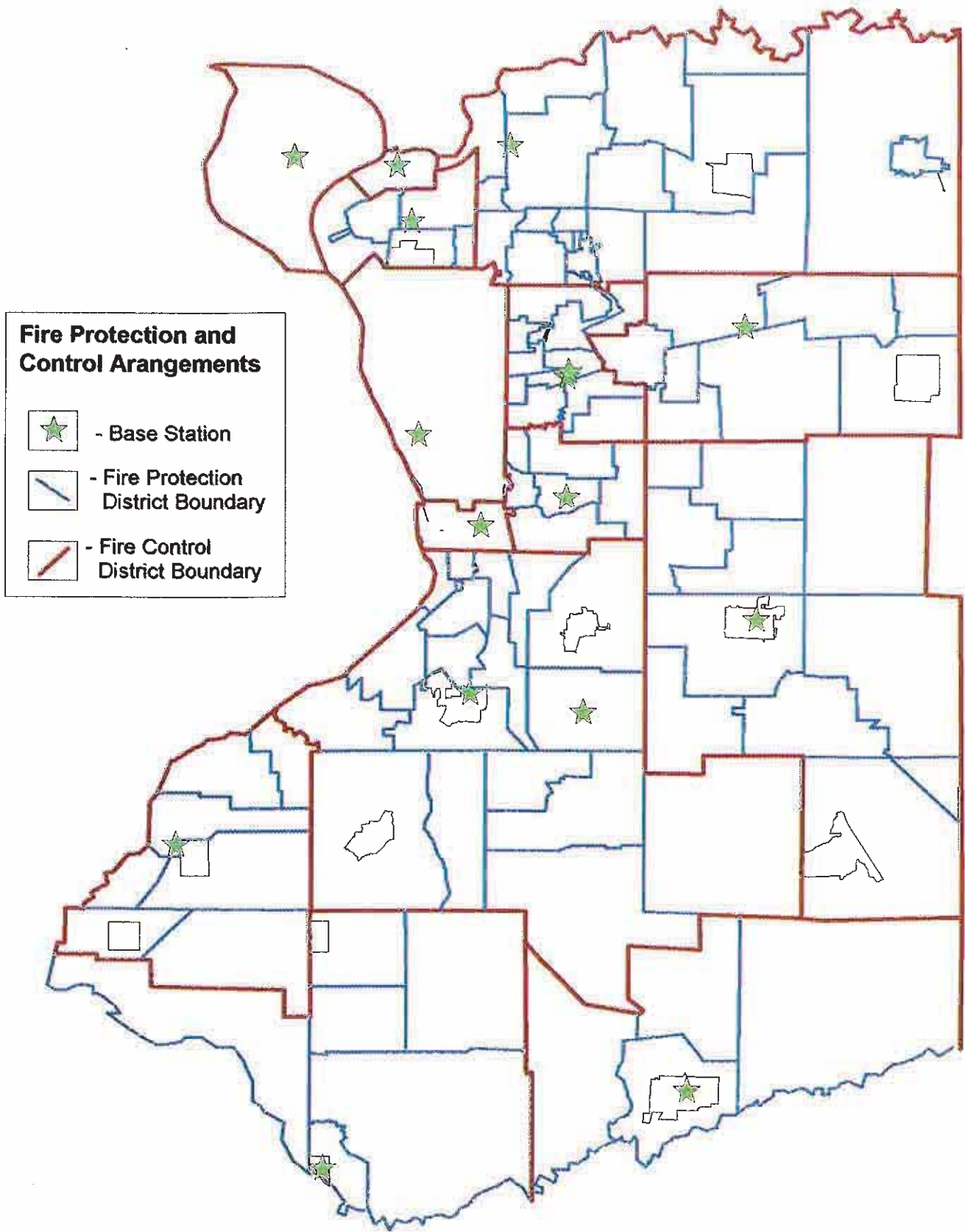
The sheer number of fire companies is the product of longstanding traditions of volunteerism and close-knit fraternity of company membership.

Communication between dispatch centers and fire agencies in Erie County is likewise complex and decentralized through 30 PSAPs, or Public Safety Answering Points.

ways of accessing the system. The County Fire Radio System is divided into 11 base stations located in the City of Tonawanda, the towns of Amherst, Cheektowaga, Lancaster, Tonawanda, and West Seneca, and the villages or places of Angola, East Aurora, Hamburg, Helmuth, and Springville. The City of Buffalo has its own modern facility, the Fire Alarm Office, also known as the Fire Dispatch. Fire dispatch also occurs out of the Fire Academy, the Cheektowaga Fire Alarm Office, and the Chestnut Ridge Park Base Station.

The training of firefighters is much more centralized than fire service provision and communications. All firefighters in the region receive basic training at the Erie County Fire Safety Division, located in the Town of Cheektowaga, or the local branch of the State of New York Fire Prevention and Control Division. The New York State Academy of Fire Science in Montour Falls provides additional courses on more technical and specialized areas. The City of Buffalo Fire Department maintains its own Bureau of Training, which is authorized to instruct and train officers and firefighters in all phases of fire defense. On the educational front, Erie County Community College offers an associates degree in fire protection technology.

Map 8-11 Fire Company Jurisdictions In Erie County



Mutual aid agreements to help one another in fire emergencies also offset some of the effects of decentralization. New York State General Municipal Law 209E authorizes mutual aid agreements among fire companies, thereby encouraging a more comprehensive and responsive network and blanket of fire protection. The region benefits from a 100 percent participation rate among area fire companies.

Mutual aid agreements to help one another in fire emergencies offset some of the potential drawbacks of decentralization. The region benefits from a 100 percent mutual aid participation rate among fire companies.

Federal- and state-level fire protection services are relatively limited. The Federal government, through the departments of State, Treasury, and Defense, conducts research and development in specialized areas of fire prevention equipment, arson investigation, and fire prevention programs. The Office of the New York State Fire Marshall provides programs of fire code enforcement, fire loss statistics, and fire-related education and training. Although the majority of firefighters in the county are volunteers,

since 1990 New York State has begun providing public monies to support volunteer firefighter pension plans. Commonly referred to as a service award program, the plan authorizes public funds for retiring volunteers based on the amount of time in service. Each fire department can determine its own service award program. As of November 1993, 57 of Erie County's 93 volunteer fire companies had adopted some version of this plan.

Evolution of Governance Structure

The fire department in the City of Buffalo is older than the city itself. As early as 1816, the then-Village of Buffalo procured thirty ladders and required all house owners to sweep out their chimneys and have a good bucket at the ready. The village actively selected fire wardens and by the 1830s had its first hook and ladder. Following incorporation as a city in 1832 Buffalo and the region engaged in some of the most innovative practices in fire service, from one of the first telegraphic alarm systems in the 1860s to the disbanding of city volunteers and the selection of professionals by the late 1880s.

The emergence of a full range of volunteer companies outside the City of Buffalo accompanied this technological and professional shift. The contemporary division between largely volunteer suburban and rural departments and professional

urban fire service units mirrors arrangements in the rest of New York State. Of the 1,809 departments in the state, all but 36 units are volunteer. The fire protection function retains

As early as 1816 the then-Village of Buffalo procured thirty ladders and required all house owners to sweep out their chimneys and have a good bucket at the ready.

this localized legacy; involvement from state and federal governments has been and remains relatively minimal.

Financial Framework

Financing of fire protection services differs by municipal jurisdiction and fire company. For most of the 93 volunteer companies, revenues are obtained through a local tax assessed by each of the 33 fire districts and through a combination of agreements reached through contractual arrangements in the 26 other fire protection districts. In most cases, the costs of fire services, which include line costs and equipment, are assumed by the municipal budget and the practices of volunteer companies. Private contributions, bingo, chicken dinners, and the like are common and important sources of revenue, especially in rural areas where the low population base produces insufficient tax income. Other revenues accrue from county and state programs. Financial decisions in the volunteer fire departments are independently determined by their officers.

Private contributions, bingo, chicken dinners, and the like are common and important sources of revenue, especially in rural areas where the low population base produces insufficient tax income.

Almost three quarters of the firefighting equipment in the City of Buffalo is over five years old, with almost 20 percent fifteen years old or more. Less than half of the equipment is perceived to be in good condition.

The Fire Department of the City of Buffalo, by contrast, is a line agency with expenditures of almost \$37.5 million in 1992-1993. The lion's share of expenditures (96.1%) goes to personnel services. Another two percent goes to fire prevention, telecommunications, trucks and auto equipment, and less than one half of one percent goes to training. Almost three quarters of the equipment is over five years old, with almost 20 percent fifteen years old or more. Less than half of the equipment is perceived to be in good condition.

Erie County government spends almost one-third of its \$1.4 million Emergency Services budget (around \$470,000) on the activities of the Department of Fire Protection. The training, coordination, and communication activities of this office serve as a fiscal and programmatic source of cohesion for fire protection in the region.

Governance Issues

Three issues, each associated with changing conditions for fire protection services, confront volunteer and paid fire agencies.

1) The first relates to firefighter shortages, especially in smaller, volunteer companies. A recent study of service delivery in New York State maintains that fire service delivery is facing a crossroads: there are simultaneous declines in volunteerism and public funding coincident with increases in training requirements, the costs of station upkeep and capital maintenance, awareness of the dangers of firefighting, and greater liability risk incurred by firefighters and their officers. Although small volunteer companies and large municipal departments alike face such issues, small companies are especially threatened by

In small towns and villages it is increasingly difficult to muster either daytime or late night responses to calls, especially when the lion's share of these rural calls are for first aid.

recurring firefighter shortages and fiscal stress. In the small towns and villages it is increasingly difficult to muster either daytime or late night responses to calls, especially when the large majority of these rural calls are first-aid calls.

As a matter of service quality, therefore, municipalities and companies facing firefighter shortages should consider: (a) using paid ambulance personnel to respond to first aid calls in areas where either the equipment or the volunteers are

unable to provide comprehensive and even-quality service over a full twenty-four hour period; and (b) employing mutual aid agreements to supply emergency services or key fire protection services.

2) A second concern relates to firefighting equipment. Larger companies that rely on public funding face difficulty purchasing and maintaining modern fleets and equipment to ensure high level fire protection.

Maintaining high standards and modern equipment in smaller companies is complicated by reliance on volunteerism and its onerous burden of revenue raising. In the absence of funding, companies throughout the region are forced to deploy often aging and sometimes outmoded equipment. At the same time, intercompany competition and turf battles can lead to duplication and inefficient use of equipment.

Larger companies that rely on public funding have chronic difficulty purchasing and maintaining modern fire equipment. Maintaining modern equipment in smaller companies is complicated by reliance on volunteerism and its onerous burden of revenue raising.

Responses to these issues include:

(a) using a combination of volunteer and paid firefighters in the same department; (b) deploying professional firefighters at a

cross-jurisdictional level; and (c) supporting more mutual aid agreements between volunteer units. None of these efforts is revolutionary. There presently exist local and state models of all three, including in the Town of Tonawanda, Monroe County, and the states of Virginia and Maryland.

3) The third issue relates to communication tasks. No matter what the benefits of proximity and mutual aid produced by the willing participation of volunteer and paid companies, the quality of fire protection services is threatened by a fragmented and poorly coordinated alarm delivery system of 30 PSAPs. There is considerable rationale for greater centralization of public safety emergency communications.

Ultimately, the future arrangements for fire protection service delivery in Erie County are unclear. Calls for efficiency and consolidation have challenged the highly decentralized nature of fire protection in the region. Nonetheless, the volunteer service award program and the longstanding, respected, and fiercely defended tradition of individual volunteer fire companies will likely ensure continued reliance on volunteer fire service delivery for the

The volunteer service award program and the longstanding, respected, and fiercely defended tradition of individual volunteer fire companies will likely ensure continued reliance on volunteer fire service delivery for the foreseeable future.

foreseeable future. Fiscal stress and pressure for more cost-effective service delivery are prompting paid fire departments to face downsizing and restructuring. We can expect continued need for and attention to reorganization plans, such as that proposed recently by the mayor of the City of Buffalo to cut back on personnel and upgrade technologies in the hope of saving money while increasing fire department efficiency.

The importance of fire protection services demands that the interrelated issues of structure, funding, and personnel be addressed. The goal is to capitalize on the

energy of volunteerism and the spirit of cooperation associated with mutual aid agreements, while also recognizing the potential for higher quality, more financially secure fire protection services through structural and administrative collaborations.

Service Profile #10:

Emergency Medical Services

Overview

Emergency medical services (EMS) provide vital medical services to every sector of the public. EMS consists of four functions:

- ◆ pre-hospital emergency medical care through training, coordinated and technologically up-to-date life support facilities, and clearly articulated communication, post-operative assessments, and counseling;
- ◆ effective and prompt communication of medical needs and emergencies from the public to ambulance companies and hospitals;
- ◆ safe and efficient transportation of the sick and injured; and
- ◆ coordinated and effective medical response to multi-casualty disasters.

Like firefighting, these important services have a long history of local participation and volunteerism, with citizens collectively organizing to help each other in times of emergency. Changes in medical technology and metropolitan settlement systems, however, are necessitating substantial changes in training and equipment. As a result, the requirements of EMS have changed enormously so that, today, EMS is provided by a host of independent private and public sector entities as well as the more traditional volunteer departments.

Governance Structure

EMS services in Erie County are characterized by centralized coordination and highly decentralized dispatch and operations. The clearest evidence of service centralization is found in the training, emergency, and disaster communication activities of the Division of Emergency Medical Services in the Erie County Department of Health. The division provides EMS training to all emergency medical personnel and first responders in the county. The division also coordinates all ambulance calls in the area and dispatches ambulance calls within the City of Buffalo as part of the 911 system. This

EMS services in Erie County are characterized by centralized coordination and highly decentralized dispatch and operations.

Medical Emergency Radio System (MERS) also serves as the countywide communication center in times of disaster. Division personnel are responsible for coordination of all advanced life support operations and medical directions from the Erie County Medical Center. In addition, the division coordinates medical responses to mass casualties that result from major disasters.

Emergency medical services beyond training and communication are the product of individual arrangements in each municipality. There are no uniform standards of practice

There are no uniform standards of practice regarding how each jurisdiction will organize its agencies, the administration of initial life-saving care, and the level of care offered.

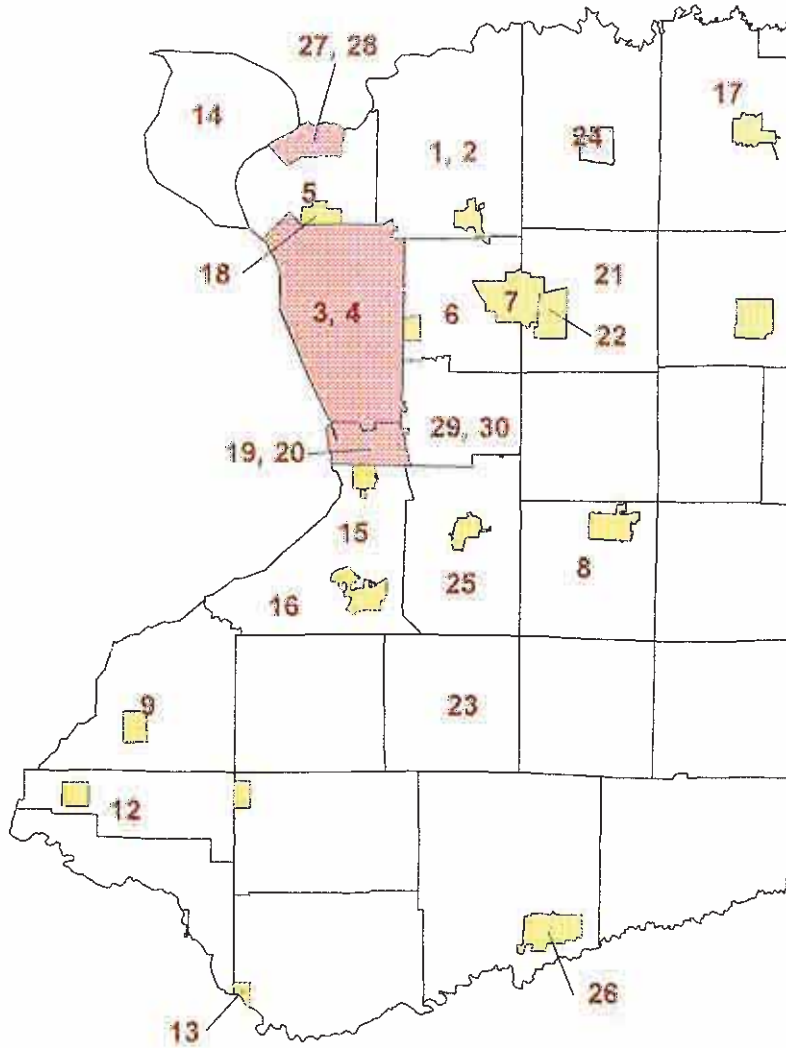
regarding how each jurisdiction will organize its agencies, the administration of initial life-saving care of sick and injured persons, and the level of care offered. Emergency 911 calls are answered and then dispatched to units by 30 separate dispatch agencies, which are divided into primary and secondary Public Safety Answering Points (PSAPs) (map 8-12). Primary PSAPs receive citizens' calls directly. They are almost always local police agencies, with the exception of Erie County Medical Center (ECMC), an answering service used

by the Village of Gowanda, and certain town and village fire units that rely on the County Sheriff's office.

Secondary PSAPs receive requests for EMS from the primary PSAP or specially designated supplementary PSAPs. Most secondary PSAPs are local fire dispatch agencies, although the City of Buffalo uses two supplementary PSAPs, the Fire Dispatch Agency and the Buffalo Ambulance Dispatch Service. Secondary PSAPs are responsible for dispatching the designated first responder to an emergency. First responders, which include firefighters, emergency technicians, and police officers, are trained to provide initial emergency medical assistance, or what is called Basic Life Support Services (BLS). BLS includes, for example, treatment for trauma, burns, circulatory, or obstetric emergencies. In many cases, an emergency requires ambulance service and/or some form of immediate acute medical care. In addition to BLS, first responders must perform or have access to ambulance service and advanced life support (ALS), including the use of defibrillators, advanced airway management, and invasive drug therapy.

The first responder varies in each municipality. In the Town of Sloan, for example, the first responder is a contracted ambulance service, while in the Town of Eden it is a volunteer emergency squad. Many jurisdictions rely on volunteer fire companies to provide EMS within their district boundaries. In seven cases, specialized emergency squads of volunteers provide EMS. The Lancaster Emergency Squad, for example, is a nonprofit entity that serves most of the Town of Lancaster, including the villages of Lancaster and Depew. Most, but not all, entities provide both BLS and ALS; the towns of Brant and Colden, for example, offer only BLS services.

Map 8-12 Public Safety Answering Points



1. Amherst Fire Control (S)
2. Amherst Police (P)
3. Buffalo 911 Center (P)
4. Buffalo Fire Alarm Office (S)
5. Tonawanda Town Police (P)
6. Cheektowaga Police (P)
7. Depew Village Police (P)
8. E. Aurora Police (P)
9. Eden Police (P)

10. ECMC EMS Communications (S)
11. Erie County Sheriff (P)
12. Evans Police (P)
13. Gowanda Answering Service
14. Grand Island Fire Control (P)
15. Hamburg Town Police (P)
16. Hamburg Village Police (P)
17. Heimuth Fire Control (S)
18. Kenmore Village

19. Lackawanna Police (P)
20. Lackawanna Fire Dpt. (S)
21. Lancaster Town Police (P)
22. Lancaster Village Police (P)
23. NYS Police - Boston (S)
24. NYS Police - Clarence(S)
25. Orchard Park Police (P)

26. Springville Fire Control (S)
27. Tonawanda City Fire Dept. (S)
28. Tonawanda City Police (P)
29. W. Seneca Fire Control (S)
30. W. Seneca Police (P)

(P) Primary P.S.A.P.
 (S) Secondary P.S.A.P.

The increasing costs of equipment and the time it takes to become a trained emergency medical technician (a paramedic must take hundreds of hours of training in such areas as manual defibrillation, invasive drug therapy, and advanced cardiac and pediatric life support) have prompted municipalities to rely increasingly on private sector providers. The City of Buffalo and the Village of Sloan, for example, use private companies exclusively and ten other municipalities combine volunteer and public EMS units with private enterprise units. Private ambulance services are currently provided by two companies, LaSalle Ambulance and Town Ambulance.

The increasing costs of equipment and the time it takes to become a trained emergency medical technician have prompted municipalities to rely increasingly on private sector EMS providers.

The State of New York provides oversight and coordination of EMS services through a host of statewide councils. These include the New York State EMS Council, State Emergency Medical Advisory Committee, Regional EMS Council, EMS Program Agencies, and Regional Emergency Medical Advisory Committees.

Evolution of Governance Structure

Historically EMS has been a decentralized service, provided by a host of different independent units at the local level (solely volunteer, volunteer-public, solely private, public-private, volunteer-public-private). One consequence of independence and decentralization has been uneven levels of service quality. As recently as 1971 a national study of EMS found that almost 75 percent of ambulance services were offered by funeral home personnel and volunteers, with little formal training, standards for equipment, or agreement on advanced technologies. As the almost universally experienced demands of EMS became more clear, national and state laws and programs started to focus on providing more formalized, integrated structures of service delivery.

One consequence of independence and decentralization has been unequal delivery of emergency medical services.

In New York State, for example, articles 30 and 30A of the New York State Public Health Law address issues of EMS and outline the certification requirements for all levels of EMS personnel, including advanced life support, first response services, and ambulance service. These laws were amended in 1993, requiring a higher level of ambulance service delivery and personnel training by 1997. The State's General Municipal Law 122-b authorizes local governments to provide EMS and ambulance service, or both, either directly or through contract.

Financial Framework

The local financing of EMS differs by municipal jurisdiction, with costs often buried in the municipal budget, volunteer service companies, and private contracts. Typically, EMS expenditures include a combination of line costs of police service, the costs of volunteer or municipal fire and ambulance services, and costs of contracting with private emergency medical services.

There are several sources of EMS funding. Most collective costs are funded through local taxes assessed by individual fire districts or municipalities. Private ambulance companies bill individual patients. Volunteer companies, especially those in sparsely populated rural areas, use a combination of service charges and private contributions.

The Erie County Division of EMS spends more than 50 percent of its budget on personnel, two-thirds of whom are employed to coordinate the 911 system. A second major county EMS expenditure is contractual services for Mercy Flight hospital emergency air transport. Most training functions are funded by New York State and administered at the county level.

Governance Issues

The structure of EMS services reveals the pros and cons of decentralized service delivery. On the one hand, EMS provision exhibits evidence of important interservice linkages, interjurisdictional agreements, and new patterns of privatization. On the other, there is evidence of service sector fragmentation and uneven service quality.

Of concern is the issue of communication. With 30 PSAPS, 911 services in Erie County are the most jurisdictionally fractured of any in the state. EMS would likely benefit from a streamlined communication system that reduces the layers of communication. At the same time, interservice cooperation between the Erie County Division of Emergency Services, the Sheriff, and local police and fire departments results in proficient dispatch and

Rural areas especially exhibit problems of uneven service delivery, especially Advanced Life Support, because of a lack of tax base, modern equipment and technology, and paramedical training.

communication. One issue, then, is distilling from the present situation the benefits of interservice cooperation while diminishing the liabilities associated with service decentralization. The objective should be a new, regionally responsive 911 system devoid of its multilayered dispatch chain and more clearly a product of strong interservice linkages.

In a similar vein, there is need to reconcile benefits and liabilities of volunteerism and local participation and ensure high quality BLS and ALS services. Rural areas especially exhibit problems of uneven service delivery, particularly in ALS, because of a lack of tax base, modern equipment and

technology, and paramedical training. At the same time, the quality of BLS is often exceedingly good because of the strong tradition of volunteerism. It is not obvious then that a blanket suggestion of consolidating EMS regionally, which threatens the historic contributions of volunteer units, would automatically ensure greater service efficiency. A more reasonable approach would be to learn from the present joint agreements among jurisdictions and private enterprise ambulance services to determine ways to efficiently provide regional ALS services while maintaining local jurisdictional traditions of BLS delivery.

At the same time, the quality of BLS is often exceedingly good because of the strong tradition of volunteerism.

Disparities of delivery between jurisdictions is a long-term problem. The 1993 amendments to articles 30 and 30A of the New York State Public Health Law legislate a 1997 deadline for upgrading the quality of training preparedness for EMS personnel. As such, one place to begin addressing uneven service quality is thus through the county-level training provided by the Erie County Division of Emergency Services. The training process offers a clear and relatively neutral open forum in which to raise issues of quality and preparedness of EMS units in the county.

Service Profile #11:

Police

Overview

Law enforcement is a service found at every level and in virtually every unit of government. Law enforcement services include many functions:

- ◆ general enforcement of order on "the street," including patrol functions and a variety of specialized crime-fighting services, including narcotics, homicide, robbery, sexual offenses, juvenile crime, burglary and property recovery, auto theft, special fraud, vice, and intelligence;
- ◆ related functions such as coordination of crime communication, crime labs, and training functions;
- ◆ traffic, parking, and highway patrol;
- ◆ operation of incarceration facilities and detention centers.

Although some jurisdictions do not have a law enforcement unit of their own, they all make formal arrangements to keep the peace, directly utilizing the services of other jurisdictions or supplementing their own service with public and private public safety providers.

Governance Structure

The provision of police services in Erie County is a mixture of centralized and decentralized functions involving all layers of government and supplemented by private providers.

The provision of police services in Erie County is a mixture of centralized and decentralized functions involving all layers of government and supplemented by private providers.

Provisions of state law authorize municipalities and counties to establish their own police departments or to contract with the Superintendent of State Police for the

regular assignment of policemen. Localities may establish Boards of Police Commissioners, their own lockup, and their own specialized services, such as homicide units and drug control. In practice, many local police agencies have full-time paid professional staffs, some have part-

time patrol units, and some contract with a growing number of private security units for certain non-criminal related enforcement services (table 8-7).

The largest law enforcement agency in the county is the Police Department of the City of Buffalo. The department offers the full array of control, prevention, and investigation services. With a budget of over \$60 million and over 1,000 civilian and police employees, the department is one of the largest governmental agencies in the entire region. It received over 300,000 calls for service in 1993, down 14 percent from nearly 360,000 in the previous year. According to the final 1993 Uniform Crime Reporting Index, published by the New York State Division of Criminal Justice, the Buffalo Police Department handled more than 56,304 reported crimes, of which 32,000, or 57 percent, were either violent crimes (homicides, rapes, assaults, and robberies) or major property crimes (burglaries, larcenies, and vehicular thefts).

The larger municipalities, notably the cities of Tonawanda and Lackawanna, and the towns of Amherst, Cheektowaga, and Tonawanda, likewise offer comprehensive law enforcement services, including prevention, crime control, and investigation. Smaller towns and villages have either full-time police forces (West Seneca, Hamburg, Orchard Park, Lancaster, and Evans), part-time forces (towns of Brant and Eden, and the villages of Akron and North Collins), or contract out for law enforcement with the Superintendent of State Police, the County Sheriff, or other local jurisdictions (map 8-13).

Towns and villages are almost equally apt to be served by the County Sheriff and state police as they are to have their own full time police force.

By far, the largest share of police actions carried out by the Sheriff's Department was for vehicle and traffic arrests, which numbered nearly 15,000.

Towns and villages are almost equally apt to be served by the County Sheriff and State Police as they are to have their own full-time police force. The larger, more affluent towns and villages generally provide full-time radio dispatch and/or telephone answering services, while smaller, less affluent units tend to provide part-time answering services only.

In addition to municipal units there are a host of other police forces and law enforcement providers. The Erie County Sheriff's Department serves all residents in Erie County with direct patrolling or centralized services, including the County Holding Center. The Holding Center, the county's largest jail, is located in downtown Buffalo and, because it is used by many of the police units in the county, is chronically overcrowded.

In 1993, the Sheriff's Department issued 28,710 traffic, criminal, navigational, and civil processes and arrests, of which only 754 were for felonies. By far, the largest share of police actions carried out by the Sheriff's Department was for vehicle and traffic arrests, which numbered nearly 15,000.

Table 8-7

Police Service Arrangements and Expenditures, 1992

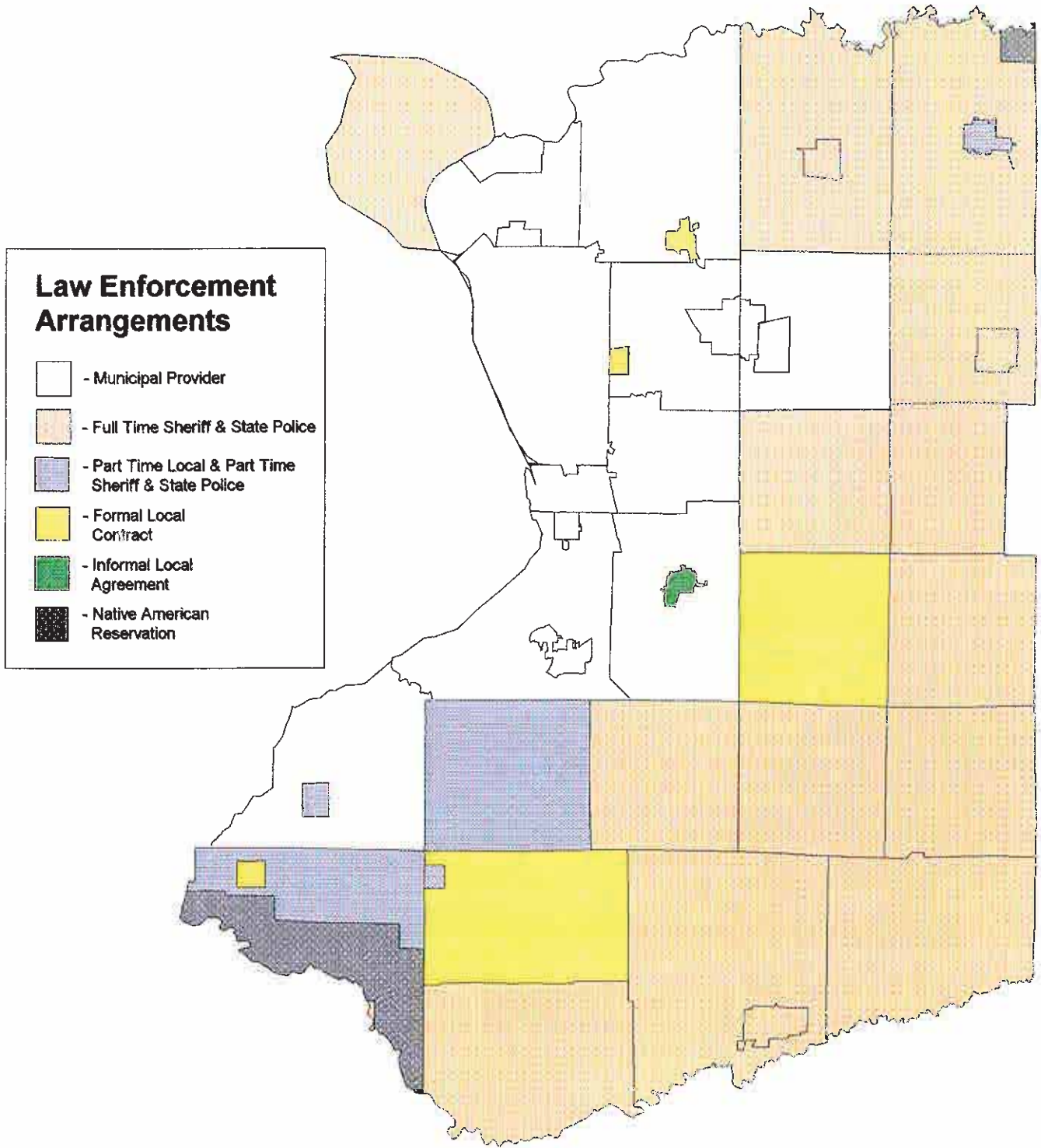
Name	Utilize own police force	Police Expenditures (in thousands)		Other Public Safety (in thousands)	
		Current Operations	Equipment & Capital	Current Operations	Equipment & Capital
Erie County	yes	\$57,164.0	\$250.4	\$2,243.7	\$315.5
Buffalo city	yes	\$64,101.8	--	\$16,244.6	\$989.8
Lackawanna city	yes	\$2,852.7	--	\$455.6	\$31.3
Tonawanda city	yes	\$2,160.3	\$64.5	\$276.3	\$9.5
Alden town	no-Sheriff/State Police	\$3.4	--	\$68.9	\$5.5
Amherst town	yes	\$10,817.0	\$266.7	\$2,520.5	\$12.0
Aurora town	contracts with E. Aurora	\$273.4	--	\$146.7	--
Boston town	no-Sheriff/State Police	\$3.9	--	\$26.6	--
Brant town	part time	\$70.3	\$16.0	\$4.8	--
Cheektowaga town	yes	\$9,524.0	\$161.9	\$645.5	\$164.4
Clarence town	no-Sheriff/State Police	\$93.7	\$11.1	\$210.0	\$16.3
Colden town	no-Sheriff/State Police	\$3.3	--	\$5.4	--
Collins town	no-Sheriff/State Police	\$0.3	--	\$39.7	\$1.8
Concord town	no-Sheriff/State Police	\$23.4	--	\$14.5	--
Eden town	part time	\$291.9	\$1.3	\$78.1	--
Elma town	no-Sheriff/State Police	\$1.4	--	\$120.2	--
Evans town	yes	\$1,429.8	\$253.3	\$175.5	\$0.5
Grand Island town	no-Sheriff/State Police	\$105.4	\$0.7	\$119.3	--
Hamburg town	yes	\$4,280.2	\$101.2	\$1,147.1	\$12.8
Holland town	no-Sheriff/State Police	\$10.4	--	\$7.2	--
Lancaster town	yes	\$1,950.9	\$61.9	\$246.5	\$12.9
Marilla town	no-Sheriff/State Police	--	--	\$25.2	--
Newstead town	no-Sheriff/State Police	\$3.3	--	\$51.0	--
North Collins town	contracts through Vill. of NC/Sher/St Pol	\$10.2	--	\$8.1	--
Orchard Park town	yes	\$1,875.4	\$17.4	\$222.6	\$2.3
Sardinia town	no-Sheriff/State Police	\$3.6	--	\$14.6	\$0.3
Tonawanda town	yes	\$6,747.7	\$156.8	\$1,630.3	\$79.2
Wales town	no-Sheriff/State Police	\$2.4	--	\$15.2	--
West Seneca town	yes	\$4,371.2	\$32.1	\$531.4	\$0.6
Alden village	no-Sheriff/State Police	\$56.8	\$1.0	\$4.5	--
Akron village	part time	\$215.4	--	\$16.1	--
Angola village	part time	\$239.1	--	\$7.2	\$0.3
Blasdell village	yes	\$324.2	\$2.7	\$4.1	--
Depew village	yes	\$2,110.2	\$39.7	\$120.0	\$10.2
East Aurora village	yes	\$888.2	\$24.2	\$235.8	\$0.4
Farnham village	contracts w/ Brant and Sher/St Pol	\$2.8	--	--	--
Gowanda village		\$281.8	\$13.8	\$5.3	--
Hamburg village	yes	\$1,068.8	\$25.2	\$4.1	--
Kenmore village	yes	\$1,820.3	\$3.2	\$61.1	\$645.9
Lancaster village	yes	\$1,146.2	\$22.1	\$46.0	--
North Collins village	part time	\$47.8	\$15.2	\$12.9	--
Orchard Park village	covered by Town of OP-no contract	--	--	\$22.3	--
Sloan village	contracts with Cheektowaga	--	--	\$4.2	--
Springville village	no-Sheriff/State Police	\$224.3	--	\$105.2	\$1.5
Williamsville village	contracts with Amherst	--	--	\$36.0	--

Notes: (1) All part time departments are covered by Sheriff/State Police when not in operation.

(2) Dashes in expenditure data represent zero expenditures reported.

Source: Erie County Sheriffs Dept. and individual municipal providers. All Expenditure data from the NYS Office of the Comptroller, Special Report on Municipal Affairs, 1992.

Map 8-13 Law Enforcement Agencies



County residents are also served by the New York State Police and the New York State Park Police. The State Police is a full service agency providing municipalities that lack their own police departments with everything from traffic control to the investigation of violent crimes and narcotics violations.

State Park Police maintain law and order at the three state parks located within Erie County: Evangola, Buckhorn Island, and Beaver Island. At the federal level, the array of law enforcement units operating within Erie County includes representatives of the FBI, the Department of the Treasury, and the U.S. Postal Police.

County residents may be served by a wide variety of law enforcement agencies: local police forces, the County Sheriff, State Police, housing authority police, transit authority police, university patrols, and a host of private guards and security forces.

Several special-purpose governments also operate their own police forces. Residents of the 8,000 public housing units in the City of Buffalo receive police services from the Buffalo Municipal Housing Authority Police, which regularly patrol housing complexes and also operate a K-9 corps, a drug prevention task group, a crime prevention and investigation unit, and a motorcycle patrol unit. The Niagara Frontier Transit Authority operates a police unit to maintain order, and prevent and address crimes perpetrated at NFTA facilities.

Law enforcement has also become an increasingly important and complex function at the area's colleges and universities. Five of these, UB, Buffalo State College, Medaille, Hilbert, and Canisius, maintain their own security forces. Erie County Community College relies upon the services of the County Sheriff. Other institutions contract with private security firms.

Eighteen private firms offer services as licensed guard and patrol agencies in Erie County. The president of one of these firms reports that there are currently around 2.5 private security personnel for every public law enforcement officer in the United States. This is driven by the fact that both small and large public jurisdictions find it useful to employ private security personnel in addition to their regular forces. The City of Buffalo, for example, employs private security forces at special events and at such public venues as NorthAmericare Park and Memorial Auditorium.

Eighteen private firms offer services as licensed guard and patrol agencies in Erie County.

The training of law enforcement officials occurs at a host of sites and in a variety of agencies. Each major law enforcement unit at the state, county, and municipal level has its own internal training office. Some governments, including New York State, Erie County, the City of Buffalo, and other large municipalities, have their own training programs and facilities. The County Training Academy provides recruit-level, in-service, and remedial

training for its staff and for others in the region. The City of Buffalo provides basic and specialized training procedures for all recruits and also provides much of its in-service personnel needs. The State Police Academy trains over 10,000 persons a year from Erie County and beyond. Almost all institutions of higher education in the region offer programs in criminal justice and law enforcement, from associates degree at Erie County Community College to the Ph.D. in Sociology-Criminal Justice at UB.

Evolution of Governance Structure

The history of police service in Erie County can be described through the organizations of the County Sheriff and the Buffalo Police Department, both of which were at one time multicounty providers. The oldest office under the system of common law in the United States is the Office of the Sheriff. The first Sheriff in Western New York was appointed in 1821 and served a territory that included both Erie and Niagara County. Since then there have been fifty Sheriffs in Erie County, including Grover Cleveland who would later become President of the United States.

There is precedence for multi-county policing: in the 1860s an Act of the State Legislature created the Niagara Frontier Police District, which encompassed Buffalo and Tonawanda in Erie County and Wheatfield in Niagara County.

Four justices of the peace and six to eight constables comprised the early membership of the Buffalo Police Department around the late 1830s. It was not until 1855 that the first police chief was appointed. Officers first received uniforms in the 1860s. During this period the State Legislature created the Niagara Frontier Police District, which encompassed Buffalo and Tonawanda in Erie County and Wheatfield in Niagara County. This new organization included a board of commissioners, a superintendent, captains, detectives, and over one hundred patrolmen. In 1870 the district was divided and the City of Buffalo has been served by a single police district ever since.

Police services reflect centralization of key investigative, lab, and incarceration services; there is considerable service sharing through training, communication, and patrol backup.

Almost a century later in the 1960s Erie County had 29 police departments serving area residents. The perceived fragmentation of services became the focus of study by government and citizen reform groups. By the late 1960s the police function had become the centerpiece of a concerted effort of service consolidation. Harkening back to the regional tradition of multijurisdictional policing, the Erie County Citizen's Committee on Intergovernmental Affairs proposed a referendum calling for the consolidation of all law enforcement services into a countywide police

department, headed by a chief and supplied with executive oversight by an Advisory Board. The consolidation measure passed in the City of Buffalo but was rejected in the suburbs, which under the terms of a "split referendum" meant defeat of the proposal.

Despite defeat of the police consolidation proposal, however, significant centralization of key investigative, lab, and incarceration services subsequently occurred. Today there is considerable service sharing through training, communication, and patrol backup. Thus, although the police function remains a relatively differentiated and independent municipal function in Erie County, there is also considerable multijurisdictional service provision and a legacy of reform efforts focused on police services.

Financial Framework

Of the over \$17.6 billion in state aid paid to localities in 1992, only around one percent went to public safety. Of this, slightly less than \$13.5 million went directly to support the law enforcement efforts of counties, cities, villages, and other local special-purpose governments.

Of the over \$17.6 billion in state aid paid to localities in 1992, only a little over one percent went to public safety.

Data from the New York State Comptroller indicate that the \$80 million spent in 1992 by the City of Buffalo on police and other public safety services made the city the region's largest provider of police services. Second largest was Erie County government, followed at some distance by the larger municipalities including the towns of Amherst, Cheektowaga, and Tonawanda.

Governance Issues

If the old watchwords of law enforcement centered around the goals of "service and protection," the new watchwords are "efficiency and effectiveness." As a consequence, area officials, notably at the village-town, and city-county levels, are increasingly focused on structural and programmatic reforms, from consolidations to community policing.

If the old watchwords of law enforcement centered around the goals of "service and protection," the new watchwords are "efficiency and effectiveness."

In the City of Buffalo, for example, there has been discussion of radical forms of departmental consolidation, including wholesale merger of the Buffalo Police Department with the County Sheriff. The department is making internal organizational

changes to put more officers on the streets and streamline service provision. The goal is to integrate itself more deeply into the social service fabric of the community through new forms of community policing and new service partnerships with social service agencies and the schools. These efforts are geared to maintain service levels within far more stringent fiscal

constraints and increased service demands. The negative reaction of the City of Buffalo's police union to a recent offer by the County Sheriff to assign four patrol officers to high-crime areas of the city's east side, however, reveals the magnitude of political and economic obstacles that can be expected to confront proposals for structural reorganization.

The history of police reform in the region nonetheless demonstrates that incremental changes to the structure and the organization of policing have occurred even when more radical proposals have fallen short. Despite the defeat of full scale police consolidation in the late 1960s, a number of specific police services, including forensics, training, and criminal investigation, were subsequently centralized at the county level under the auspices of Erie County's Department of Centralized Police Services. The potential for cross-jurisdictional service improvements includes new forms of shared services (such as specialized investigative units), facilities (such as lockups, detention centers, and crime labs), and reorganizations involving both public and private providers. There is room for change and growing interest at all levels of service delivery for restructuring of law enforcement in Erie County.

Service Profile #12:

Courts

Overview

A complex system and hierarchy of courts exists in Erie County. This system is part of a broader statewide structure known as the Unified Court System, established in detail in the New York State Constitution. The courts are the foundation of the judicial branch of government -- one of the three primary sectors and functions recognized in most every model of governance today.

The purpose of this structure of courts and judicial services is essentially fourfold:

- ◆ to provide a forum for the resolution of disputes on civil matters such as negligence, landlord and tenant, contracts, property rights, employment issues, domestic relations, and many others;
- ◆ to provide a forum for adjudication of prosecutions against those alleged to have violated statutes carrying a criminal penalty;
- ◆ to provide a series of judicial services on designated legal matters such as adoptions, marriages, wills and estates, corporate approvals, and similar civil issues requiring judicial oversight or sanction; and
- ◆ to serve the role, in a tripartite system of governance, as a check and balance in relation to the executive and legislative branches of government

These purposes are often interrelated in their intent and overlapping in their application by the courts. The judicial system plays an integral role in local government's exercise of police power -- not just in the restricted sense of law enforcement, but in the broader sense of providing for the general welfare of the community. Judicial services are very much related to other public services provided in the region such as police services, zoning and other land use services, and social services.

The judicial system plays an integral role in local government's exercise of police power.

While courts represent a definitive governmental service operated exclusively by the public sector, this service has a direct role in the most private aspects of personal lives and relationships as illustrated by the four purposes listed above.

Governance Structure

It is impossible to understand the structure of courts within Erie County without reviewing the statewide hierarchy of courts as established in the State Constitution (figure 8-1). The following discussion of that system draws heavily upon materials provided by the Eighth Judicial District of New York State. New York State is essentially divided into eight judicial districts. Erie County is one of eight counties (Allegany, Cattaraugus, Chautauqua,

Erie, Genesee, Niagara, Orleans, and Wyoming) included in the Eighth Judicial District. The population of the district is approximately 1.7 million people, over half of whom reside in Erie County.

Erie County is one of eight counties (Allegany, Cattaraugus, Chautauqua, Erie, Genesee, Niagara, Orleans, and Wyoming) included in the Eighth Judicial District of New York State.

The highest state court is the Court of Appeals located in Albany. The next level under the Court of Appeals is the Appellate Division which is divided into four departments. The Eighth Judicial District is included within the Fourth Department, located in Rochester. The City of Buffalo is the primary, but not the only,

site for the next level, the Supreme Court or trial level court within the Eighth Judicial District. Supreme Court Justices conduct most trials, both civil and criminal, in the courtrooms located in Buffalo but the Supreme Court also meets in each of the eight counties included within the Eighth District.

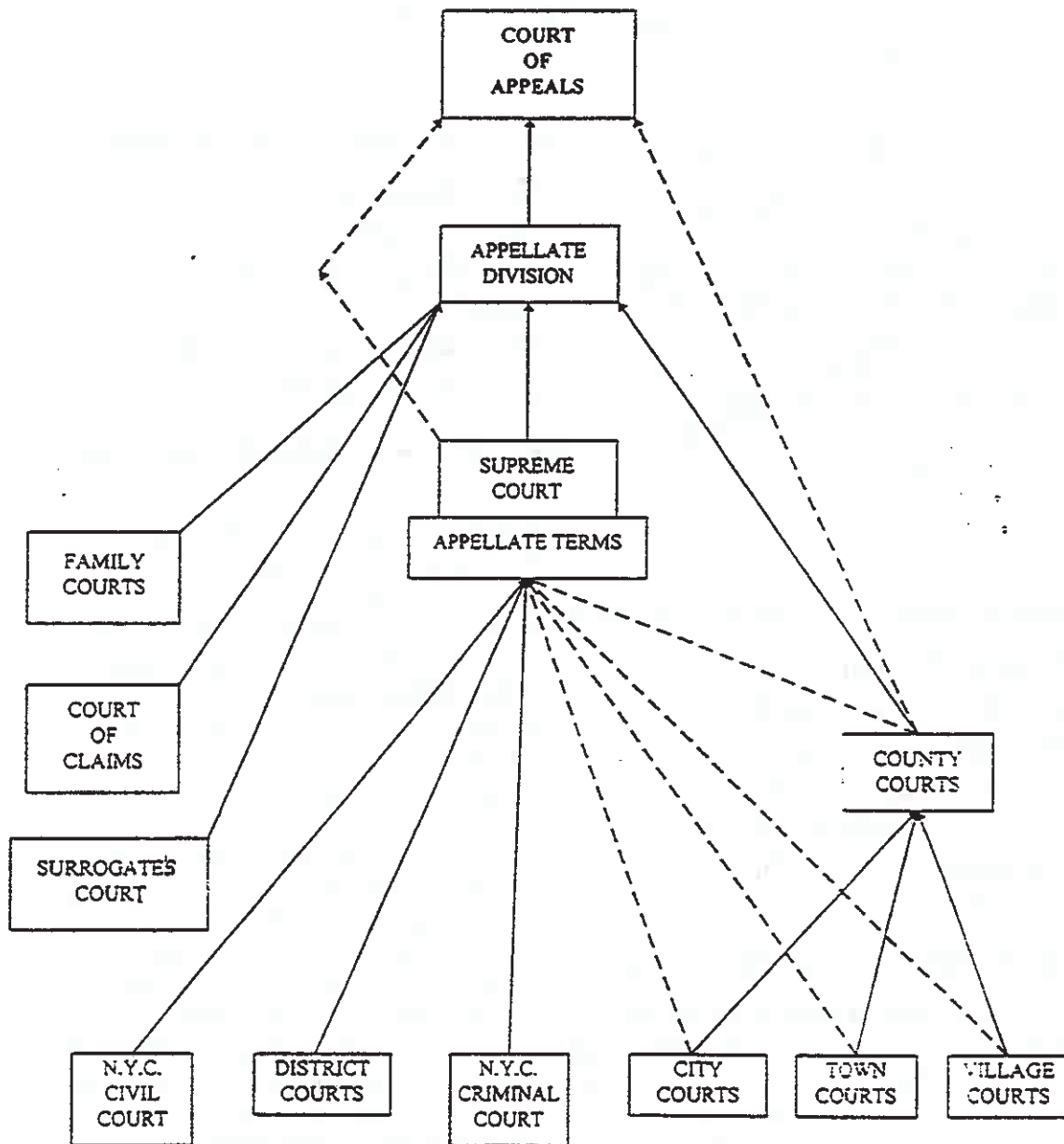
Also within Erie County and each of the counties within the Judicial District are the County Court, Family Court, Surrogate's Court, and City Courts. Each of these is funded by the State of New York except for the physical facilities. Judges or justices of these courts total 84 in the Eighth Judicial District and nonjudicial personnel total approximately 591.

Town and Village Courts included within this structure have a definite place in terms of jurisdiction and function in the judicial hierarchy, but are funded and operated by the individual municipalities. There are approximately 350 justices of Town and Village Courts in the Eighth Judicial District, of which 74 are located within Erie County. Currently, each of the 25 towns and 13 of the 16 villages maintain a justice court, most with more than one judge. It is not mandatory that a municipality maintain a justice court and, indeed, the Village of Sloan in Erie County recently announced that it intended to discontinue its Village Court. This model of municipal courts is in contrast to a system of District Courts on Long Island (Nassau and Suffolk Counties) wherein such courts are essentially merged into area or regional courts with jurisdiction over a multi-municipal region.

It is not mandatory that a municipality maintain a justice court and, indeed, the Village of Sloan recently announced that it intended to discontinue its Village Court.

Figure 8-1

THE COURT SYSTEM



Source: Eighth Judicial District of New York State

Pursuant to the State Constitution, the Court of Appeals and Appellate Division hear appeals from lower court; the Supreme Court tries both criminal and civil cases over certain jurisdictional limits; the Family Court tries family and domestic relations cases; the Surrogate's Court tries estate matters; and City, Town, and Village Courts try criminal, small claims, landlord-tenant, housing, and other civil matters within certain jurisdictional limits.

Administrative services for the Eight Judicial District are located in Buffalo. The administrative office is responsible for budget and financial management, human resource administration, and trial court management, including jury operations, law libraries, and court security. On a statewide basis, the Office of Court Administration is responsible for administrative functions of the courts.

Evolution of Governance Structure

The governance structure for the courts is established in great detail in the Constitution of New York State. Article VI, entitled "Judiciary," is many times the length of the Judiciary section of the United States Constitution. Some argue that the state has chosen to constitutionally micro-manage the courts, as opposed to leaving the detail to statutory provision.

The primary question raised in recent decades is whether and how the structure of the courts should be altered and simplified to minimize confusion and promote efficiency.

Although procedures and details of the judicial system have been altered throughout the state's history, the basic role of the courts within the society and governance structure has remained fundamentally the same. The primary question raised in recent decades is whether and how the structure of the courts should be altered and simplified to minimize confusion and promote efficiency.

In the 1970s and 80s a very aggressive effort was begun to bring about a merger of courts throughout the state to effectively combine all trial level courts into the Supreme Court level.

In the 1970s and 1980s a very aggressive effort was begun to bring about a merger of courts throughout the state to effectively combine all trial level courts into the Supreme Court level. Necessarily, this

effort has been pursued through the vehicle of a proposed amendment to the State Constitution. While considerable support continues to exist for a simplification of the court system, the effort has been slowed by at least two factors: (1) concerns as to the "generalist" approach of a merged structure on such issues as welfare of children (currently handled by a "specialist" approach in Family Court) or wills and estates (currently handled exclusively by the Surrogate's Court); and (2) the fact that the merger proposal was frequently linked to another, more provocative, constitutional proposal for appointment, rather than election, of trial judges.

Due to the constitutional basis of the judicial structure most potential changes to the structure of courts are not within the jurisdiction of local authorities to pursue and are inexorably tied to state initiative. Among possible exceptions to this rule are: (1) continual improvement of administrative procedures and policies at the Eighth District level within the limited framework allowed by the state; and (2) more effective collaboration between villages and surrounding towns as to Justice Court services.

Due to the constitutional basis of the judicial structure most potential changes to the structure of courts are not within the jurisdiction of local authorities to pursue and are inexorably tied to state initiative.

Financial Framework

Unlike most governmental services in the region, the State of New York fully funds the operations of all courts above the Town and Village Court level. All expenses of the courts, including judicial and non-judicial personnel, as well as Commissioners of Jurors' offices, law libraries, security, and similar services are paid for by the state, but are locally administered through the Judicial District. The 1994-95 budget for the Eighth Judicial District is approximately \$42 million. Court security costs of about \$6 million represent the largest non-personnel expenditure.

There is a genuine incentive in the plea bargaining process for municipal Justice Courts to reduce a Vehicle and Traffic charge from a moving violation to a parking violation in that the locality is able to retain the fine for a parking offense.

Court facilities, including maintenance of such facilities, are the responsibility of the localities. The condition of these facilities is monitored by the state through the District Administration, but the facilities and upkeep are not paid for by the state. In the Eighth Judicial District, there are 30 buildings total, some of which do not meet state standards for court facilities.

It is a particular point of controversy within Erie County that the state, through the Office of Court Administration, has required improved court facilities but the county has not yet met the

state deadline for submission of a proposal for a new facility. At the end of 1994, a local advisory committee established by the Erie County Legislature submitted a proposal to the State Legislature which was not accepted. More recently the County Legislature has been unable to secure the site it selected for construction of the new court facility. Compounding the complexity of the issue are objections from the City of Buffalo to the particular site selected by County Legislators. The court facility picture remains clouded as Erie County faces a state deadline for a facilities plan extended to July 1995.

Revenues generated by the courts include bail, various fees, and fines. Such revenues in the Eighth Judicial District total approximately \$14 million and are also monitored by the District Administration. At the Town and Village Court level, a particularly interesting factor is the division of fines between the municipality and the state, depending of the nature of the offense. There is a genuine incentive in the plea bargaining process for municipal Justice Courts to, for example, reduce a Vehicle and Traffic charge from a moving violation to a parking violation, for which the locality may retain fines. Indeed, this source of municipal revenue amounts to many thousands of dollars in smaller towns and villages, and hundreds of thousands of dollars in larger towns such as Amherst.

Governance Issues

Although severely restricted by the statewide constitutional structure for the judicial branch of government, there nevertheless exists a series of important issues pertaining to court services in the Western New York region and Erie County in particular.

Such issues include: the role of area governments and institutions in promoting or discouraging proposals for a fundamental restructuring of the courts on a statewide basis through constitutional reform; efficient administration of area courts through continual efforts of the District Administrative Office; possible consolidation or collaboration among Town and Village Courts in the region; and possible changes in respective mandates, responsibilities, and revenues among the different courts as they are currently constituted.

In the Long Island model the principle of efficiency through municipal collaborations has been taken to a more dramatic extent with the District Court structure utilized in lieu of town and village courts altogether.

As noted earlier, the Village of Sloan recently announced it will be discontinuing its Village Court and essentially consolidating judicial services with the surrounding Town of Cheektowaga. Some other Village Courts maintain their own Village Justice, but rely on facilities and staff from the town. Similar to the broad range of village and town services, the courts are an example of a governmental function that should be examined from the perspective of increased efficiency through possible municipal

collaborations. In the Long Island model this principle has been taken to a more dramatic extent with the District Court structure utilized in lieu of Town and Village Courts altogether.

In 1993, Justice James B. Kane, Administrative Judge of the Eighth Judicial District, established a Judicial Advisory Council to examine a broad range of issues of efficiency, quality, and service delivery of the court system. This Council has been perpetuated under the new Administrative Judge, Vincent Doyle. This forum has the potential to serve an exceedingly valuable function in pursuing a deliberate, comprehensive analysis of the series of issues outlined above.

Service Profile #13:

Social Services

Overview

Social services constitute society's "safety net" for persons in need. In recent years the degree to which the public sector, as opposed to private or nonprofit providers, weave this net has become a lightning rod in debates over the proper role of government in society. The debate raises fundamental questions: what should be the nature and extent of aid to the poor? how should social services fare relative to other services in the allocation of scarce tax dollars? which level of government -- federal, state, or local -- should have control over and pay for aid to the poor? how should society divide responsibility for social service provision by location, income, or other attributes of persons and places?

The intertwining of moral duty and economic pragmatism provides the rationale for public provision of social services.

Most residents and officials agree that there is a role for government in aiding society's neediest residents. There are two key rationales for such involvement: first, that society through its governments has a moral obligation to care for those in need; and second, that providing for the needy today prevents more costly and socially divisive problems tomorrow. The

intertwining of moral duty and economic pragmatism provides the rationale for public provision of social services.

A wide variety of functions and programs falls under the social services rubric. Garnering most media and popular attention is public assistance for the poor, known widely as "welfare." Social services programs also include aid to the disabled, youth, elderly, at-risk, battered, homeless, educationally disadvantaged, orphaned, and victims of disasters.

Governance Structure

The structure of social services delivery in Erie County is a mixture of centralized, county-provided services, and decentralized municipal, private, and nonprofit providers.

Erie County, as an administrative arm of state government, bears primary responsibility for most public social services programs. Through the Department of Social Services, the county government delivers public assistance (which includes Aid to Families with Dependent Children (AFDC) and Home Relief), food stamps, and other income supplement programs to qualifying residents and families. The department also offers rape

and sexual assault counseling, homeless assistance, and programs to address child abuse. The Office of the Disabled operates programs to help those with physical or mental disabilities. Erie County also operates social service programs through the Department of Senior Services (food for the homebound, transportation, and other senior services), Department of Veterans Services (counseling and assistance), and Department of Youth Services (programs addressing high school dropouts, youth unemployment, teen pregnancies, runaways, and drug and alcohol abuse).

As of January 1995, Erie County funded over 20,000 AFDC cases (60,000 recipients), nearly 12,000 home relief cases (13,400 recipients), 46,000 Medicaid-only cases (58,000 recipients), and nearly 27,000 food stamps cases (51,000 recipients) (map 8-14). These levels represent approximately 3.5 percent increases over 1992 levels, except for Home Relief cases, which were down around 3.5 percent.

As of January 1995, Erie County funded over 20,000 AFDC cases (60,000 recipients), nearly 12,000 home relief cases (13,400 recipients), 46,000 Medicaid-only cases (58,000 recipients), and nearly 27,000 food stamps cases (51,000 recipients).

A disproportionate number of these cases are in the City of Buffalo (map 8-15). Although Buffalo residents comprise around one-third of the county population, they represent approximately two-thirds of food stamp and Medicaid-only cases, and over four-fifths of area AFDC and Home Relief cases. In absolute terms, the largest number of public assistance

Although Buffalo residents comprise around one-third of the county population, they represent approximately two-thirds of food stamp and Medicaid-only cases, and over four-fifths of area AFDC and Home Relief cases.

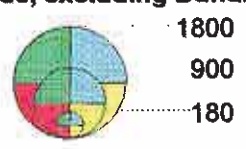
cases fall within two zip code areas on Buffalo's east side (14211 and 14215, bounded approximately by Harlem Road on the east, Humboldt Parkway on the west, Winspear Avenue on the north, and the NY Central and Erie Lackawanna railroad lines on the south), and one zip code area on Buffalo's west side (14213, bounded by Richmond Avenue on the east, the Niagara River on the west, Scajaquada Expressway on the north, and Porter Avenue on the south).

Supplementing the centralized provision of social services by Erie County government is a highly decentralized

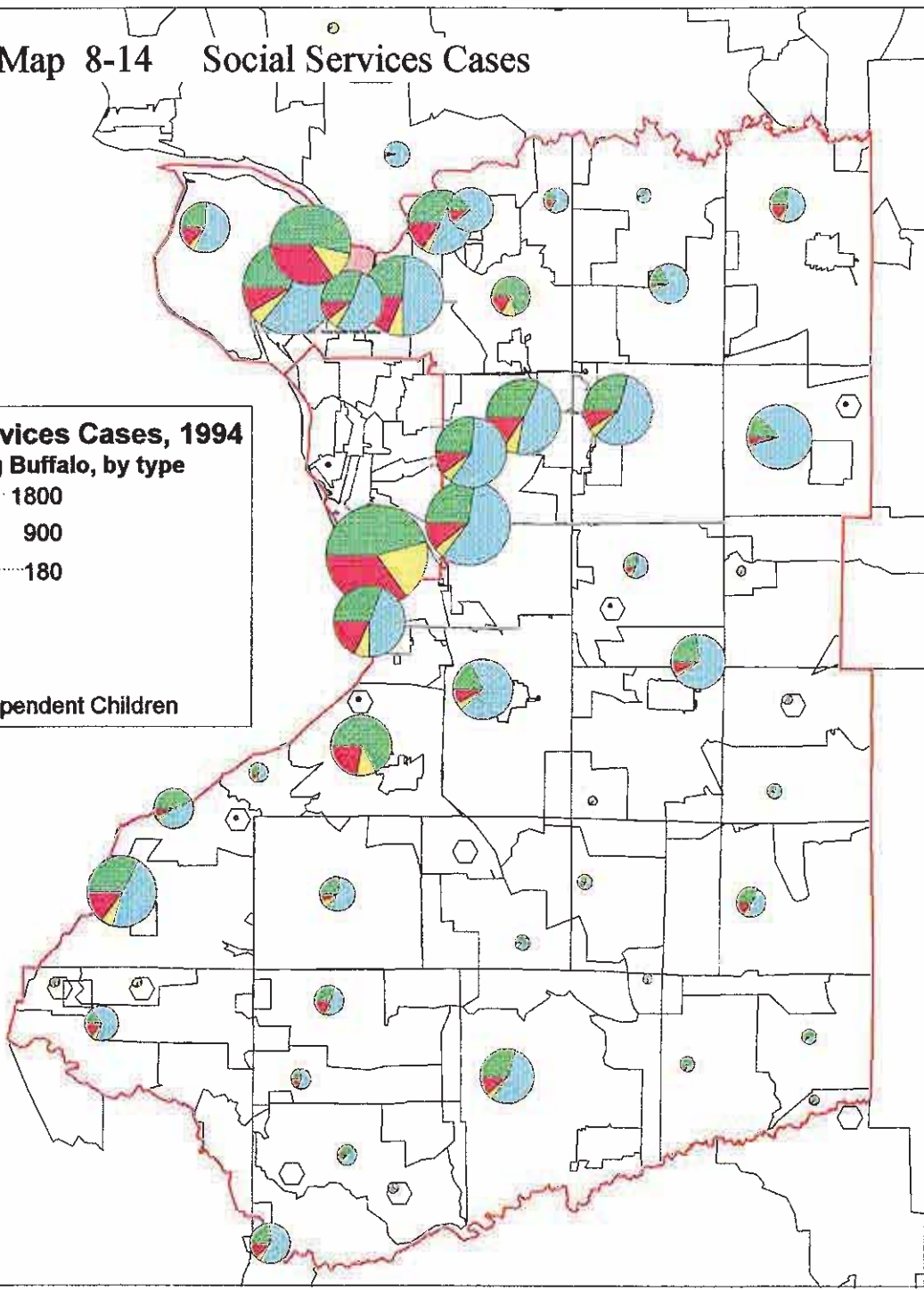
network of municipal, nonprofit, and private agencies. Municipal provision focuses on programs for seniors (operation of senior centers, administration of meals-on-wheels, and senior outreach services) and youth (operation of youth bureaus, which offer services ranging from midnight basketball to job counseling). Other municipal initiatives include reading centers, adult counseling services, drug abuse centers, and veterans services.

Map 8-14 Social Services Cases

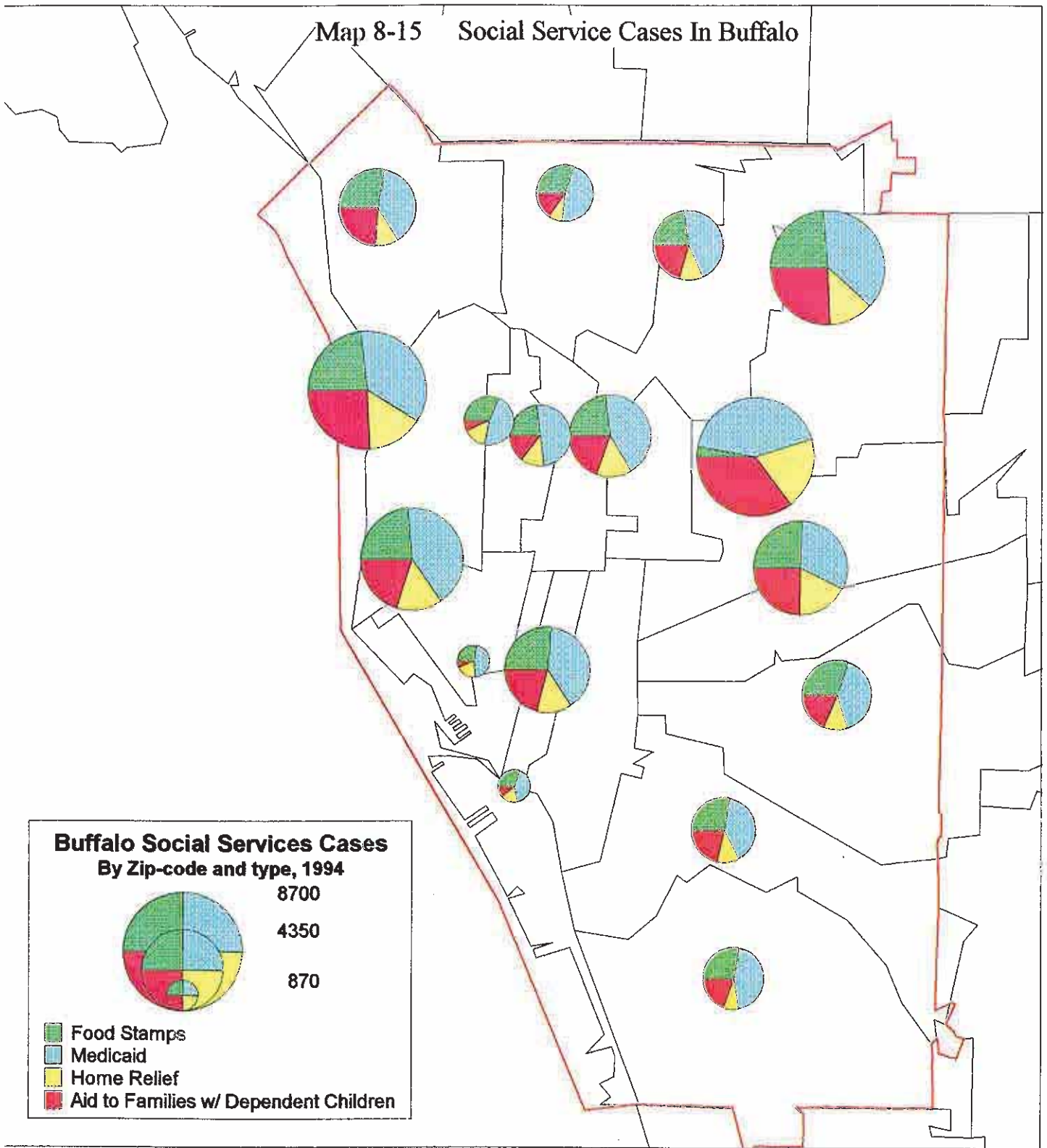
Erie County, Social Services Cases, 1994
By Zip-Code, excluding Buffalo, by type



- Food Stamps
- Medicaid
- Home Relief
- Aid to Families w/ Dependent Children



Map 8-15 Social Service Cases In Buffalo



Private and nonprofit social services agencies in the region are large in number and wide-ranging in function. The scope of services is evident from a small sample of private and nonprofit providers: the Western New York Independent Living Center, Friendship House, Suburban Adult Services, Parents Anonymous, Catholic Charities, Salvation Army, Blind

Private and nonprofit social services agencies in the region are large in number and wide-ranging in function.

Association of Western New York, Travelers Aid Society, Erie County Special Olympics, Child Care Coalition, Housing Assistance Center, Hispanos Unidos de Buffalo, Gateway Youth and Family Services, the Food Bank of Western New York, and the YWCA of Western New York. The State Employees Federated Appeal Campaign lists over 300 agencies in

the region, not counting hundreds of religious and neighborhood organizations that operate social programs for their congregations, residents, and the public at large.

Coordination between public, nonprofit, and private agencies is a major undertaking and concern. A recently released community-wide needs assessment of the county sponsored by the United Way of Buffalo and Erie County and several area foundations identified the need for far greater coordination, communication, collaboration, and possibly consolidation among human services agencies. Turf battles over clients and funding are common. Because need for assistance often spans health, counseling, education, human services, and employment assistance, the existence of functionally specialized agencies hampers a holistic approach to human service delivery. Although targeting of clients based on age, gender, income, disability, place of residence, or other attributes theoretically reduces duplication of service, in practice competition and overlap exist. In fact, the plethora of human services agencies has itself given rise to the Central Referral Service, an organization devoted to directing potential clients to the appropriate public, private, and nonprofit providers.

The plethora of human services agencies has itself given rise to the Central Referral Service, an organization devoted to directing potential clients to the appropriate public, private and nonprofit services providers.

Evolution of Governance Structure

Social services provision in Erie County, as elsewhere, was historically the purview of private individuals, families, communities, churches, and charities. Local charities in the first half of the nineteenth century typically drew upon religious and political conviction to energize their efforts. In this region, for example, social services providers saw it as their duty to convert Seneca natives to Christianity, assist immigrants with job finding and language learning, aid fugitive slaves, and persuade alcohol drinkers of the moral rightness of temperance.

Industrialization, urbanization, and boom-bust cycles in the second half of the nineteenth century broadened the need to aid laborers, immigrants, and long-time residents. Religious and philanthropic societies, including the Charity Organization Society, and the

Public debate in the late 1800s over whether the poor were deserving and whether poverty was attributable to economic hard times or the bad habits of the poor themselves, sounded themes still heard today in local deliberations on social services programs.

Children's Aid and Society for the Prevention of Cruelty to Children, responded. By the late 1800s there were over 50 active social services groups in Erie County. Not all agreed that "giving alms" to the poor was wise social policy. Public debate over whether the poor were deserving and whether poverty was attributable to economic hard times or the bad habits of the poor themselves sounded themes still heard today in local deliberations on social services programs.

Although charity remained primarily a private philanthropic concern until well into the 1900s, the public sector was not absent from the social services scene. Two

public institutions of particular importance were the Buffalo Insane Asylum in west Buffalo, and the Buffalo Almshouse (today the County Home and Infirmary in Alden), located on what is today the Main Street Campus of the University at Buffalo.

The public sector's ascendance as a primary social services provider came about in the 1930s as a result of the Great Depression. At first municipal governments in Erie County plugged the economic gaps through food banks, shelters, and ambitious public works projects that provided jobs for many. As economic depression persisted, however, municipal governments came under severe fiscal stress, preventing them from casting a sufficiently wide and strong safety net to meet area needs. The state and federal governments and, as their agent, county government, assumed responsibility for funding and administering numerous social services programs, many of them New Deal initiatives of President Franklin D. Roosevelt. Incapable of maintaining its social services efforts, the City of Buffalo transferred two programs, relief services and Meyer Memorial Hospital (now Erie County Medical Center) to Erie County government.

In the 1930s, as a result of the Great Depression, the state and federal governments and, as their agent, county government, assumed responsibility for numerous social services programs, many of them New Deal initiatives of President Franklin D. Roosevelt.

Today the county-centered structure of public assistance persists, as does the involvement of private and nonprofit social services organizations.

Financial Framework

Although the wide variety of public, private, and nonprofit producers make it impossible to ascertain a total dollar amount expended on social services functions in Erie County, it is clear that social services are one of the largest areas of public service expenditures. The magnitude of expenditure and the fact that many social services are mandated by the state is a source of continuing controversy in Erie County and elsewhere.

Sometimes overlooked in this controversy, however, is that human services delivery provides significant support not only in direct aid to program recipients, but also in indirect aid to the hundreds of employees working in public, private, and nonprofit social services agencies.

The magnitude of social services expenditures and the fact that many expenditures are mandated by the state is a source of continuing controversy in Erie County and elsewhere.

In fiscal year 1993-94, \$440 million, or 44 percent, of the \$1 billion budget of Erie County was devoted to social services programs. Approximately 83 percent of this expenditure provided direct assistance, primarily payments through AFDC, Medicaid, Home Relief, and Food Stamps. Another \$60 million (14%) went to program administration, of which \$40 million was for personnel. The remaining 3 percent of the social services budget was allocated to contractual agencies, service charges, and miscellaneous expenditures.

Sometimes overlooked is the level of indirect aid to the hundreds of employees working in public, private, and nonprofit social services agencies. In 1993-94 over \$40 million went to social services employees in Erie County government alone.

Approximately one-third of the cost of mandated public assistance programs is reimbursed by federal contributions, with much, though not all, of the remainder reimbursed by the New York State Department of Social Services. As

discussed in chapters 6 and 7, the extent and cost of mandated services is a longstanding source of tension between the state and county governments and a major drain on the budget of Erie County.

Beyond state funds, revenues for social programs come from property and sales taxes, grants, and private donations. Depending on the program, there may also be user fees for service. The United Way of Buffalo and Erie County and the United Way of the Tonawandas (which includes some territory in Erie County) assist with the allocation of donations to area social service agencies. Recent and projected cutbacks in public funding for social services

has prompted many to step up efforts to solicit funds from private donors. Whether the region will be able to make up the difference through volunteer contributions is unclear.

Cutbacks in public funding for social services agencies has prompted many to step up efforts to solicit funds from private donors. Whether the region will be able to make up the difference through volunteer contributions is unclear.

Governance Issues

Social services provision raises four issues of local governance.

1. A sizeable and growing percent of Erie County's budget -- upwards of 40 percent -- is devoted to social services. This has three implications. The first is its indication of the extensive need for basic human and other services within the county. The second is the magnitude of the costs to provide a safety net for area residents. The third is the reduction in flexibility for area policymakers who must make tough choices about competing demands for scarce financial resources. For these reasons, social services have become a touchstone for proponents of tax relief and smaller government.

2. In a related vein, there is immediate need to reconsider the division of responsibility between the state and county government in social services provision. Because it challenges local autonomy and demands such a large portion of local budgets, state-mandated provision of social services remains a source of ongoing tension between state and local governments. It is unclear how recent political shifts toward block grant funding will alter the nature, extent, and rules for social services responsibilities. Most likely, however, decentralization of responsibilities may facilitate significant paring down or dismantling of specific social services programs. We can anticipate at the state-local government intersection the same kinds of battles currently being fought at the federal-state government intersections.

Upwards of 40 percent of Erie County's budget goes to social services programs, a measure of the level of need and the sheer costs of providing a safety net.

3. The large number of often competing public, private, and nonprofit human services providers hampers a comprehensive, integrated approach to social services delivery. Persons needing social services assistance often require a range of health, counseling, and job-related services. Although the large number of agencies providing such services signals potentially extensive assistance to clients, the decentralized and functionally specialized array of agencies is often confusing and counterproductive. Private and nonprofit providers find themselves competing for clients and scarce public and private funds. Rationalizing social services delivery through greater communication, centralization, and consolidation would generate economies of coordination to the benefit of clients and taxpayers. There is need to heed the call of area social services experts to provide incentives for greater interagency collaboration and coordination.

4. Increased demand for social services in suburban areas provides an opportunity for area residents and policymakers to confront issues of class, race, and geography that have divided the region in the past. Because social services provision is by nature redistributive, it raises sensitive issues of social and fiscal equity along class lines. As the demographic profile in this report indicates, the distribution of persons living below the poverty line is geographically uneven, with the most extensive poverty in the cities, followed at some distance by rural areas, with a band of affluence in suburban areas. The lopsided geographic distribution of need has traditionally pitted city and, to a lesser extent, rural residents against suburban residents who resist extensive funding of nonsuburban poor. Compounding social tensions is the reality that because the large majority of city poor are disproportionately black and Hispanic, class issues are race and ethnicity issues. Because of geographic segregation, race and class issues are in turn city-suburban issues. The decentralization of poverty into suburban areas may open the way not only for collaborations in social services programming, but also for frank and useful discussions of class, race, and regional identity issues.

5. Finally, it is essential to close the door on abuse of the social services system. Periodic revelations of social services "scams," from illegal collection of public assistance funds to food stamp fraud, damages the reputation of programs and stigmatizes those receiving public assistance. As a consequence, social services programs become the scapegoat for popular anger over government waste and bureaucratic inefficiency, which erodes public support and complicates and politicizes necessary efforts to reform the system. Continued vigilance in improving the integrity of public assistance programs is critical and has important long-term benefits for the region.

Social services become the scapegoat for popular anger over government waste and bureaucratic inefficiency, thereby complicating and politicizing reform efforts.

Service Profile #14:

Health Services

Overview

Good health is fundamental to all persons, young and old, rich and poor, city, suburban, and rural dweller. Like public safety and welfare, public health is a basic responsibility of government.

As with social services, however, how governments carry out their mission to protect public health is a subject of considerable debate. Few would disagree that government has a central role in health care, given that germs, viruses, and contamination do not stop at political borders. Yet, as ongoing debates in the U.S. Congress over health care indicate, the nature of that role is hotly contested.

Health services fall into four main categories:

- ◆ family health (primary and preventive services, dental care, prenatal care and family planning, and nutrition);
- ◆ mental health care;
- ◆ public disease control (communicable diseases, sexually transmitted diseases, immunization, HIV, chronic diseases); and
- ◆ environmental health (quality of public water supply, animal control, lead poisoning, sanitary inspection of food-serving facilities).

The public sector generally restricts its responsibilities for the first two categories to lower-income persons. It assumes most policy and implementation responsibility for the latter two categories.

Governance Structure

The structure of public sector health service provision in Erie County follows the model of social services. Most public responsibilities are centralized at the county level, with supplemental services provided by municipalities, private, and nonprofit producers. Erie County takes the lead on areawide public disease control and environmental health services. The primary exception is animal control services, which are decentralized at the municipal level.

New York State, through the State Sanitary Code, regulates public health services to a high degree relative to other public sector services. In addition, the New York State Health Department sets standards and procedures to be followed by local health departments. Federal involvement comes in several forms, including environmental health standards

Most public health functions are centralized at the county level, with supplemental services provided by municipalities, private and nonprofit entities. The primary exception is animal control, which is a municipal responsibility.

promulgated by the Environmental Protection Agency, and Medicare and Medicaid program standards.

Direct providers of county health services are the departments of Health and Mental Health, the Erie County Medical Center (ECMC) and Erie County Home. Indirect provision of health services occurs through the county departments of Social Services and Youth Services, which contract for services with private or nonprofit providers.

The county operates an extensive system of health infrastructure. The most prominent facilities are the 550-bed ECMC, the second largest hospital in the county following Buffalo General, and the Erie County Home, a residential nursing home located in the Village of Alden. The Erie County Health Department also operates a sexually transmitted disease clinic in downtown Buffalo, three community health centers (Lackawanna, Women and Children's West Side (formerly Roberto Clemente), and Dr. Matt Gajewski), and a tuberculosis clinic at ECMC. Partial operation of a fourth county health center, Jesse E. Nash, was recently transferred to the nonprofit Geneva B. Scruggs Center.

Supplementing county health services are numerous public, private, and nonprofit health facilities. Hospital and medical clinic facilities in Erie County (map 8-16) include (number of beds as of early 1995 shown in parentheses):

- 15 area hospitals:

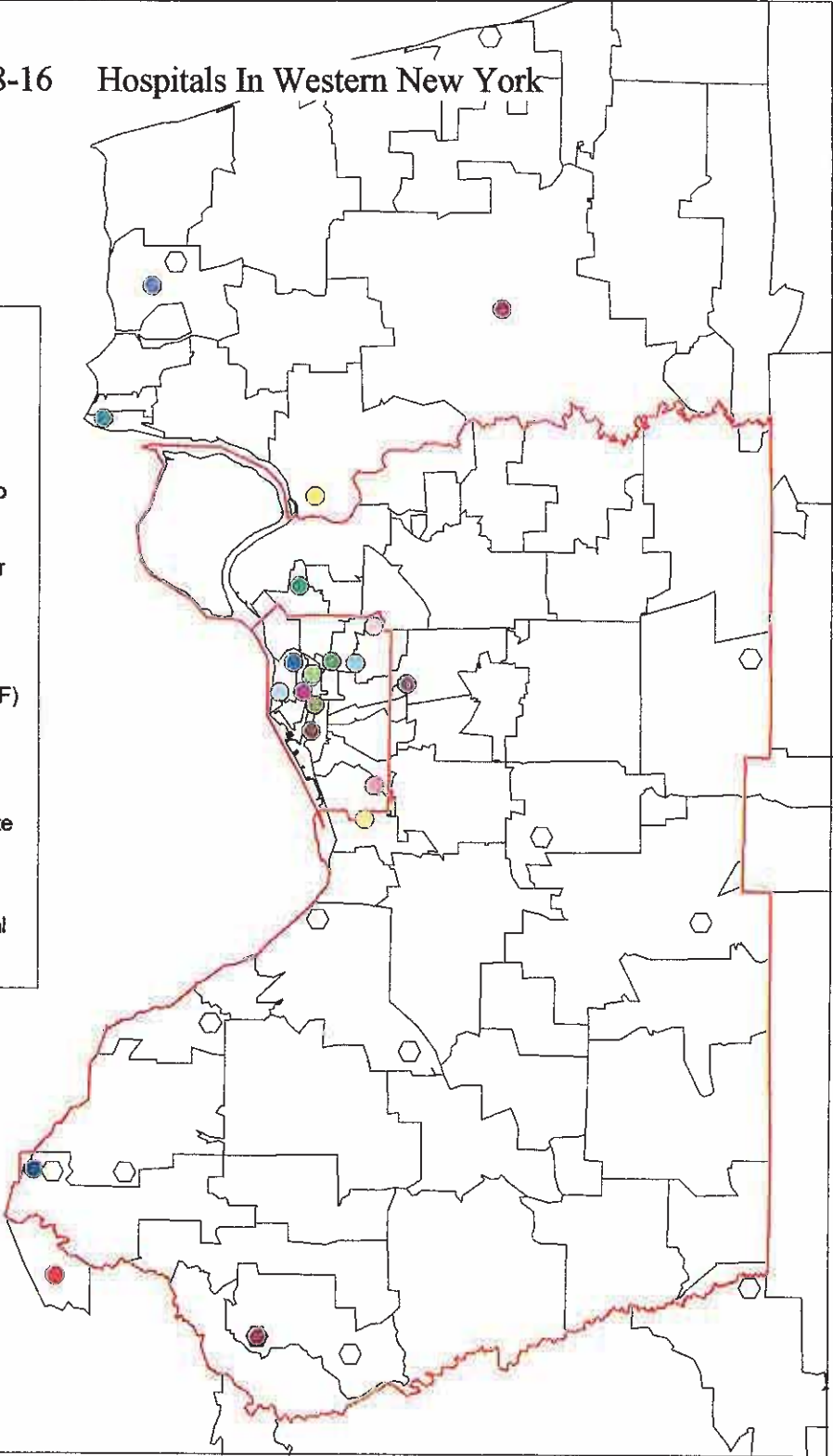
11 in the City of Buffalo: Buffalo Columbus (56; recently announced a merger with Buffalo General), Buffalo General (742), Children's (313), Kenmore Mercy (219), Mercy (423), Millard Fillmore (400), Roswell Park Memorial (218), Saint Francis, Sheehan Memorial (92), Sisters of Charity (436), and Veterans Administration (490);

1 each in the Village of Springville: Bertrand Chaffee (42); Village of Williamsville: Millard Fillmore Suburban (188); City of Lackawanna: Our Lady of Victory (242); and Town of Cheektowaga: St. Joseph Intercommunity (208); and

- several medical centers, including Family Medicine Centers (Deaconess Center, Humboldt, Buffalo) and Northwest Buffalo Community Health Center, Black Rock Medical Center, and Geneva B. Scruggs Center, all located in Buffalo.

Map 8-16 Hospitals In Western New York

- Major Hospitals
By Zip-Code**
- Brooks Memorial Hospital
 - BryLin Hospitals
 - Buffalo Psychiatric Center
 - Children's Hospital of Buffalo
 - DeGraff Memorial Hospital
 - Erie County Medical Center
 - Gowanda Psychiatric Center
 - Kenmore Mercy Hospital
 - Lake Shore Hospital
 - Lockport Memorial Hospital
 - Medina Memorial Hospital
 - Memorial Medical Center (NF)
 - Mercy Hospital
 - Millard Fillmore Hospitals
 - Mount St. Mary's Hospital
 - Our Lady of Victory Hospital
 - Roswell Park Cancer Institute
 - Sheehan Memorial Hospital
 - Sisters of Charity Hospital
 - St. Joseph Hospital
 - The Buffalo General Hospital
 - VA Medical Center (Buffalo)



The large majority of health facilities are located in the City of Buffalo: 11 of 15 hospitals, 3 of 4 community health centers, and most area medical clinic facilities.

As these lists indicate, the large majority of health facilities are located in the City of Buffalo. There are several reasons for this geographic clustering. The first is that to remain economically viable, large and specialized medical facilities require the high population bases that are historically found in central cities. A second reason is that once established in a central place, large health facilities act as a magnet for associated medical businesses

and services, a phenomenon known as agglomeration. Finally, once an agglomeration arises it tends to persist due to inertia. This is especially likely if the agglomeration entails expensive-to-relocate capital facilities, which is common in health care services. Reinforcing the agglomeration of health services in Buffalo are road networks and transit routes that make city locations relatively accessible compared to suburban locations for many regional residents.

In recent years changes in the health care industry and dispersal of population into suburban areas have prompted a proliferation of health care providers, particularly to meet personal health needs. Although health services remain centralized at the county level, there is an increasing number of independent public, private, and nonprofit facilities and operations that supplement county programs and major hospitals. Among these are:

Changes in the health care industry and dispersal of population into suburban areas have prompted a proliferation of health facilities, particularly primary care practices.

- municipalities, which operate clinics and programs for targeted populations such as pregnant teens;
- Native American Reservation Clinics;
- private medical doctors, dentists, and health maintenance organizations (HMOs) located throughout the region;
- nonprofit health providers, including the Red Cross, Independent Living Center, and Planned Parenthood;
- school-based health programs, including Head Start, cooperative education, and programs at area colleges and universities, public and private schools, and day care centers; and
- private and nonprofit associations affiliated with health research and education, including the Heart Association, Lung Association, Diabetes Association, Dietetic Association, and the Dairy Council.

Given the number of providers, health service delivery not surprisingly entails considerable interagency activity. Erie County, for example, operates a school-based dental program for the City of Buffalo. Erie County health clinics often refer clients to the American Red Cross for HIV testing. Sexually transmitted disease cases are routinely referred to private medical doctors or clinics at the University at Buffalo.

In response to interagency activity within Erie County facilities alone, ECMC officials recently proposed creation of a comprehensive county health network to be centered at

Complementary health services include Emergency Medical Services, adult forensics and psychiatric testing in criminal cases, recreation activities (pool safety, day camp inspections), school lunch programs, pollution control, water and wastewater treatment testing, and social services.

ECMC. Specific proposals include merging the County Home in Alden with ECMC's skilled nursing unit, transferring the county Health Department's home health agency to ECMC, and taking over management of the Matt Gajewski, Lackawanna, and Women and Children's West Side health centers.

There are also numerous inter-functional relations in the delivery of health services. Complementary services include Emergency Medical Services, adult forensics and psychiatric testing in criminal cases, recreation activities (pool safety, day camp inspections), school lunch programs, pollution control, water and wastewater

treatment testing, and social services. Accordingly, institutions involved in health programming coordinate closely with agencies of public safety, social services, environmental planning, infrastructure, and parks and recreation.

Evolution of Governance Structure

Like social services programs, health services in Erie County were once predominantly the responsibility of private individuals and charitable institutions. Devastating cholera epidemics, which struck the region in 1832, 1834, 1849, and 1866, ended public sector complacency in health care provision. Even before medical advances established the connection between unsanitary conditions and the spread of contagious diseases, local officials began addressing environmental (rather than social) factors as causes of disease. Municipalities undertook to clean the cities by providing garbage collection, water, and sewer services.

Devastating cholera epidemics, which struck the region in 1832, 1834, 1849, and 1866, ended public sector complacency in health care provision.

In the early 1900s, as urbanized areas became larger and denser with dwellings and industries, concern grew over residents' and workers' public health. Municipal officials, aided by private philanthropic and civic organizations, stepped up their public health efforts.

Public health officials have refocused attention on health concerns of people in addition to places. Increased incidence of teen pregnancy, drug use, alcoholism, and AIDS has prompted education programs and efforts to counsel and rehabilitate those needing assistance.

Among these efforts were road paving, sewer construction, and installation of drainage courses. The most notable attempt to improve public health came in 1919 with the Eighteenth Amendment, known as Prohibition, which outlawed alcohol sale and consumption. Difficult to enforce and unpopular in the urban centers, Prohibition had an insufficient following to either curtail alcohol consumption or remain on the books. It was repealed in the mid-1930s.

County involvement in health services began in earnest in the 1930s when the fiscally strapped City of Buffalo transferred Meyer Memorial Hospital, today

the Erie County Medical Center and the Erie County Home.

A new set of public health concerns related to environmental issues emerged in the late 1950s and 1960s. Although the quality of air and water had long been a concern to public officials, discoveries of contaminated soils and water supplies in the region prompted stronger legislation to combat environmental health problems. Heightened concern over the disposal of hazardous and medical wastes has led to additional regulations in these areas.

Most recently, public health officials have refocused attention on the health concerns of people in addition to places. Increased incidence of teen pregnancy, drug use, alcoholism, and Acquired Immuno-Deficiency Syndrome (AIDS) cases in the region has prompted public health education programs and efforts to counsel and rehabilitate those needing health assistance.

Financial Framework

As of 1993-94, nearly one-quarter of the \$1 billion budget of Erie County government was devoted to health services. Of this, ECMC accounted for 16.5 percent of total expenditures, Erie County Home, 3.2 percent, and other health programs 4 percent.

As of 1993-94, nearly one-quarter of the \$1 billion budget of Erie County government was devoted to health services.

Both ECMC and the Erie County Home are enterprise funds, which implies financial self-sufficiency. Both entities, however, have required additional funds from the county in recent years in order to balance their budgets. The revenue shortfall in 1994 was over \$14

million for ECMC (out of a \$165 million budget), and nearly \$2 million for Erie County Home (out of a \$32 million budget).

Other revenues for public health programs come from patient fees (with the majority paid by Medicaid, Medicare, or other third party insurers), health permits (for environmental facilities, camps, and water systems), state aid for specific services (adult polio, physically disabled children programs, and certain public health programs), state grants, and laboratory tests fees. Private health facilities receive the bulk of fees from patients and insurers. Nonprofit entities rely on public and private grants, as well as charitable donations.

Of particular financial significance is the amount of local funds devoted to Medicaid, a mandated health program for the poor and disabled. The total Medicaid budget in Erie County is \$726 million, of which the local (county) share is approximately 20 percent, or \$138 million. Although the state and federal governments cover the majority of Medicaid costs (34% and 46%, respectively), the absolute level of local funding comprises nearly 14 percent of the entire Erie County budget. As such, Medicaid programs represent a considerable burden to Erie and other counties.

The total Medicaid budget in Erie County is \$726 million, of which the county share is approximately 20 percent, or \$138 million. This comprises nearly 14 percent of the entire county budget.

Governance Issues

Three health care issues merit further analysis.

Despite ongoing discussions of state takeover of local Medicaid costs, no formal proposals are currently pending. Pressure to reform state-local health financing arrangements will intensify and must be addressed.

arrangements will intensify and must be addressed.

1) The first is the magnitude of the financial burden for state-mandated Medicaid services. Although the federal government and New York State reimburse counties for most costs of Medicaid and other mandated health services, there remains a significant local share borne by county taxpayers. Despite ongoing discussions of state takeover of local Medicaid costs, no formal proposals are currently pending. Given projections of increased demand for long-term health care for the elderly and disabled, pressure to reform state-local health financing

2) The second issue relates to the geographic clustering of public health services in the City of Buffalo. Geographic centralization of health facilities has both positive and

Geographic centralization of health facilities contributes to Buffalo's emergence as a regional health center, but may leave rural and suburban patients underserved.

negative implications. On the positive side, geographic clustering contributes to Buffalo's emergence as a regional health center, particularly for specialized medical services. This has attracted new businesses in medical technology and complementary industries. On the downside, clustering restricts accessibility to health services of residents in outlying areas. Thus, although the location of hospitals and clinics mirrors the region's highest population

concentrations, centralization within the City of Buffalo may leave underserved the rural and suburban needy or elderly, cohorts whose numbers are increasing.

3) The third issue is the trend towards consolidation of health providers, especially hospitals. Health care experts argue that small hospitals can no longer survive as independent entities in an increasingly competitive health care industry. Small units cannot capture economies of scale nor bargain successfully with health maintenance organizations and large employers. Reflecting this trend, several area hospitals, including Buffalo General, Buffalo Columbus, and DeGraaf (in North Tonawanda, Niagara County) and Tri-Co Hospital in Gowanda (Cattaraugus County) are all owned and operated by General Care Corporation, a national health care provider. General Care also owns several nursing homes, home health services and other medical service corporations in the region. Only two area hospitals, Bertrand Chaffee and Sheehan Memorial have fewer than 100 beds. Proposals under consideration by Erie County to consolidate home health, skilled nursing and community health services under the auspices of ECMC are evidence of the pressure to find efficiencies in this increasingly competitive health care environment.

Health care experts argue that small hospitals can no longer survive as independent entities in an increasingly competitive health care industry. Consolidations are underway.

Service Profile #15:

Libraries

Overview

Library services are among the most valued and appreciated aspects of public local and regional governance in Western New York.

The circulation or "lending" of books to residents of the community is at the heart of services provided by libraries. It is important to understand, however, that today libraries provide a wide breadth of information resources and services including reference and other research materials, magazines, videos, educational presentations and services, mobile units, special materials for blind consumers, and computer resources in addition to lending books.

In this age of the information society, libraries are understandably viewed as playing a critically important role in the education, work, and recreation of our population. They are repositories of public information in a time when such information is of enormous significance. Several issues and controversies, however, hamper libraries' ability to most effectively fulfill that role.

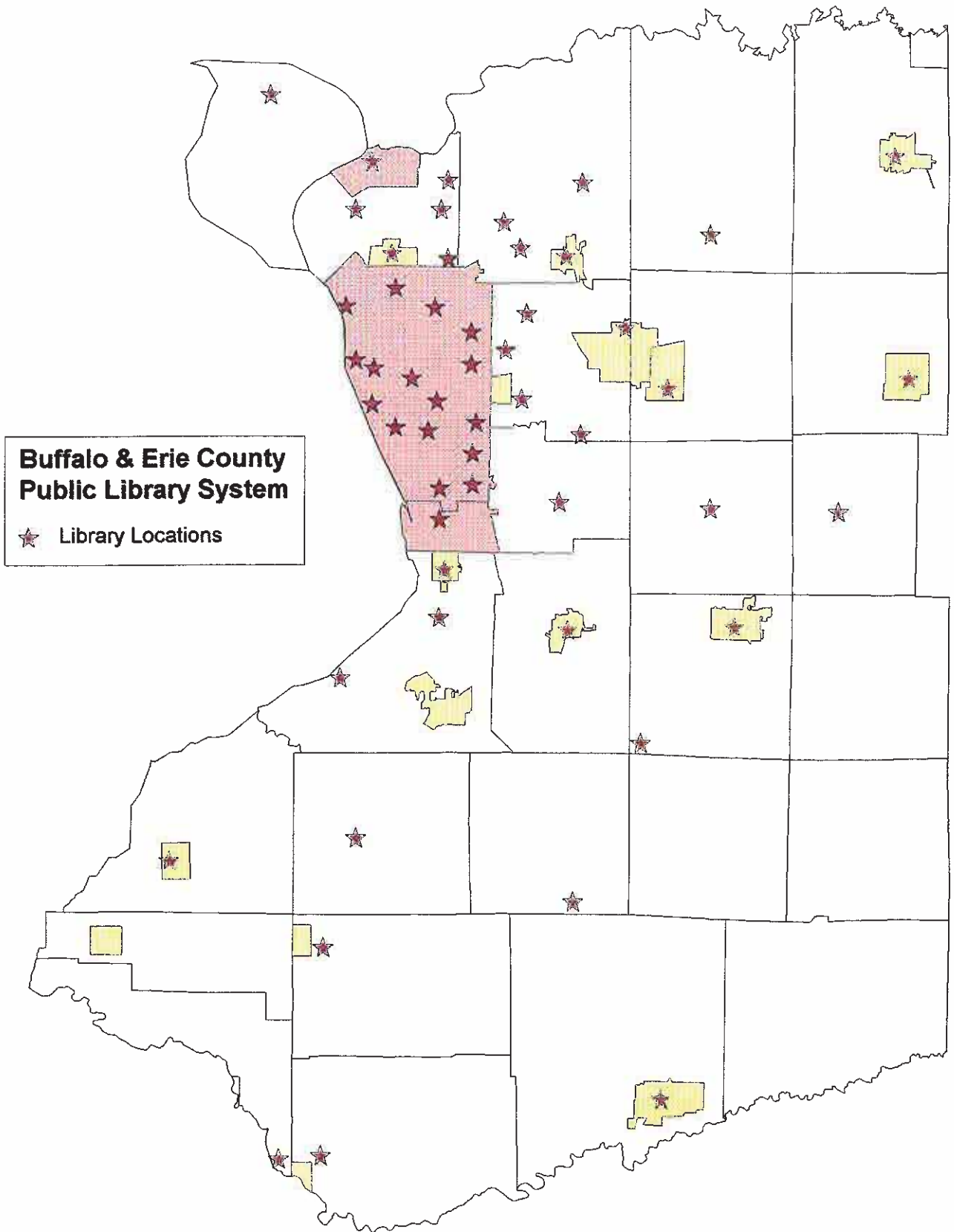
In addition to lending books, libraries provide a wide breadth of information resources and services including reference and other research materials, magazines, videos, educational presentations and services, mobile units, special materials for blind consumers, and computer resources.

Governance Structure

The public libraries in Erie County are a part of the Buffalo and Erie County Public Library system -- one of the largest of the 23 such library systems in New York State. Each member library is a member of the Western New York Library Resources Council. Also located within Erie County are several academic and special libraries, which are not part of the public system.

The Buffalo and Erie County Public Library consists of the central library in Buffalo, 18 branch libraries in Buffalo, and 23 libraries within Erie County outside of the City of Buffalo (map 8-17). Many of the public libraries outside of the city are identified by the local municipality and include more than one branch.

Map 8-17 Public Library System



There are two types of public libraries in Erie County depending essentially on the entity formally organizing the library. Most are **municipal** libraries indicating that they were established or, in any case, subsequently taken over by action of a village, town, city, or county government. Others are **association** libraries indicating that they were created by a membership association. Both models are identified by the municipality they serve as their geographic base.

Academic and special libraries also contribute to the provision of library services in the region. Academic libraries include those at primary/secondary schools in the region and those located at the several institutions of higher education. Examples of special libraries in Erie County include the Eighth Judicial District Supreme Court Library located in the Erie County Courthouse, the libraries associated with individual museums, and the *Buffalo News* library. Academic and special libraries have varying degrees of public/private characteristics, including the mode of funding and availability of library materials to the public. Adding to the private dimension of library services are numerous small libraries, some of them impressive in targeted areas of interest, that exist in personal residences throughout the region.

Evolution of Governance Structure

Some libraries within Erie County have existed for over 150 years. Many were started on an informal or private basis by a local community or neighborhood before being formally assumed by the municipality. In 1947, the Erie County Public Library, a predecessor to the Buffalo and Erie County Public Library, was established among many of the local libraries within Erie County. By 1954 the current, more centralized model was formed and chartered by the New York State Board of Regents. Due largely to consequential issues between city libraries and member libraries in surrounding towns, this federated structure, outlined below, was controversial in the making and in many ways remains controversial today.

The Buffalo and Erie County Public Library is a **federated** system created by action of the county. Under this system, the member libraries retain their own charter. Three other systems of the twenty-three in the New York State follow the federated model, while most (15) are structured on a **cooperative** basis among autonomous member libraries. Of the remaining four in the state, three are **consolidated** systems which are chartered as a single entity under one Board of Trustees and one is a **co-federated** system indicating a confederation of different types.

In Erie County's federated structure, there is a Board of Trustees for the system and a Board of Trustees for each member library. Each member library annually contracts with the central library for various services, including circulation services and budgetary allocations. An organization called the

In Erie County's federated library structure there is a Board of Trustees for the system as a whole and a Board of Trustees for each member library.

Association of Contracting Trustees was recently formed by the member libraries in an effort to achieve a greater degree of leverage in annual contract negotiations with the central library.

The central library provides funding for a portion of the operations of member libraries while the local municipality or membership association provides for the library building and related capital needs. State aid, donations, and library fines also play a significant role in funding of the public libraries.

The federated system might be described as the "middle ground" between a consolidated and a cooperative system. As with most areas of middle ground, there is considerable tension between those advocating movement toward a consolidated system and those pushing a cooperative structure.

The federated system might be described as the "middle ground" between a consolidated and a cooperative system. As with most areas of middle ground, there is considerable tension between those advocating movement toward a consolidated system and those pushing a cooperative structure.

The resolution of a recent lawsuit over management and fiscal issues brought by the library system against Erie County has altered the management of the public library system. The court upheld the autonomy of the federated system, leaving the county with limited budgetary and auditing functions with respect to libraries. Although the full impact of the reorganization has yet to play out in terms of the relationship between the member libraries and the central library, one immediate implication has been a greater opportunity for the library system to elude county-level budget cuts and control its financial destiny.

The state government plays a significant role in library services primarily through the State Education Department. Through the Board of Regents, the department serves as a regulatory agency to charter individual libraries in the state, provide guidance and information services to libraries, and set certain standards for library services. Many of the current standards result from a 1988 report of the Committee on Minimum Public Library Standards for New York State, a committee established by the Board of Regents.

Perhaps more than any other public service in the region, libraries rely upon a multi-tier structure of financing from several levels of government.

Financial Framework

Perhaps more than any other public service in the region, libraries rely upon a multi-tier structure of financing from several levels of government. Public funding for area libraries comes from a combination of state, county, and local sources together with revenues raised by the libraries themselves. Given the substantial

constraints and problems at each of those levels in recent years, libraries are faced with limited resources in spite of ever increasing demand.

State aid is a significant part of the budgetary picture: the fiscal year 1994-95 appropriation for libraries was \$81.3 million statewide. The method of distribution of such aid, however, is the subject of ongoing debate in Albany and locally. This debate is driven by many of the same issues of centralization and decentralization that the federated system has generated.

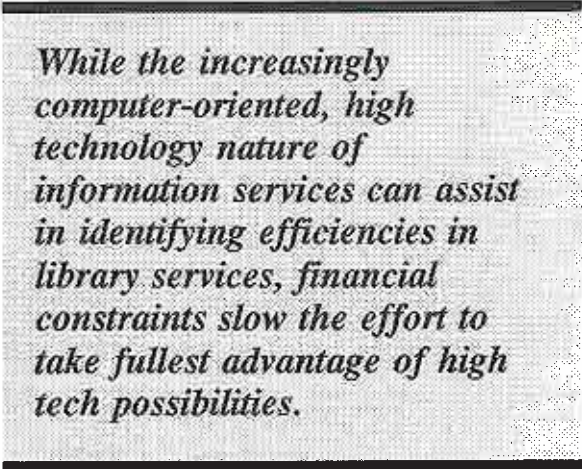
One current local controversy between the central library and member libraries is the extent to which the central library appears to reduce the county's share of financial aid to members by the amount of increased state aid to those members. The concern is that increased state funds are merely substituting for county funds rather than representing the intended increase to individual libraries.

Governance Issues

As with most governmental services, adequate funding to meet service goals and demands is a primary factor in the future of library services in the region. Added to the funding dilemma, however, is a series of issues pertaining to the nature of the federated structure that exists within Erie County. Fundamental to library service delivery are issues of centralization and decentralization, specifically the extent of local autonomy versus the power of the collective. This dilemma mirrors that facing the broader region, which grapples with the benefits and drawbacks of centralization for a wide breadth of services.

The practical implications of the recent lawsuit on management and budgetary issues have yet to be fully determined and perhaps complicate the effort to identify the most effective structure for delivery of quality services to all regions of the county. While the increasingly computer-oriented, high technology nature of information services can assist in that goal, financial constraints slow the effort to take fullest advantage of high tech possibilities.

Library services raise important questions about the significance of the federated system on outcomes of governance. The fact that Erie County's federated structure of library services is not utilized in most other areas of New York State provides an opportunity and rationale for future critical assessment of the strengths and weaknesses of alternative governance structures.



While the increasingly computer-oriented, high technology nature of information services can assist in identifying efficiencies in library services, financial constraints slow the effort to take fullest advantage of high tech possibilities.

Service Profile #16:

Parks and Recreation

Overview

To many metropolitan residents the availability and accessibility of parks and recreation services are directly related to community quality of life. Without green spaces for quiet reflection or active play, and without facilities that meet the changing lifelong recreation needs of children, teens, adults, and elders, a community lacks the building blocks of a vital, safe, and healthy place to live. These considerations, together with a tradition of using parks and recreation service delivery as a source of ample employment, make parks and recreation a public function of considerable interest and involvement for local residents.

Parks and recreation services entail three types of activities:

- ◆ development, design, operation, and maintenance of park and forest lands;
- ◆ planning, construction, operation, and maintenance of recreation facilities; and
- ◆ organization and supervision of recreation programs.

Within this broad classification fall dozens of specific ventures, from aerobics to zoos, that meet the needs of residents and visitors of all ages and levels of activity.

Governance Structure

Perhaps more than any other single function, the delivery of parks and recreation services in Erie County exhibits considerable variation in service level (centralized to decentralized), sector (public, private, and nonprofit), and inter-function relations (ties to health, education, planning, and other services). The federal government, New York State, Erie County, school districts, nearly every municipality, and dozens of private and nonprofit entities arrange for or actually deliver parks and recreation services to county residents and visitors.

The federal government, New York State, Erie County, school districts, nearly every municipality, and dozens of private and nonprofit entities arrange for and/or actually deliver parks and recreation services to county residents and visitors.

There are no national parks, forests, beaches, or monuments in Erie County. The federal government, through the Fish and Wildlife Service of the Department of Interior operates a Lower Great Lakes Fishery Resources Office in the Town of Amherst. New York State operates four state parks, Buckhorn Island State Park, Beaver Island State Park (both in the Town of Grand Island), Evangola State Park (Town of Angola), and the Urban Cultural Park in Theater Place (City of Buffalo).

The status of a proposal for the state to purchase and operate Woodlawn Beach in the Village of Blasdell is unclear given recent cutbacks in state funding.

For many residents, municipal government is the most direct provider of parks and recreation services. The menu of municipal services varies, with larger jurisdictions generally offering a greater quantity and range of programs.

Erie County operates Rich Stadium, two golf courses (Grover Cleveland and Elma Meadows), Wendt Beach, the Buffalo and Erie County Botanical Gardens in South Park, over 4,100 acres of park land in nine county parks (Akron Falls, Chestnut Ridge, Como Lake, Ellicott Creek, Elma Meadows, Emery, Isle View, Sprague Brook, and Buffalo and Erie County Riverwalk), and maintains over 3,000 acres

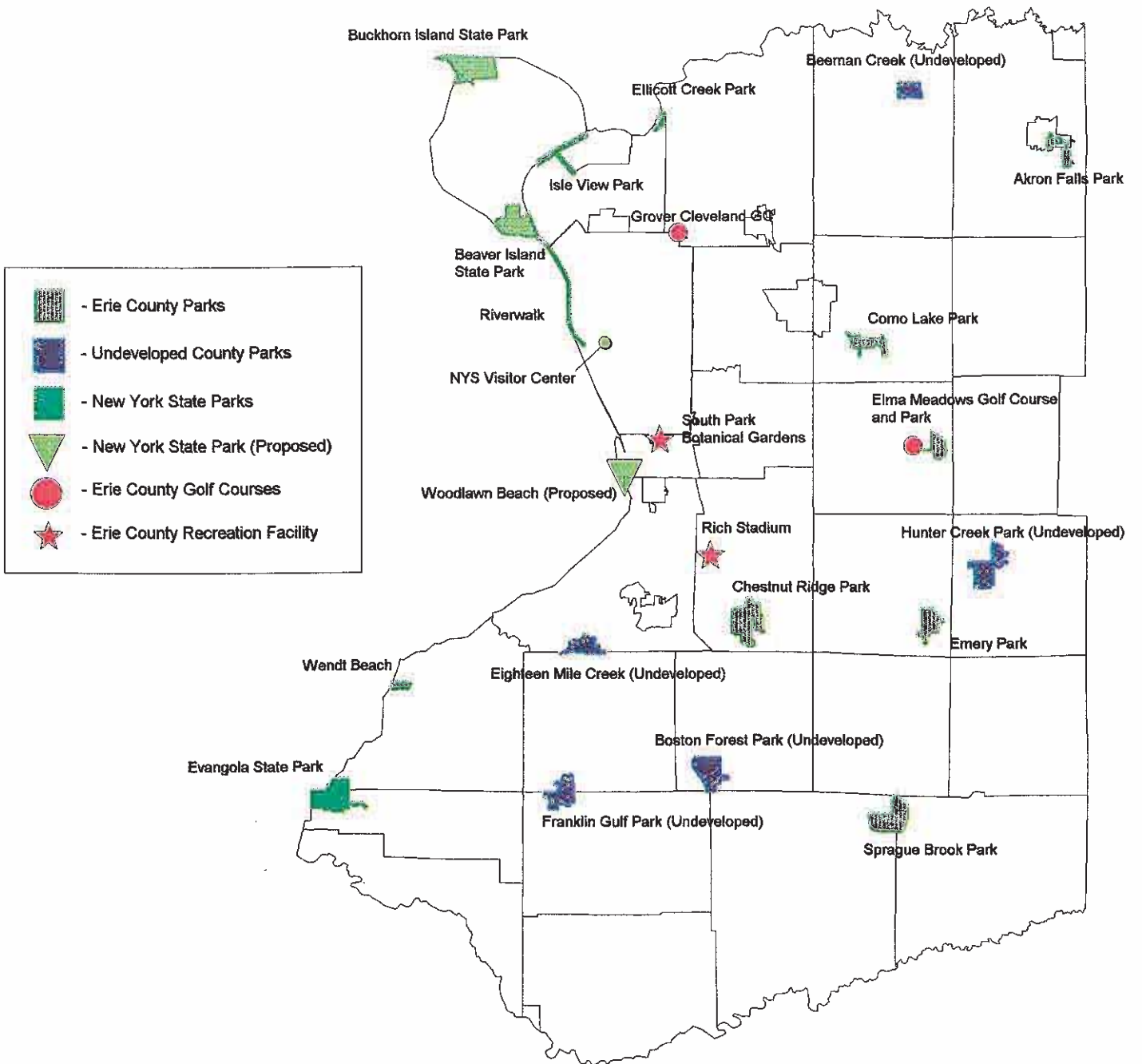
of open space land in forest lots, mostly in the southern and eastern parts of the county. The county also owns over 2,700 acres of undeveloped park land in five sites: Beeman Creek (Town of Clarence), Boston Forest (Town of Boston), Eighteen Mile Creek (Town of Hamburg), Franklin Gulf (Towns of Eden and North Collins), and Hunters Creek (Town of Wales) (map 8-18).

For many residents municipal government is the most direct provider of parks and recreation services, with some jurisdictions appointing boards of recreation or parks to advise local legislators. The menu of municipal parks and recreation varies, with the larger jurisdictions generally offering a greater quantity and range of services.

The City of Buffalo owns and operates the most extensive municipal portfolio of parks and recreation facilities. These include NorthAmericare Park (formerly known as Pilot Field), Memorial Auditorium (hockey, soccer, lacrosse, and other activities), 66 public parks, 9 community centers, 9 outdoor pools, 3 golf courses, 2 indoor pools, and an additional dozen or so grass-only parks. Larger towns, notably the towns of Tonawanda, Hamburg, and Cheektowaga, offer an extensive array of often state-of-the-art recreation facilities and programs. The Town of Tonawanda's new Aquatic and

The City of Buffalo owns and operates the largest portfolio of parks and recreation opportunities. Larger towns, notably the Towns of Tonawanda, Hamburg, and Cheektowaga offer an extensive array of often state-of-the-art recreation facilities.

Map 8-18 Parks & Recreation Facilities In Erie County



Fitness Center, for example, was awarded the New York State Recreation and Park Society Outstanding Facility Award.

Smaller municipalities typically operate programs for seniors or youth, but commonly refer residents to school, private, or nonprofit recreation outlets for more options. School facilities, with their gyms, craft rooms, athletic facilities, playgrounds, and sports programs, are indispensable recreational assets in both urban and rural areas.

Public provision of parks and recreation services also depends to a notable extent on private and nonprofit programs, offered through such entities as private swim or tennis clubs, health clubs, 4-H clubs, and the YWCA/YMCA. Smaller, low-density, outlying communities are especially active users of private and nonprofit recreation services. The towns of Elma, Marilla and Wales, for example, jointly sponsor the EMW Boys and Girls Club, a nonprofit organization funded by member municipalities, United Way contributions, and membership fees.

School facilities, with their gyms, craft rooms, athletic facilities, playgrounds, and sports programs, are indispensable recreational assets in both urban and rural areas. Private and nonprofit entities, including swim and health clubs, 4-H clubs, and the YWCA/YMCA, supplement public offerings.

Evolution of Governance Structure

Parks and recreation services became an increasingly important public sector responsibility starting around the 1850s and continuing throughout the second half of the nineteenth century. Prominent, civic-oriented business leaders who were concerned about the quality of life in increasingly dense, rapidly industrializing urban centers were instrumental in expanding the public role. Successful lobbying efforts convinced municipal officials of the aesthetic and health benefits of retaining open spaces inside the city. In response, local officials began to set aside and design large tracts of land for citizen use.

By the turn of the century, Buffalo's system of Olmsted-designed parks was one of the finest and most extensive in any major U.S. city. Many of these parks, including Delaware, Front, Martin Luther King, Jr. (formerly Humboldt), Cazenovia, Riverside, and South, remain today.

The evolution of parks and recreation service delivery in Erie County follows this pattern. In the late 1860s, prominent Buffalonians led the drive for legislation that would permit the city to develop a system of parks to meet the needs of urban dwellers. Ultimately sitting as a

Board of Parks Commissioners, the group was successful in retaining Frederick Law Olmsted, the well-known and innovative landscape architect, to plan a 1,000-acre system of large and small parks in Buffalo. Many of Olmsted's parks, including Delaware, Front, Martin Luther King, Jr. (previously Humboldt), Cazenovia, Riverside, and South, remain today, connected more or less with landscaped parkways also designed by Olmsted. Not surprisingly, residential development occurred near the parks, catering to well-heeled residents drawn by the proximity to open spaces and recreational facilities. By the turn of the century Buffalo had one of the finest and most extensive park systems in any major U.S. city.

Rural and suburban settlements in Erie County were equally adept at cultivating and capitalizing on parks and recreation assets.

Parks and recreation assets in Alden, Grand Island, Evans, Angola on the Lake, Highland on the Lake, and West Seneca opened these communities to daytrippers, tourists and ultimately residents.

The discovery of black mineral water in Alden in 1891 made that village a destination for people seeking cures in privately run bath houses for a host of physical and mental ailments. Open spaces and nonindustrial waterfronts on Grand Island and around Canada's Crystal Beach, both accessible by boat only, attracted affluent families for picnics or as sites for second homes. The nonindustrial lakeshore communities of Evans, Angola on the Lake, and Highland on the Lake, likewise attracted second home seekers, especially

after the advent of trolleys, commuter trains, and the automobile opened up recreational opportunities outside the city. Leins Park in West Seneca offered popular amusements ranging from a merry-go-round to a bowling alley and bear pit.

Erie County government's involvement in parks and recreation services began in 1925 when the Board of Supervisors created the Erie County Park Commission to preserve and enhance selected open spaces outside the urban area. In its first year, the Commission opened four parks to county residents: Chestnut Ridge (Town of Orchard Park), Como Lake (Town and Village of Lancaster), Ellicott Creek (towns of Amherst and Tonawanda), and Emery (Town of Aurora). A fifth park, Akron Falls Park, was transferred from the Village of Akron to the county in 1947.

Between 1928 and 1939 the county acquired most of its over 3,000 acres in forest lands as part of a County Forest system. The forest program was originally intended to reforest abandoned farmland in order to provide timber resources and preserve wildlife habitats and watersheds. In recent years

The county forest program was originally intended to reforest abandoned farmland to provide timber resources and preserve wildlife habitats and watersheds. In recent years, forest lands have been used increasingly for recreation pursuits such as hiking, cross-country skiing and snowmobiling.

forest lands have been used increasingly for recreation pursuits such as hiking, cross-country skiing, and snowmobiling.

Postwar parks and recreation development occurred throughout the metropolitan area as the county and municipal governments worked to meet the needs of a densely populated

Many recreational facilities of countywide significance, including the Buffalo Zoo, Memorial Auditorium, Delaware Park, Botanical Gardens, Buffalo Museum of Science, and Albright-Knox Art Gallery, are located in, though not necessarily operated by, the City of Buffalo.

central city and rapidly developing suburbs. Many recreational facilities of countywide significance, including the Buffalo Zoo, Memorial Auditorium, Delaware Park, Botanical Gardens in South Park, Buffalo Museum of Science, and Albright-Knox Art Gallery, were in the City of Buffalo.

Increasingly, though, suburban residents and city dwellers could find open space and recreational opportunities outside city limits.

In response to suburban growth, in the late 1950s the county began an extensive parks expansion program, which led to the development of four new county parks: Elma Meadows (Town of Elma), Isle View (City and Town of Tonawanda), Sprague Brook (Town of Concord), and Wendt

Beach (Town of Evans). Also during this time the county acquired Beeman Creek, Boston Forest, Eighteen Mile Creek, Franklin Gulf, and Hunters Creek parks for future development.

Economic decline, population loss, and attendant fiscal stress in the 1970s and 1980s prompted changes in government responsibilities for several city-owned recreational facilities. Erie County made its first significant foray into urban parks in 1981 when it took title from the City of Buffalo for the Botanical Gardens in South Park. The following year the county assumed maintenance responsibility for Bennett Beach Park, which is owned by the City of Buffalo and located in the Town of Evans.

In 1986 the county acquired Grover Cleveland Golf Course from the City of Buffalo. In the meantime, the county began construction of its segment of the Riverwalk, a hiking and biking trail along the Niagara River, which is jointly operated and maintained by the City of Buffalo, the Town and City of Tonawanda, and Erie County. Discussions about transferring more city parks, notably Bennett Beach, to the county, are ongoing. Such arrangements illustrate the breadth and potential of interjurisdictional collaboration in parks and recreation service delivery.

Interjurisdictional collaboration in parks and recreation services is common. For example, the Riverwalk, a hiking and biking trail along the Niagara River, is jointly operated and maintained by the City of Buffalo, the Town and City of Tonawanda, and Erie County.

Financial Framework

To a greater degree than many functions, recreation services in the public, private, and nonprofit sectors are funded at least in part through user fees charged to program participants. Leagues typically require an entry fee, users pay annual or daily rates for

To a greater degree than many functions, recreation services in the private, nonprofit and public sectors are funded at least in part through user fees charged to resident and nonresident program participants.

recreation facilities such as swimming pools, fitness rooms, batting cages, and driving ranges, and seniors commonly pay a fee for cultural and recreation programs. Localities also raise revenues from rental of parks and recreation facilities: Erie County, for example, collects shelter rentals, camping fees, and rental income from Chestnut Ridge Casino and Wendt Beach. Especially popular facilities, notably NorthAmericare Park and Memorial Auditorium in the City of Buffalo, are revenue producers for their municipal owners.

Unlike many municipal services, parks and recreation services are typically available to nonresidents for an additional fee. This arrangement enables county residents and visitors to obtain specialized recreation services regardless of their place of residence.

It is impossible to generalize about parks and recreation expenditures by jurisdiction, in large part because of the considerable variation in the range and size of programs, as well as differences in how local governments categorize these services. Data from the New York State Comptroller indicate that the largest spenders on parks and recreation services are the largest jurisdictions: Erie County and the City of Buffalo, followed by the towns of Tonawanda, Amherst, and Cheektowaga. Per household spending figures indicate that several towns, notably Tonawanda and Hamburg, devote particularly high levels of funding to parks and recreation services, which is consistent with these towns' reputations as centers for recreation excellence. As the financial framework in chapter 7 makes clear, however, interpreting cross-municipal comparisons of per capita spending is problematic.

Governance Issues

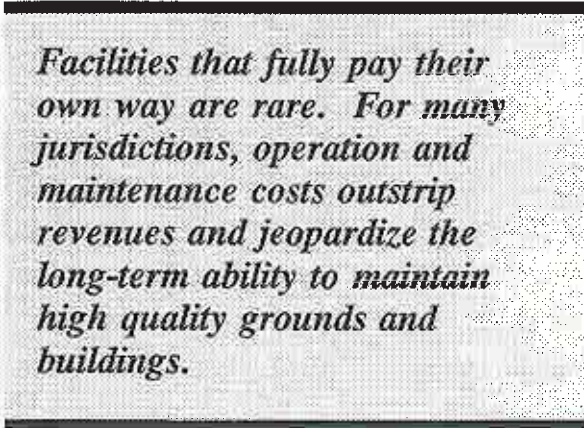
There are three salient issues associated with parks and recreation service delivery in Erie County.

1.) The first pertains to the match between recreation need and the location and accessibility of facilities. Overall, recreation services and facilities are abundant in the region. Decentralized provision of services across multiple

Overall, recreation services and facilities are abundant in the region. Decentralized provision across multiple municipal and school district providers necessarily means a geographic dispersal of facilities.

municipal and school district providers necessarily means a geographic dispersal of facilities. Within jurisdictions, however, recreation facilities and programs are not always appropriately located to meet the specific recreation needs of youth, elders, and others with specific needs. For example, the City of Buffalo's lower west side has relatively few recreational facilities, despite considerable demand from area residents.

2.) The second issue relates to the ability of county and municipal governments to maintain their rich heritage of parks and recreation facilities during times of fiscal stress. Facilities that fully pay their own way are rare. For many jurisdictions operation and maintenance costs outstrip revenues and jeopardize the long-term ability to maintain high quality grounds and buildings. As recent actions to retrench workers in the City of Buffalo's Parks Department attest, fiscal pressure puts considerable strain on what taxpayers may see as nonessential services. Fiscal stress in the City of Buffalo has spawned discussion of about a new round of city to county parks transfers or consolidation of city and county parks departments. An immediate candidate for transfer is Bennett Beach Park, which is owned by the City of Buffalo, maintained by Erie County, and located in the Town of Evans.



Facilities that fully pay their own way are rare. For many jurisdictions, operation and maintenance costs outstrip revenues and jeopardize the long-term ability to maintain high quality grounds and buildings.

3). The third issue is related to the first two and involves greater collaboration in recreation programs between school districts and municipalities. In many neighborhoods, schools have the finest gyms, playgrounds, activity centers, and other recreation facilities. For fiscal and social reasons, such facilities deserve greater utilization on weekends and evenings. Greater collaboration between school district administrators and local government officials would open the way for more efficient use of existing facilities and would fill the gap in some recreation-short communities.

Part IV

Assessment

Part IV synthesizes the investigation of the first three parts to assess the structures and status of governance within Erie County. The assessment concludes that there is considerable interdependency within the region, not only in the patterns of daily life, but also in structures of service delivery. In some instances this interdependency is reflected in local government arrangements that entail county level service provision or intermunicipal collaborations. In other instances intra-regional interdependency is neglected and issues of regional concern flounder due to fiscal competition and uneasy race/class relations. There is currently no well-developed forum in the region for deliberating and addressing these areas of regional concern.

Chapter 9 assesses the extent of regionalism in specific service areas and for other dimensions of governance, such as patterns of daily life and resident identification with a regional as opposed to local community. Chapter 10 provides a context for the Erie County case by reviewing alternative models of governance and the nature of regional reorganization in selected U.S. metropolitan areas. Chapter 11 completes the report with an action agenda of next steps for area residents and policymakers.

Chapter 9

Assessing Regionalism in Erie County

The profiles and other analyses provide ample material for an assessment of the nature and extent of regionalism in Erie County. How regionalized are patterns of service delivery? To what extent is the region's system of governance centralized or decentralized? What opportunities exist for greater regionalism or localism to improve the effectiveness of governance in the area? What barriers might hinder the pursuit of more effective governance?

Residents and public officials in metropolitan regions are concerned with such questions because of the reality of an increasingly intertwined and competitive global economy. To enhance the region's viability in the global environment requires effective governance to foster a competitive edge and high quality of life. For communities within Erie County and Western New York more generally, achieving effective governance is especially important in light of economic shifts from a manufacturing to a services-based economy and population shifts from the frostbelt to the sunbelt.

In this chapter we consider first the degree of regionalism for different service functions and assess service arrangements with respect to common practices in metropolitan regions. We then consider levels of regionalism for other dimensions of governance, such as patterns of everyday life, financial relations between local governments, and resident identification with the region as opposed to local jurisdiction.

To ensure and enhance the region's viability in the global environment requires effective governance to foster a competitive edge and high quality of life.

Bigger government is not automatically better government. Yet neither is small-scale government automatically better.

An underlying point of this assessment is that high levels of regionalism are neither ideal nor automatically superior to high levels of localism. Bigger government is not automatically better government. Yet neither is small-scale government automatically better. Rather, depending on attributes of particular services (for example, the potential for

economies of scale) and values of governance (notably the relative preferences within an area for efficiency, equity, accountability, and responsiveness), a service may warrant lower or higher levels of regionalism.

Assessing Regionalism: Service Delivery Arrangements

Conventional wisdom holds that service delivery within Erie County is highly fragmented. The service profiles often challenge this, however, by revealing a wide range of government service delivery arrangements, including high levels of regionalism for numerous services (table 10-1).

At the regional scale are a fairly wide array of services provided by Erie County government, independent public authorities or districts, municipal consortia, and private or nonprofit agencies.

At the **regional (countywide or larger) scale** are services provided by an array of entities, including Erie County government (public health, social services, county parks, planning, and centralized police services), independent public authorities or special-purpose districts (transit, airport, port, highways, libraries, economic development, and soil and water conservation), municipal consortia (road

maintenance and general lobbying), and private or nonprofit agencies (cultural facilities and tourism and marketing).

At the **medium level of regionalism** are subcounty arrangements in which services are provided at least in part at larger than municipal scale. These include several planning projects (for example, the Lake Erie waterfront and the University Heights district of Buffalo and Amherst), sewer services (Erie County Sewer Districts,

Subregional arrangements include several planning projects, sewer, water, solid waste management, police patrol in exurban areas, and some recreation programs.

Service arrangements with low levels of regionalism include most general government functions, recreation, courts, planning and zoning, economic development, solid waste, police patrol, fire protection, emergency medical services, seniors and youth programs, and road lighting and plowing.

Amherst-Clarence sewage treatment plant agreement), water (Erie County Water Authority and other cross-municipal agreements), solid waste management, police patrol in mostly rural areas, and some recreation programs (such as those offered through Boys and Girls Clubs).

Service arrangements with **low levels of regionalism** (municipal or submunicipal scale) include most general government functions, courts, planning and zoning, economic development, solid waste, police patrol, fire

Table 10-1

Regionalism within Erie County

High Regionalism (county-level or larger)

- public assistance/social services (Erie County government)
- public health and hospital (Erie County government)
- county parks (Erie County government)
- centralized police services (Erie County government)
- economic development (Erie County Industrial Development Agency)
- transit, port, airport (Niagara Frontier Transportation Authority)
- transportation planning (Niagara Frontier Transportation Committee)
- libraries (Buffalo and Erie County Library District)
- soil and water conservation (Erie County Soil and Water Conservation District)
- road maintenance pact (intermunicipal agreement)
- general lobbying (Erie County Association of Governments)
- regional marketing and tourism (Greater Buffalo Partnership)
- cultural facilities: zoo, historical society, musea, philharmonic orchestra (private/nonprofit with partial public funding)

Medium Regionalism (subcounty arrangements)

- planning: Lake Erie waterfront, University Heights, other (joint municipal)
- sewer (Erie County Sewer Districts, joint municipal)
- solid waste management (Solid Waste Management Districts)
- water (Erie County Water Authority, joint municipal)
- community development block grant allocation (municipal consortium)
- exurban police patrol (sheriff, state police)

Low Regionalism (municipal or submunicipal arrangements)

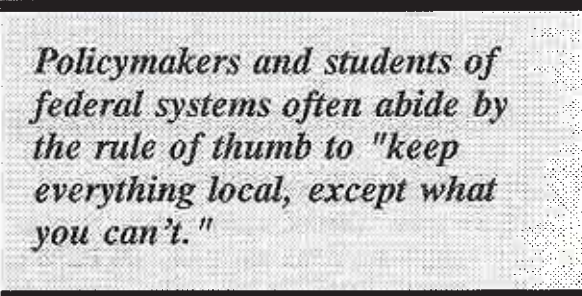
- recreation, local parks
- municipal courts
- planning and zoning
- EMS dispatch
- solid waste collection
- police patrol
- economic development
- fire protection
- snow plowing, street lighting

protection, most recreation programs, emergency medical services dispatch, seniors and youth programs, and road lighting and plowing.

Are these appropriate levels of regionalism? Are there services that warrant greater or lesser regionalization? Although in-depth study of specific agencies and proposals is required to assess whether a particular service warrants greater centralization or decentralization in this region, it is possible at this stage of analysis to compare service arrangements within Erie County with conventional wisdom and common arrangements for metropolitan service delivery. That other metropolitan areas provide services at a certain scale does not mean, of course, that entities within Erie County should. It bears emphasizing that metropolitan areas vary in historic, legal, financial, political, economic, physical geographic, and other attributes that influence service delivery arrangements. Nonetheless, common practices of other metropolitan regions provide a useful yardstick for assessing patterns of local governance within Erie County.

As earlier sections and the review of literature in Appendix A attest, there are clear reasons why service delivery at the local – municipal – level may be desirable. Residents vote and pay taxes at the municipal scale, two actions directly related to service decisions and the effort to tailor service packages to specific residential demand. Decentralized service delivery may help hold down costs and encourage innovation through intermunicipal competition. Residents of small towns enjoy a higher level of representation (fewer residents per elected official) and have shown themselves willing to pay a premium for small-scale governance.

In recognition of these factors, policymakers and students of federal systems often abide by the rule of thumb to "keep everything local, except what you can't."



Policymakers and students of federal systems often abide by the rule of thumb to "keep everything local, except what you can't."

What are the functions that "can't" remain local? Clearly, there are strong reasons for providing, funding, and/or making decisions about certain services at the regional level. Analysts generally agree that the following functions merit a regional approach by virtue of their high need for coordination across political borders, potential for economies of scale, intensive use of capital facilities, appropriateness for redistribution, or regionwide impacts.

- strategic planning for region-serving infrastructure (for example, sewer, water, highways, hospitals, convention centers, regional cultural facilities, and parks)
- redistributive programs designed to narrow intra-regional inequities (for example, public assistance services, property taxing systems, and education)
- promotion and marketing of the region (for example, advertising and trade shows, public relations, and tourism functions)

- viability of the region's central city (for example, downtown redevelopment and support of centralized, region-serving functions)
- services of regional concern or benefit (for example, rail transit, solid waste disposal, environmental planning, central police services, region-serving cultural facilities)

If the central city is physically and economically healthy and dynamic, the entire region benefits. If the central city is physically and economically weak and in distress, the entire region suffers.

Perhaps the most controversial of these is the notion that viability of the central city is a regional concern. The compelling reality is that a region is represented by its central city, both in name and in reputation. If the central city is physically and economically healthy and dynamic, the entire region benefits. If the central city is physically and economically weak and in distress, the entire region suffers. As such, the central city is a regional concern. In the local context, to the extent the City of Buffalo weakens, the

entire region weakens.

Based on these considerations it is possible to list the functions most appropriately provided at the county or larger scale (table 10-2a) and subcounty or local level (table 10-2b). Also listed in both tables is the current status of structural arrangements within Erie County. The comparison between the theoretical model and actual experience in the region identifies services that warrant further study of possible reorganization.

Regional Elsewhere, Regional Here

Several services commonly provided at the regional level are also provided regionally in the Erie County area. Transit services are handled at the multi-county scale, while social services and central police services are county responsibilities. Most region-serving cultural facilities receive at least some funding at the countywide scale, even those that are private entities, which also draw from patrons within and outside the county. Promotion and marketing of the region to outsiders at trade shows or through advertisement has become more regional in recent months through the efforts of the Greater Buffalo Partnership in concert with area tourism entities to label and promote the binational region known as Niagara. In all these instances arrangements within the Erie County area are consistent with those in most other metropolitan areas.

Table 10-2a**Assessment of Regional Service Arrangements**

Function/Service Commonly Regional	Status within Erie County
strategic planning for region-serving infrastructure	localized
water, sewer, roads, solid waste, land use planning, EMS	local or subregional
region-serving cultural facilities	private/nonprofit with regional public funding
transportation (bus, rail, airport, port)	regional
centralized police	regional
redistributive services (public assistance, social services)	regional with local supplements
promotion and marketing of region	regional private with public supplement
property taxing (shared resources)	localized; county tax regionalized
downtown redevelopment	localized

Table 10-2b**Assessment of Local Service Arrangements**

Function/Service Commonly Local	Status within Erie County
local planning and zoning	localized
libraries	regionalized with some local autonomy
recreation and local parks	localized
fire protection	localized (submunicipal)
police patrolling	localized (urban), subregional (rural)
municipal general government	localized
road maintenance, plowing, lighting	localized with regional mutual aid

Regional Elsewhere, Local Here

By contrast, there are several services commonly provided at the regional scale elsewhere but at the municipal scale within Erie County. These include water, sewer, planning, economic development, and EMS dispatch. Each of these services is a good prospect for detailed analysis to determine the potential for greater regionalization and subsequent deliberation and appropriate action by area policy makers. In the case of planning, for instance, the absence of a regional planning authority to address environmental resources, tourism, arts and culture, land use and infrastructure connections, transportation access, and other issues of regional concern, jeopardizes management of common resources and areawide quality of life. The unwieldiness and lack of uniformity across 30 separate dispatch centers for EMS communications likewise threatens the quality of emergency medical response within the area.

Services commonly provided at the regional scale elsewhere but not in Erie County include water, sewer, planning, economic development, and EMS.

Although structural arrangements are relatively decentralized, for several of these services efforts to increase the extent of regionalism are underway or in the discussion stage. For example, the Erie County Water Authority recently proposed selected consolidations of water services with the City of Buffalo water system. A recent agreement between the towns of Amherst and Clarence provides that the two jurisdictions will share the cost and capacity of an expansion of the existing Amherst sewage treatment plant. Several communities are collaborating in planning projects and, under the direction of Erie County government, a consortium of 34 smaller jurisdictions jointly determine revenue allocation from federal community development block grant funds. The Greater Buffalo Partnership recently completed a study of EMS service delivery, which indicated the potential for cost savings and service improvements through consolidation of dispatch services. These alliances underscore the benefits of case study analysis and cross-jurisdictional dialogue to identify structural or non-structural changes that might improve service delivery.

Economic development, which continues to spark controversy and a divisive form of intermunicipal competition, warrants regional provision.

Economic development, which continues to spark controversy and a divisive form of intermunicipal competition, warrants regional provision. Although the Erie County IDA has formal charge to provide economic development services for all county jurisdictions, it has focused much effort on economic development within the

City of Buffalo. As a consequence, five other jurisdictions formed their own industrial development agencies while other municipalities undertake economic development services through local development corporations or branches of municipal government. To the extent that development consists of the shuffling and relocation of firms within the region it can be considered a "zero sum game," meaning that the total level of regional jobs, sales, or wealth

remains constant. Some argue that competition for economic development in the region is actually a "negative sum game," in which jurisdictions trip over themselves to give tax breaks or other financial concessions to corporations, resulting in a negative net impact on regional wealth. Economic theory and daily practice suggest that effective economic development at the regional scale requires a regional entity and/or regional practices that further the regional economy rather than selected local ones.

Local Elsewhere, Local Here

Three services commonly provided at the local scale, planning, local parks and recreation, and municipal general government, are likewise provided at the local scale within

Erie County. Police patrol services, which also tend to be a municipal service are in some cases provided by municipalities within Erie County (generally the cities and inner-ring suburbs) and in some cases by the more regionalized services of the sheriff or state police.

The long history and strong loyalty of volunteer firefighters to their company have prevented serious discussion of company consolidations in the past; such discussions are warranted in the present.

Another common local service, fire protection, is provided at the municipal scale in some Erie County jurisdictions, but submunicipally in many suburban jurisdictions through the use of volunteer fire companies. Given the high cost of

firefighting equipment and facilities and the nature of fire itself, which readily crosses district borders, there is logic to a more expansive service area for fire protection. The long history and strong loyalty of volunteer firefighters to their company have prevented serious discussion of company consolidations in the past; such discussions are warranted in the present.

Local Elsewhere, Regional Here

Two services that are commonly provided elsewhere at the local level are either organized or provided at a more regional scale within Erie County. The federated library system has a local component but is essentially centralized at the county level, the norm within New York State. Road maintenance, which is typically a municipal function and is likewise provided by municipal departments within Erie County, also benefits from a unique mutual aid pact among all but three local

Except for library services and road maintenance mutual aid, services that are commonly provided elsewhere at the local level are also provided locally within Erie County.

jurisdictions to assist one another with road services. As noted, police patrolling in the outer suburbs and rural areas is provided by the county sheriff and/or state police patrols.

An overarching consideration for Erie County communities -- regardless of precisely which functions rest at the regional or local levels -- is that there currently exists no process or institution for deliberating and taking action on issues at the regional scale. With the exception of Erie County government services, regional functions tend to be the purview of *ad hoc* committees or single-purpose agencies. Some argue that effective governance and service delivery at the regional scale require a formal elected government at that scale, just as effective governance and service delivery at the local level requires elected government locally. Others argue that effective regional governance does not depend on an elected body, but can be achieved through formalized regional agreements amongst existing local jurisdictions. The critical point for this region is the absence of a well-developed mechanism or forum within which taxpayers and policy makers can wear regional hats to debate issues of regional significance.

A critical consideration for Erie County communities -- regardless of precisely which functions rest at the regional or local levels -- is that there currently exists no process or institution for deliberating and taking action on issues at the regional scale.

Assessing Regionalism: Other Dimensions of Governance

Service delivery is merely one, albeit an important one, of numerous dimensions of governance. Other dimensions include political representation, patterns of everyday life, the degree of fiscal revenue sharing across local governments, and residents' identification with the region as opposed to local jurisdictions. It is possible to consider where such non-service dimensions of governance fall along a continuum of low to high regionalism.

Political representation occurs at several places along a regionalism continuum, including the municipal, school district, county, congressional district, state, and national levels.

Political representation is perhaps easiest to consider, in part because it falls at several places along a regionalism continuum. As noted in chapter 2, area residents necessarily live within a county, city or town, and school district, each of which provides direct representation through elected officials. Residents are also represented politically at several levels of regionalism through state- and federal-congressional districts (representing State Assembly/House of Representatives and

state and federal Senates). Residents in this region also necessarily live within several independent services districts, however these offer only indirect representation through boards appointed by elected officials.

Patterns of everyday life, at least for those in the metropolitan core, tend to be on the high end of a regionalism continuum.

The analyses in chapters 3 and 4 suggest that patterns of everyday life, at least for those in the metropolitan core, tend to be on the high end of a regionalism continuum. Residents crisscross political boundary lines to work, shop, obtain services, and attend cultural and recreational events. This is not to say that everyone crosses borders daily -- it is likely that low income residents, the elderly, and infirm are

relatively immobile. Likewise, the friction of distance and more self-sufficient lifestyles may reduce the frequency of cross-border trips made by rural residents. In these and other instances, more data are needed to understand the precise nature and frequency of cross-border movement and how these patterns differ by rural, suburban, urban location, age, lifestyle, race, class, or other determining factors. What is clear, however, is that political boundary lines are porous and crossings are a common occurrence.

Except for formal agreements between governments to share service costs, the relatively low degree of revenue sharing across local governments suggests a low level of fiscal regionalism. Local governments do not pool their property tax revenues, either to share the spoils of economic development or to reallocate funds to needier communities. The reallocation that does occur does so at the county level through the redistribution by Erie County government of locally generated revenues. Some local jurisdictions charge a non-resident fee for use of facilities or services, which yields financial reimbursement for services provided across political boundary lines. For most non-resident use of services, however, including public safety, roads, parks, or street lights, compensation does not occur and fiscal regionalism is low. To the extent that area jurisdictions formalize their joint service agreements or forge new collaborations, fiscal sharing will increase.

There is a relatively low level of fiscal regionalism: Local governments do not pool their property tax revenues, either to share the spoils of economic development or to reallocate funds to needier communities.

Psychological identification with the region is the most difficult dimension to assess, in part because one's identification typically alters depending on the circumstances. Even though residents may have strong attachments to their locality, for example, when outside of the region their stated attachment may be to the larger region. A Town of Clarence resident vacationing in California is likely to respond with "Western New York," "suburbs of Buffalo, New York," or even "Buffalo, New York" when asked where she/he comes from. The same question asked within the county likely elicits the response, "Town of Clarence," while an

Even though they may have strong attachments to their locality, residents of, say, the Town of Clarence who are vacationing in California are likely to respond with "Western New York," "suburbs of Buffalo, New York," or even "Buffalo, New York" when asked where they come from.

even more specific reply like "Main Street" is likely if the question comes from another town resident.

In part because New York residents pay taxes to, vote in, and receive the bulk of public services from their local jurisdiction, identification with the region as opposed to local community is likely to be relatively low. Regionalism is most evident in matters related to weather, concern for the regional economic base, and issues of identity as reflected in allegiance to sports teams. Anecdotal evidence suggests that there are strong attachments to the area, as expressed by young people who wish to

remain in the region and former residents who return after a period living elsewhere. In systematic terms, however, we know relatively little about residents' connection with and attitudes toward the region and local government. More information on these issues would aid public officials and policymakers in their deliberations on issues of governance.

Obstacles to Change

For Erie County, as for other regions, the issue is less where along a continuum of regionalism some particular phenomenon falls than whether that position is appropriate given

local conditions and circumstances. Public discourse recorded in recent political campaigns and the local media reveals dissatisfaction amongst at least some citizens about the effectiveness of governance arrangements. To the extent there is widespread sentiment for greater (or lesser) levels of regionalism, what are the obstacles to change?

Public discussions reveal dissatisfaction amongst at least some citizens about the effectiveness of governance arrangements. To the extent there is widespread sentiment for greater (or lesser) levels of regionalism, what are the obstacles to change?

The analysis of legal factors in chapter 6 revealed that, with minor exceptions, there are few legislative barriers to governance reform. In addition, the profiles of service delivery arrangements indicated that collaborations, municipal to county transfers, and intermunicipal

agreements are common and more are under discussion. Obstacles to change thus exist outside legal and practical realms.

Two major barriers appear to impede reform of structures and arrangements of governance. The first is local government fiscal stress. The experience of service delivery alliances reveals that collaborations tend not to occur unless participating jurisdictions stand to gain or at least are not made fiscally worse off by the alliance. Although Erie County government once took over municipal services as a means to both assist fiscally strapped municipalities and expand its own sphere of influence, financial stress at the county level currently prevents such expansion of county functions. One expression of fiscal stress and a serious obstacle to change in and of itself is interjurisdictional fiscal competition that hampers resolution of issues and impedes more extensive collaboration. Law suits between jurisdictions over economic development dollars, for example, reveal the seriousness and intensity of competitive behavior. A difficult and critical challenge for the region is devising workable mechanisms that retain the benefits of local boosterism and pride without undermining the value and need for regional cooperation.

There are two major barriers to changing structures and arrangements of local governance: local fiscal stress and race/class segregation.

A second barrier to more extensive collaboration and regionalization of certain services appears to be race and class segregation. The analysis of the places and people of Erie County in chapter 3 indicated the high extent to which people within the county are segregated on the basis of race and, to a lesser extent, class. Although attitudes and their impact are impossible to determine without scientific polling, evidence from media accounts, election campaign discourse, and over-the-back-fence conversations within the region suggest that issues of race and class can and may be significant obstacles to more effective governance. At the least, to the extent that places of like character are more apt to collaborate, as research on service delivery arrangements in Philadelphia and Detroit metropolitan areas has found, then the Buffalo region's stark differences in city and suburban race and class composition may well impede closer cooperation and alliances within the region. A local example of potential racial discrimination, as alleged in recent lawsuits, is the relative difficulty of minority residents to gain spaces in suburban public housing and the slow pace at which such issues are resolved.

At the least, to the extent that places of like character are more apt to collaborate, the Buffalo region's stark differences in city and suburban race and class composition may well impede closer cooperation and alliances within the region.

On balance, then, this region often reflects service delivery norms elsewhere, with important exceptions. Service areas that are good initial prospects for in-depth analysis are water, sewer, planning, economic development, EMS, roads, fire protection, and parks. Also

Service areas that are good initial prospects for in-depth analysis are water, sewer, planning, economic development, EMS, roads, fire protection, and parks.

of use would be systematic information on resident behaviors and opinions on patterns of everyday life, regional versus local identification, the effectiveness of local governance and service delivery, various options for governmental reform, and attitudes toward issues of race, class, and social redistribution. Deliberations over these and other prospective areas of change tend to be *ad hoc* in the absence of a well-developed forum for citizens and policy

makers to debate and take action on issues of regional significance.

Chapter 10

How We Compare: Governance Elsewhere

Although Erie County is unique in its particular combination of historical, legal, and financial arrangements, it is not unique in its interest in issues of governance. Residents, businesses, and public officials in many metropolitan areas are engaged in healthy public debate over the nature of regional problems and the best governmental arrangements for solving them. Some regions have enacted relatively radical structural reforms. Others are pursuing nonstructural reconfigurations of systems of governance. In still others, metropolitan reorganization is on the regional back burner.

The experience of other places is instructive for policy makers and citizens of Erie County. What are the options for governance? What is happening in other metropolitan regions, particularly those whose size, economy, and political structure are similar to Erie County's? What insights might the regional reform experience of other places hold for ongoing discussions within Erie County?

Many metropolitan areas are engaged in healthy public debate over the nature of regional problems and the best governmental arrangements for solving them.

In this chapter, we review the experience of other metropolitan regions to provide a context for the assessment of governance in Erie County. The review has two parts: first, capsulized descriptions and assessments of prototypical models of regional governance; and second, summaries of reform efforts in selected metropolitan areas.

Prototypical Models of Governance

Within the constraints posed by legal, financial, and political frameworks, metropolitan policy makers have numerous options for how to arrange local government within a region. Prototypical models can be distinguished by their degree of political integration and divided into those that require structural changes (for example, boundary adjustments, government formations, or government consolidation) and those that require no structural changes. One useful continuum of models, ordered loosely from most to least politically integrated, is:

Models requiring structural changes

- metropolitan government
- city-county consolidation

- two-tier federation
- regional multipurpose district (elected)
- regional multipurpose council (appointed)
- regional special-purpose governments

Models that require no structural changes

- formalized regional governance networks
- functional transfers (for example, municipal to county)
- intermunicipal service agreements
- privatization or nonprofitization

The theoretical effects and actual experience of these models is especially enlightening to metropolitan regions such as Erie County that have placed regional reform on the metropolitan agenda.

Models Requiring Metropolitan Restructuring

The first set of models for regional governance includes those that entail restructuring existing systems of governance in an area, either through the merger of existing governments or creation of new ones.

Metropolitan Government (Winnipeg)

Although the notion of a single unified government serving an entire metropolitan region has captured the interest of reformers and scholars since the turn of the century, it has proven exceptionally unpopular and consequently extremely difficult to achieve.

Metropolitan government in North America has been more honored in theory than in practice. Although the notion of a single unified government serving an entire metropolitan region has captured the interest of reformers since the turn of the century, it has proven exceptionally unpopular and consequently extremely difficult to achieve. The only example of a consolidated, multicounty regional government in the United States is New York City, which was formed in 1898 as an amalgamation of five previously independent counties. Few people think of New York City as a metropolitan government, of course, given

its unique status as a city and the extensive suburbanization that has rendered obsolete the notion of New York City as a metropolitanwide entity.

The only example of a consolidated, multicounty regional government in the United States is New York City, which was formed in 1898 as an amalgamation of five previously independent counties.

Although not multicounty in scope, the single-tier regionwide government serving Winnipeg (Manitoba) is the closest example of an idealized metropolitan

government in North America. Known as Unicity, the metropolitan government was formed in 1971 out of what had become an ineffective, contentious two-tier federation (see below). Unicity is governed by a 29-member (originally 50-member) elected council led by an elected executive officer. By design, the metropolitan government facilitates citizen access and participation through six (originally 13) community committees. Although Unicity has achieved a measure of success, particularly in rationalizing public works projects and equalizing service levels in the area, few would declare it wholly successful. Rivalries based on the old city-suburban borders have persisted, taxes increased, and one western part of Unicity recently detached itself and returned to rural municipality status.

City-County Consolidation (Indianapolis, Nashville, Jacksonville, others)

City-county consolidation is akin to but less geopolitically ambitious than unified metropolitan government. Theoretically, a city-county consolidation merges an existing central city, its surrounding county, and other local municipalities into a single governmental unit. In practice, the two

In most states, including New York, city-county consolidation requires majority approval in each of the areas to be consolidated, a requirement that has meant rejection of most consolidation proposals.

dozen or so city-county consolidations in the United States have fallen short of this ideal by typically retaining numerous municipalities and special-purpose governments.

Except for Indianapolis's Unigov, most city-county consolidations in the United States have been in southern metropolitan areas, which tend to have strong county government and relatively few

incorporated municipalities subject to consolidation. In most states, including New York, consolidation requires majority approval in each of the areas to be consolidated, a requirement that has meant rejection of most consolidations proposed. Indeed, prominent city-county consolidations have not been approved for over 25 years. Consolidated areas typically enjoy a growth spurt, rationalized planning and development, and a sense of regional rejuvenation. For some, however, these advantages are offset by the prevalence of increased costs and persistence of intra-regional rivalries.

City-county consolidations in Nashville-Davidson County (1962), Jacksonville-Duval County (1967), and Indianapolis-Marion County (1969) are well-known models. In all three cases, a partial motivation for consolidation and a certain factor in its success in the voting booths was the desire to "clean up" government, notably to diffuse the power of a central city mayor or council. Also common in these three cases is that the consolidated unit is merely one of five (Jacksonville) or eight (Nashville, Indianapolis) counties in the metropolitan area. Improved service delivery in rapidly growing Davidson and Duval counties was also a factor in the Nashville and Jacksonville consolidations, both of which received majority but not overwhelming approval by the electorate. A recent 25-year assessment of the Nashville-Davidson reorganization concluded that consolidation had met with only partial success in reducing duplication and overlapping functions, primarily because numerous independent agencies and departments still exist. The 41-member Metro Council was considered too large for effective governance.

Its name notwithstanding, Indianapolis's Unigov has over 50 local governments, 100 taxing units that enable non-uniform tax rates, and many special-purpose governments, only some of which are regionwide in scope.

The Indianapolis model, known as Unigov, differed in several respects, notably in its creation by an act of the state legislature rather than a referendum. Of note is the relatively minor reduction in the number of local governments. Its name notwithstanding, Unigov has over 50 local governments, 100 taxing units that enable non-uniform tax rates, and many special-purpose districts, only some of which are regionwide in scope. Despite its divergence from a pure consolidation model, however, many credit the city-county unification with increasing the visibility of the Indianapolis

region, aiding the area in obtaining federal grants, improving area bond ratings, and generally spurring business growth.

Two-Tier Federation (Toronto, Miami-Dade County)

Many metropolitan analysts believe that two-tier federations, which allocate powers and functions among regional and local levels of government, are the theoretically optimal system of metropolitan governance. Under a federation, local governments remain intact and autonomous. A regional tier assumes responsibility for areawide functions, many of which were previously provided at the local level by individual municipalities. Despite their theoretical promise, two-tier federations are relatively rare in North America, especially in the United States. Among the reasons for their limited adoption are that federations require

Many metropolitan analysts believe that two-tier federations, which allocate powers and functions among regional and local levels of government, are the theoretically optimal system of metropolitan governance.

approval of state legislatures and multiple municipal electorates, present difficult choices in allocating functions to different tiers and, depending on the arrangements for metropolitan councils, may institutionalize local-regional tensions.

Perhaps the most well-known two-tier federation is Metro Toronto, created in 1954 in response to rapid postwar suburban growth. At that time, the City of Toronto had the bulk of the area's tax base, although the greatest needs for service were in young, outer suburbs. Metro Toronto created an upper tier regional government to provide planning, water, sewer, roads, senior housing, regional parks, and school funding. Thirteen local tier governments retained control over local planning and zoning, retail water and sewer services, recreation, and fire protection, among others. In the years following formation police, ambulance, social welfare, and childcare were transferred to the regional tier of government. Further modifications occurred in 1967 (to consolidate the 13 local governments to 6, adjust functional assignment, and rationalize elections), 1971-1974 (to create four two-tier governments surrounding Metro Toronto, which together comprise the Greater Toronto Area), and 1988 (to enable direct election of 28 of 34 councillors and strengthen regional planning powers).

Metro Toronto created an upper tier regional government for planning, water, sewer, roads, senior housing, regional parks, school funding, and later police, ambulance and social services. Thirteen (later six) local tier governments retained control over local planning, zoning, retail water and sewer, recreation, and fire protection services.

The Toronto region remains an often-cited model for metropolitan governance, especially for its accomplishments in service equalization, tax base sharing, and regional planning. Nonetheless, observers note that because considerable urban and suburban growth has occurred beyond Metro's borders, the original regional government has lost its significance as a *metropolitan* government. Indeed, the region is currently deliberating a governance system based on the far more expansive boundaries of the Greater Toronto Area.), per capita expenditures increased along with service standardization, and tensions persist between local, two-tier regional, Greater Toronto Area, and provincial governments.

Modeled after Metro Toronto, Miami-Dade County Metro has shared some similar successes, but also suffered from some similar drawbacks.

The United States' only two-tier government was narrowly approved by voters in Miami-Dade County, Florida in 1957. Modeled after Metro Toronto, Miami-Dade County Metro has shared some similar successes, but also suffered from some similar drawbacks. For an area plagued by inadequate suburban service delivery in the postwar period, the formation of a regional (county-level) tier with responsibility for fire, police, roads,

water, sewers, traffic, development planning, parks, libraries, cultural facilities, and courts was beneficial for coordinating and standardizing service delivery. On the downside, the urban area extends far beyond Dade County, the cost of consolidated services increased (as did service levels), and Metro suffers from inadequate funds to accomplish its tasks.

Regional Multipurpose District – Elected (Portland; Seattle)

One attraction of the multipurpose district is that as citizens become more comfortable with regional governance new functions can be added to the menu of district services.

Another two-tier model is the regional (multicounty), multipurpose services district. Depending on the scope of functions, regional multipurpose districts are close approximations to true regional government. Under a multipurpose district an elected (direct or indirect) regional agency provides or coordinates regional service delivery, while local governments and often metropolitan single-purpose districts continue to perform their assigned functions. One attraction of the multipurpose district model is that as

citizens become more comfortable with regional governance new functions can be added to the menu of district services. In the meantime, local governments, including areawide special districts retain their autonomy, which has political benefits at the time of formation of a multipurpose district.

The only directly elected multipurpose regional district in the nation is the Portland (OR) Metropolitan Service District (MSD). Formed in 1979 with both local citizen and federal government support, the MSD encompasses three counties, 24 municipalities, and numerous special-purpose agencies. The primary motivation for the MSD was the need for a true regional government to coordinate regional planning and areawide service delivery. Portland's MSD is exceptional for its wide range of functions, which have grown over the years and include regional planning, review of city-county plans for consistency with regional plans, solid waste, transportation, environmental functions, economic development, drainage, recycling, housing, and operation of the regional zoo and convention center. Governed by a 7-member (originally 12-member) elected board and executive officer, the MSD is a major regional player with a \$225 million budget and 1,200 employees. In 1992, the area electorate gave the MSD a vote of confidence

Portland's MSD is exceptional for its wide range of functions, which include regional planning, review of city-county plans, solid waste, transportation, environmental functions, economic development, drainage, recycling, housing, and operation of the regional zoo and convention center.

when it approved a home rule charter for the district. The charter directs the MSD to prepare a 50-year mission and vision plan for the region's land use, transportation, natural resources, and water management. Accounts indicate that the MSD has been instrumental in retaining a high quality of life in the Portland metropolitan area.

A similar and longer-standing, though less extensive, multipurpose regional district operates in the Seattle metropolitan area. Known as Metro, the two-county district was formed in 1957 and governed by a large council of officials elected to city, county, or special district boards, then appointed to the regional Metro. The impetus and first charge for Metro was to develop an integrated sewage treatment and disposal system to replace the two dozen or so small sewer authorities then existing in the area. Metro's success in rationalizing sewer services led voters to eventually (after three attempts) approve extending its powers in 1968 to include bus transportation services. Since then, however, despite earnest effort on the part of several study commissions, the state legislature or voters have refused to extend Metro powers to other functions or to democratize Metro by approving direct representation of council members. As a consequence, its impact has been far more limited than its counterpart in Portland.

Regional Multipurpose Council -- Appointed (Twin Cities Metro Council)

Regional multipurpose councils with appointed governing boards represent a less powerful, though potentially useful, model for regional coordination. Those created and controlled by state legislatures tend to owe their foremost allegiance to state, rather than regional, interest groups. Although regional councils typically focus on policy and coordination rather than actual service delivery, they may play an important role in the financing of services, particularly the redistribution of areawide tax revenues. The actual influence of a regional council depends in great part on the latitude and powers granted by the parent government at the time of formation.

Regional multipurpose councils with appointed governing boards represent a less powerful, though potentially useful, model for regional coordination.

The most well-known regional council is the Twin Cities (Minneapolis/St Paul) Metro Council established in 1967 by the Minnesota State Legislature. Led by a 17-member appointed board of metropolitan residents and leaders (but not public officials), the Metro Council's initial charge was to coordinate planning and regional service delivery in a seven-county area. Its greatest powers came in the form of taxing authority and the power to require compliance of city and county plans with a Metro Council-developed regional development code. Early successes with sewer services coordination led the state legislature to expand its scope to include oversight of regional parks, airport, transit, solid waste, housing, health, and crime, although not all of these areas has felt the mark of the Metro Council.

Under the fiscal disparities plan, every municipality contributes 40 percent of its growth in commercial and industrial tax revenues to a regionwide pool; those funds are redistributed to communities on the basis of population and market value of property.

The Twin Cities area is probably best known for the implementation in 1971 of a state-enacted fiscal disparities plan designed to distribute the benefits of areawide commercial and industrial development throughout the entire region. Under the plan, which was developed independently of the Twin Cities Council, every municipality contributes 40 percent of its growth in commercial and industrial tax revenues to a regionwide pool. These funds are redistributed to communities on the basis of population and market value of property. In recent years, the council, which in 1992 had a budget of \$15.4

million and a permanent staff of 194, has had to reassess its role in the face of continuing decentralization of jobs and growing central city poverty.

Regional Special-Purpose Governments (most metropolitan areas, including Buffalo)

By far the most common structural approach to regional governance is the formation of areawide special-purpose governments. Collectively, these governments provide virtually every function at the regional scale, from transit and soil conservation to housing and health. Supporters of special-purpose solutions to regional service needs cite districts' geographic flexibility, service delivery track record, and relatively high level of political acceptance.

By far the most common structural approach to regional governance is the formation of areawide special-purpose governments.

Detractors fault special-purpose governments as contributors to, rather than resolvers of, problems of metropolitan political fragmentation and claim that the proliferation of autonomous specialized governments hinders coordination of service delivery.

Detractors fault regional special-purpose governments as contributors to rather than resolvers of problems of metropolitan political fragmentation, and claim that the proliferation of autonomous specialized governments hinders coordination of service delivery.

Many metropolitan areas have at least one special-purpose government at the county or larger scale. Common examples are transit authorities, water districts, sewer districts, natural resources districts, and countywide health authorities. In Erie County, the independent Niagara Frontier Transit Authority is an example of a regional special-purpose government.

Models Requiring No Metropolitan Restructuring

The second set of models for regional governance includes those that rely on cooperation among existing governments rather than structural reorganization or establishment of new local governments. With the exception of formalized regional governance networks, these nonstructural models exist in virtually every U.S. metropolitan area.

Formalized Regional Governance Networks (Dayton, Chattanooga, Charlotte)

Formalized regional governance networks are less rigid than hierarchical metropolitan models with tiers of governance and more defined than *ad hoc* cooperative arrangements. Although formalized networks come in a variety of forms, the common thread is an established process for identifying and deliberating avenues for regional or intercommunity cooperation. The catalyst for regional governance networks may be a public agency, private civic group, development foundation, citizens' league, network of neighborhood associations, think tank, or academic center.

Formalized regional governance networks establish a process for identifying and deliberating avenues for regional or intercommunity cooperation.

Identifying regional issues, inventorying available resources and mechanisms for addressing those problems, and developing, lobbying for, and carrying out a plan for regional cooperation may occur through forums, workshops, public hearings, or other venues. Part of the formal process of regional governance networks is ongoing monitoring and updating of plans.

A number of metropolitan areas, including Erie County, have more or less well-developed and funded formal regional governance networks. For example, community

The catalyst for regional governance networks may be a public agency, private civic group, development foundation, citizens' league, network of neighborhood associations, think tank, or academic center.

leaders in the Dayton-Montgomery, Ohio area have earmarked funding to conduct the tasks associated with a comprehensive intercommunity governance process. In this region, the Vision for Tomorrow task force, a group sponsored by the Greater Buffalo Partnership, has initiated the process of soliciting and compiling citizen views on issues of importance to the region. This

effort is modeled on similar citizen-based efforts in Charlotte and Chattanooga to develop governance strategies and foster cooperation in those regions.

Functional Transfers

A common model for regional governance is transfer of functions from one government to another (typically municipal to county or larger government). Transfers are typically enabled by state statutes and effected through intergovernmental negotiation. Limits on transfers are usually minimal, although as the discussion in chapter 6 noted, New York State law permits transfers only between governments that are independently empowered to provide the function, a provision that thwarts transfer of certain redevelopment functions because counties lack such authority. The impetus for transfers is typically fiscal, although federal or state mandates, changes in settlement patterns, or political expediency may motivate transfers.

Limits on transfers are usually minimal, although New York State law permits transfers only between governments that are independently empowered to provide a function.

Although not necessarily intended as such, functional transfers in Erie County have been perhaps the most common means of regionalization since the 1930s. As the discussion in chapter 5 indicated, transfer of social welfare, centralized police functions, cultural facilities funding, parks, the Buffalo airport, libraries, and other services from municipal to county governments has represented an ongoing though ad hoc process of regionalization. In these instances, fiscal stress or the need for a superior level of service provided the motivation.

Intermunicipal Service Agreements

It is a safe bet that every municipal government in the nation is party to some or typically many intermunicipal service agreements. Such agreements include a wide variety of contracts and arrangements, from shared road equipment and mutual aid pacts for fire fighting to extra-territorial planning review and water treatment services. Studies conducted in the 1960s and 1970s in Detroit, Philadelphia, and the Quad Cities (Illinois and Iowa) metropolitan areas tallied hundreds of intermunicipal agreements, each of which represents a form of regional or subregional cooperation. The prevalence of these arrangements stems from their flexibility and relatively easy attainability.

Intermunicipal service agreements include a wide variety of contracts and arrangements, from shared road equipment and mutual aid pacts for fire fighting to extra-territorial planning review and water treatment services.

The service profiles in chapter 8 identify numerous intermunicipal agreements that currently exist among Erie County municipalities. Each agreement, together with dozens of others not specifically mentioned represent an incremental form of regionalism. Collectively these agreements offer evidence of considerable, though not necessarily systematic, intraregional cooperation.

Although data on the extent of private and nonprofit activity is not readily available, recent surveys of metropolitan areas suggest that the extent of this form of cooperation is fairly extensive and growing.

Privatization and Nonprofitization

A model that has garnered considerable attention in recent years is public-private-nonprofit service delivery agreements. If private and nonprofit entities perform their functions regionally as opposed to within delimited municipal or submunicipal borders, then contracts with these entities represent a form of regional governance. When several municipalities contract with the same solid waste collection agency, the cumulative effect is to

regionalize that service. In a slightly different vein, the activities of a nonprofit corporation, say a health clinic that serves patients from throughout the area, represent a means of regional service provision. Although data on the extent and nature of private and nonprofit activity in metropolitan areas are scant compared to information on public sector service delivery, recent surveys of specific metropolitan regions suggest that this form of cooperation is extensive and growing.

Virtually every public service in the Erie County region -- courts are the closest exception to the rule -- has some level of private provision, either as a substitute for or supplement to public provision.

The services profiles in chapter 8 also identify instances of private and nonprofit involvement in service delivery in Erie County. Virtually every service examined -- courts are the primary exception -- has some level of private provision, either as a substitute for or supplement to public provision. The same is true for nonprofit activity, especially in the social and health services sector.

Efforts at Regional Governance Elsewhere

Previous chapters indicate that the Buffalo region is engaged in several forms of regional governance, including functional transfers, regionwide special-purpose governance, intermunicipal service agreements, and a modified form of formalized governance networks. How does this compare to other metropolitan regions? What is the status of efforts at regional governance elsewhere? What follows are capsulized reviews of the experience of regionalization in several metropolitan areas not previously discussed.

- **Albany:** Albany Metropolitan Area comprises 6 counties and 118 municipalities serving 874,000 people. The Capital District region (which includes the three central counties of Albany, Schenectady and Rensselaer) is in the midst of an intensive effort to regionalize several services. Initiated by a university-media partnership between

the Rockefeller Institute of Government and the *Albany Times-Union*, the consortium raised funds and sponsored several areawide conferences before obtaining permission from the New York State legislature to establish a Special Commission on the Capital District Region. The Commission, which became operative in January 1995, is comprised of 25 members representing business, government, labor, civic groups, and the general public. Its charge is to institute a process by which municipalities can collaborate to regionalize services in the area.

The Commission established advisory committees to study the potential for collaboration in five issue areas considered most ripe for regionalization in that area: transportation, land use, economic development, solid waste, and general government administration. Since initiation of the regionalization project the three other metropolitan counties of Montgomery, Saratoga, and Washington have joined the process. Four of the counties (Albany, Saratoga, Schenectady, and Rensselaer) are currently cooperating with shared use and operation of a Juvenile Security Detention Center. Advisory Committee recommendations on the five issues areas were released in late fall 1995, with a Commission public hearing process to begin in January 1996.

- **Cleveland:** The Cleveland region comprises 4 counties and 131 municipalities, serving approximately 1.8 million people. Service-by-service regionalism exists in the form of countywide or metropolitanwide districts for transportation, parks, and regional marketing. A number of private sector associations, including Cleveland Tomorrow (a consortium of CEOs of major Cleveland corporations) and the Cleveland Growth Association (a regional chamber of commerce), promote the growth and development of the regional economy in Northeast Ohio. Investigations by these agencies in recent years revealed a low probability that structural changes in local government arrangements would succeed. As a consequence, these groups chose to pursue regional economic development through industrial analysis and regional marketing. Regional restructuring is not high on the current metropolitan agenda.
- **Philadelphia:** Philadelphia Metropolitan Area comprises 8 counties and 339 municipalities serving 4.9 million people. The hub of pro-regional cooperation efforts in the region is the Center for Greater Philadelphia, a 10-year old research unit of the University of Pennsylvania. The center sponsors conferences and forums, lobbies state legislators, and assists with proposals to forge intra-regional alliances between municipalities. It was instrumental in facilitating creation of the Philadelphia Regional Port Authority and stabilization of the Southeastern Pennsylvania Transportation Authority (SEPTA), the region's transit system.

In recent years, the Philadelphia area has placed regionalization on the front burner of the metropolitan agenda. Current efforts were catalyzed by the March 1995 publication of a Peirce Report on the region (named for urban analyst and journalist Neil Peirce who has researched and written such reports for a dozen or so metropolitan regions). The Peirce Report proposed numerous areas for greater regional cooperation and prompted area businesses, civic groups, and government officials to participate in a major regional forum held in May 1995 to identify existing

and future collaborations within the area. Plans are underway for follow-up forums to continue the process.

- **Pittsburgh:** The Pittsburgh metropolitan area comprises 5 counties and 345 municipalities serving approximately 2.2 million people. It is one of the most politically fragmented metropolitan areas in the nation. The region has undergone numerous discussions of regionalization, both formal and informal. Recently, after two years of intensive lobbying by public and private interests, the State of Pennsylvania enabled creation of the Allegheny Regional Asset District, a nontaxing, special-purpose government that has the authority to disburse 50 percent of the proceeds of a countywide 1 percent local option sales tax. (The remaining 50 percent of funds are split between Allegheny County government (25% of total proceeds) and local governments within Allegheny County on a formula basis (remaining 25% of total)). The initial targets of asset district funding are region-serving parks, libraries, sports, and cultural facilities.

Beyond the asset district, previous attempts at regionalization have failed due to considerable opposition from suburban jurisdictions. A current effort between the City of Pittsburgh and Allegheny County to consolidate services is focusing on tasks considered to be least politically volatile, namely joint purchasing agreements, joint collection of delinquent taxes, and consolidation of vehicle fleets. Pending the outcome of these efforts, there may be a second phase of city-county activities, including shared police services, expanding the regional asset district, merging public housing operations, and sharing revenues from economic development. Discussions are being mediated by the Pennsylvania Economy League. Formal agreements are expected in the next year or two, based on work by task forces representing city, suburban, and county officials, union officials, and area business executives.

- **Rochester:** Rochester Metropolitan Area comprises 5 counties and 119 municipalities serving 1.0 million people. According to Monroe County officials, the only truly regional service is public transit, with an umbrella transportation planning organization that has functions similar to the Niagara Frontier Transportation Committee in Erie County. Several services, including 911 emergency medical services, recycling, and a limited sharing of landfill operations occur at the county level.

Monroe County has had four different administrations in the past eight years and had another election in fall 1995. Although some local officials, including the mayor of the City of Rochester, have expressed interest in selected regionalization, flux in county government has placed such efforts on the regional back burner. Regionalization remains a fairly sensitive issue, with city versus suburban tensions at the center of debate.

- **San Francisco:** San Francisco Metropolitan Area comprises 3 counties and 32 municipalities serving 1.6 million people. Regional governance has been a major

topic on the Bay Area agenda throughout the 1990s. Momentum built in early 1991 for state legislation to form a regional government that would oversee transportation, air quality, and growth management. Despite lobbying from private and civic interests, such as the Bay Vision 2020 Commission, the California State Senate defeated the proposal in August 1992.

A subsequent proposal from Bay Area growth management interests to grant existing regional bodies the authority to limit development through urban limit lines was rejected by Governor Wilson in early 1993. By 1994, although supporters remained convinced that regional governance held the key to combatting traffic gridlock and suburban sprawl, the pro-regionalization movement was abandoning for the time being its uphill battle for regional government.

- **St. Louis:** St. Louis Metropolitan Area comprises 10 counties and 209 municipalities serving 2.4 million people. The region has a history dating back to the 1920s of repeated unsuccessful efforts to create regional government. The latest round came in the late 1980s with a plan by the St. Louis County Freeholders to restructure government by consolidating several municipalities and independent fire districts, and implementing a plan to redistribute financial resources through tax base sharing. Consistent with previous plans, area voters rejected the reorganization in mid-1989. Since then, the Missouri portion of the region has been linked by the opening of the first phase of a regional light rail transit system.

Chapter 11

Next Steps: An Action Agenda

The purpose of this report has been to assemble and analyze information on issues of governance within Erie County as a foundation for understanding and action. Earlier chapters have presented much information -- on where we live, who we are, patterns of everyday life, historical, legal, and financial considerations that bear on local governance, structures of

A vigorous region with a hopeful future requires a fundamental understanding of issues and patterns that drive the region -- an understanding necessarily founded in good information.

service delivery, and alternative models for governance in metropolitan regions. This information is of value for advancing understanding of ourselves, our region, and the ways in which we govern. A vigorous region with a hopeful future requires a fundamental understanding of issues and patterns that drive the region -- an understanding necessarily founded in good information.

Yet information and analysis, while necessary for effective governance, are not sufficient. Also required is translating

information and analysis into regional action on issues of governance within Erie County.

The initial action agenda proposed below originates in and responds to several key premises and findings of this report. Among them are that:

- A critically important dimension of effective governance is reliable, available, current, and comprehensive information to foster good decision-making in the public sector. Much good information on governance exists within the region, however much of it is dispersed or inaccessible. In a few instances, good information is not currently available and will require community surveys and new research to obtain it.
- The goal of understanding and acting on issues of governance within Erie County necessarily involves an ongoing dialogue and a series of deliberate action steps by a collaboration of stakeholders in the region. The region currently lacks a mechanism for centralizing and disseminating information and for deliberating issues of regional significance.
- As with most difficult challenges, there is no single solution or "silver bullet" to achieve the goal of effective governance. Useful approaches are necessarily complex and involve an entire frontier of efficiencies, reforms, and collaborations. In some cases, governmental services and policymaking may benefit from greater regionalism;

in other cases, a decentralized structure of governance gives the greatest "bang for the buck" to residents and taxpayers.

- There are numerous precedents -- internal and external to Erie County -- for mutually beneficial arrangements for governance and service delivery. The tough question for the region is how to broker the inevitable tradeoffs between different goals of governance such as efficiency, equity, accountability, and political participation. Effective governance is both an art and a science.
- Although this report has focused on the public sector because of its central role in service delivery and policymaking, the notion of governance properly embraces a wide range of public, private, and nonprofit entities. Further study on the interrelationships among sectors in the region is essential.

In this light, four specific steps are proposed as an initial action agenda to build a base of useful, accessible information, communicate more effectively with one another in the region, and promote cooperative approaches to regional challenges:

1. Convene a regional forum early in 1996 for the purpose of presenting the analyses and findings of this report and to begin the process of deliberating governance concerns of regional significance. All sectors of the county should be represented at the forum and asked to join in an ongoing regional collaboration. The University at Buffalo, represented by President Greiner, would outline the commitment of UB to this effort and propose a series of follow-up steps as indicated below. Although this first forum would be focused upon Erie County as a pilot effort, representatives of other Western New York counties would be invited with the goal of expanding the collaboration to a broader regional basis.

2. Develop an accessible, on-line regional information network for the exchange of information between area residents, governments, businesses, foundations, nonprofit institutions, schools, and other potential users. Perhaps modeled after the LibertyNet precedent in Philadelphia, this effort will need to be a genuine partnership with key community sponsors from the educational, public, private, and nonprofit sectors. Many existing data bases, including quantitative and textual information sources used in the preparation of this report, would provide the initial foundation of information for the new network. This network would itself be a regional collaboration, sustained by and of use to many information providers in the area.

3. Conduct a large-scale survey of area residents and stakeholders to determine attitudes and beliefs about issues of governance in the region. Currently, a major gap in the region's ability to understand and act on issues of regional significance is the lack of systematic information about resident and business perceptions, preferences, and opinions on the structure and functions of governance. Survey research could also shed greater light on specific patterns of everyday life and the nature of intra-regional interactions.

4. Convene a series of follow-up forums on specific issues of governance for targeted audiences in the region. The forums would provide a process and framework for

deliberating issues at the regional scale and would encourage continuing attention to the questions and challenges posed at the regional forum in early 1996. Different collaborators would need to facilitate individual forums depending on the distinctive topic and audience. Of immediate value are forums specifically directed at:

- Municipal Officials and Staff. This forum would enable elected officials and staff to share ideas about service delivery, possible collaborations, effective ways to lower costs, legislative roadblocks to good governance, participation in the regional information network, and similar topics. One important outcome would be a systematic listing of all intergovernmental agreements in the area, which would provide useful data and perhaps challenge our own notions about the lack of cooperation in the region.
- Information Providers and Users of a Regional Information Network. This forum would enable potential information network users and information providers to collaborate in the planning, construction, and implementation of a regional database. An analysis and demonstration of potential models, such as LibertyNet, would be included in the deliberations at this forum.
- Legislators. This forum would bring together elected federal, state, and regional officials to focus on issues of concern to Western New York residents and governments. This gathering would be an opportunity to present ideas that need legislative redress or support for moving forward on potential collaborations. Moreover, the possibility of a state constitutional convention in the near future provides a context for important discussions pertaining to issues of home rule, regionalism, financial aid, and so forth.

As the major university center in the region, the University at Buffalo can and should play a useful role in helping to coordinate these meetings and the other action steps outlined above. Particularly as a state or public institution, the university has a true obligation to be an active partner in the development of the regional community. Nonetheless, the success of these efforts specifically and the goal of effective governance more broadly depends on the commitment of all sectors of the region to a genuine, enduring collaboration.

Appendix A

Review of Research on The Significance of Local Government Arrangements

This appendix offers a review of the theoretical arguments and empirical findings on the relationship between local government arrangements and dimensions of governance. Much discussion among residents and policy makers in metropolitan regions focuses on the significance of government arrangements -- for example, the number, size, and configuration of government units -- on metropolitan functioning. Of specific interest in this review is the relationship between local government arrangements and six dimensions of governance:

- **efficiency I** -- public or private sector service delivery
- **efficiency II** -- centralized (regionalized) or decentralized (politically fragmented) government arrangements
- **equity**
- **accountability and responsiveness**
- **political participation**
- **regional economic growth**

There are two overarching messages of the review. The first is that far less is known about the influence of local government arrangements on issues of governance than many assume. The second is that numerous factors in addition to local government arrangements influence the effectiveness of systems of governance. Both messages speak to an important methodological reality of research in this area: measuring and isolating the effects of political structure are formidable tasks. The reasons a region "works" well or doesn't are difficult to determine. Discerning the independent effects of local government arrangements relative to the many other factors that influence metropolitan functioning is also difficult.

Far less is known about the actual influence of local government arrangements on issues of governance than many assume (and claim). Numerous factors influence the effectiveness of systems of governance.

Methodological Issues: Measuring Local Government Arrangements

The methodological backdrop to studying questions of political structure is the reality, discussed in chapters 2 and 10, that metropolitan areas in the United States display wide variation in local government arrangements. Honolulu Metropolitan Area, for example, is a highly politically integrated region with a single consolidated city/county/school district government supplemented by only

three special-purpose governments, which together serve 840,000 residents. By contrast, Philadelphia Metropolitan Area is a highly politically decentralized region with 838 local governments (8 counties, 140 municipalities, 199 townships, 173 school districts, and 318 special-purpose governments) serving 4.8 million residents. Further distinguishing metropolitan areas are variations in the role of county governments, the size and powers of special-purpose governments, the prominence of central cities within the metropolitan area, and the degree to which various units overlap geographically and functionally.

Metropolitan areas in the United States display wide variation in local government arrangements. Honolulu Metropolitan Area has 4 local governments; Philadelphia Metropolitan Area has 838.

Conceptually, ample variation in local government arrangements creates an exceptional laboratory for studying their significance. In practice, however, diversity in metropolitan governance arrangements makes it difficult to devise useful comparisons. States vary widely in the powers, functions, and revenue capabilities of different government types.

Diversity in metropolitan governance arrangements makes comparisons difficult.

A town in New York State, for example, functions essentially as a full-scale municipality, providing a wide range of urban services to residents, while towns in midwestern states tend to have narrow powers restricted to state highways and courts. Knowing that two places each have the same number of towns is insufficient information for comparisons. Similar problems pertain to the hundreds of

different types of special-purpose governments. How, for example, might a special-purpose water authority in Houston compare to a municipal water department in Sacramento? Without obtaining far more detailed data on agency operations than are currently available, it is impossible to say. Multiply such challenges by the number of local governments in metropolitan areas -- over 13,000 as of 1992 -- and the challenge of comparative governance becomes clear.

These considerations notwithstanding, the potential importance of the relationship between political structure and the outcomes of government is great enough to have generated an increasing number of studies. In these studies researchers typically rely on three basic measures of local government arrangements:

- the number of local governments in an area;
- the number of local governments per capita;
- the number of local governments per land area (square miles)

Local governments include counties, municipalities (cities, villages, boroughs, and other incorporated units), townships or towns, school districts, and independent special-

purpose governments. Data to compute these measures for every metropolitan area (as well as non-metropolitan areas) are available from the U.S. Bureau of the Census, which surveys local governments units every five years in its censuses of governments.

Most analysts acknowledge problems associated with these standard measures of political structure. For example, a simple tally of the number of governments tells little about their size, powers, or influence within an area. Relative measures by their nature may wrongly imply that smaller regions with fewer persons or square miles are heavily governed, even if the absolute number of governments is also small. Simple measures also cannot, of course, capture other potentially influential attributes of local government arrangements, such as the extent of private or nonprofit sector involvement in metropolitan service delivery, the role of homeowners' associations and business improvements districts (neither of which are counted in federal censuses of governments), intergovernmental relations that affect public policy, and regional or historic characteristics of an area.

A simple tally of the number of governments tells little about their size, powers, or influence within an area.

Despite their drawbacks, however, most studies, including the ones reviewed here, use these standard measures or a close variation because they are readily computed and widely understood.

Theory and Evidence: What We Know About Local Government Arrangements

In this context, we can examine the theoretical arguments and empirical evidence linking local government arrangements to the six dimensions of governance. A reference list for the sources listed in parentheses can be found at the end of the appendix.

Efficiency and Local Government Arrangements

We consider first perhaps the most widely discussed and sought after value of governance, efficiency. Virtually every taxpayer and policymaker wants efficiency; few, at least, would consistently prefer inefficiency to efficiency.

For a service to be efficient requires that it meet two basic criteria:

- that it be provided in the quantity and quality that people want; and
- that it be produced at the lowest possible cost.

Efficiency is thus more than a simple measure of cost or consumer preferences. Rather, it is a measure of value, or colloquially, "bang for the buck."

Efficiency is more than a simple measure of cost or consumer preferences. Rather, it is a measure of value, or colloquially, "bang for the buck."

The criteria for efficiency yield two types of inefficiency. The first occurs when goods and services are not what consumers demand, even if they are produced at lowest possible cost. Using scarce resources to produce goods for which there is little demand -- whether manual typewriters, six-lane highways, or senior housing near the airport -- is inefficient even if their production is at lowest possible cost.

The second type of inefficiency occurs when the goods and services produced match consumer demands, but production of these items does not occur at lowest possible cost. Although residents and businesses may demand and receive high quality, twice-a-week garbage pickup, for example, service is inefficient if labor or equipment practices are wasteful, leading to higher-than-necessary costs for garbage services.

Review of the theory and evidence on efficiency can be divided into two areas: 1) the relative efficiency of public versus private sector service delivery; and 2) within the public sector, the relative efficiency of centralized (regional) versus decentralized (politically fragmented) local government arrangements.

1. Efficiency I: Public versus Private Sector Service Delivery

What do theory and practice tell us about the relative efficiency of public and private sector providers?

Theoretical Arguments

Theory suggests that private service producers, or, more specifically, profit-seeking producers, have the greatest incentives to achieve efficiency in service delivery. This is because private corporations more than public or nonprofit corporations tend to operate under conditions of competition and client accountability. The greatest profits go to those who maximize the difference between the price a consumer is willing to pay for a product and the cost of producing it. Because buyers in a competitive economy can choose between many producers, there is a great incentive to minimize costs and maximize consumer satisfaction -- the building blocks of

Private producers, or, more specifically, profit-seeking producers, have the greatest incentives to achieve efficiency in service delivery.

efficiency. In addition, because in the private sector the effects of inefficiency are highly concentrated -- typically only a small handful of owners stand to gain or lose significantly -- private corporations will tend to be more rigorous in achieving efficiency.

By contrast, public (and nonprofit) agencies generally lack the competitive pressure and profit incentive to efficiently produce goods and services. Municipal governments, for example, are often the only game in town and often enjoy a monopoly on public service provision within their borders. For dissatisfied citizens, inducing gains in public sector efficiency requires either credible threats to leave the municipality (analogous to brand switching in the private sector) or political pressure to unseat elected officials. That the costs to move are high and public officials often survive citizen opposition, however, weakens the incentives for a public sector agency to improve efficiency. Moreover, because citizens are so numerous and dispersed, they individually stand to lose or gain only slightly from any inefficient policy or efficient improvement. As a consequence, theory suggests that the intensity with which the general public insists upon efficiency improvements and the public sector feels compelled to respond tends to be less than in the private sector.

By contrast, public agencies generally lack the competitive pressure and profit incentive to efficiently produce goods and services.

Theory does not guarantee, of course, that a private enterprise will be efficient (nor does it guarantee that a public sector will not be efficient). Theory does indicate that achieving efficiency requires competition and accountability. When these conditions are absent from a private market (as occurs with monopolies or long-term franchises) or present in a public one (as occurs with interjurisdictional competition or intense citizen scrutiny of government operations), the theoretical advantages of private enterprise and disadvantages of public sector are diminished.

To the extent that nonprofits mirror the public sector with exclusive franchises to provide services and a lack of profit incentives, nonprofits will suffer similar efficiency disadvantages.

Before considering the evidence, it is important to note that comparing public and private sector is problematic because these sectors may have different goals for service provision. For example, a public agency with a goal of increasing opportunities for disabled workers may hire several for certain jobs, even though these workers may be less productively efficient than non-disabled workers. Efficiency is merely one of several goals a public sector agency may have, thus making the hiring decision a sound one.

Empirical Evidence

To measure efficiency requires information on consumer preferences, the cost of production inputs, and the quality and quantity of production outputs. For example, efficiency measures in education might be test scores per dollar spent, while efficiency in fire protection might be measured by property damage or response times in relation to costs.

In practice, because comparable data for these measures are difficult to come by, determining efficiency is difficult. Not surprisingly, empirical research on the comparative efficiency of various governance arrangements is actually scant, even though numerous articles imply such analysis. Most research more precisely focuses on the one aspect of efficiency for which data *are* readily available, namely the per capita costs of service delivery.

With this consideration in mind, consider the findings of a comprehensive literature review by John D. Donahue (1991) on the efficiency outcomes of public and private sector service delivery:

- *studies confirm the efficiency-inducing effects of competition and accountability.* Provided there exist competition or a credible threat of losing customers through contract nonrenewal, private, profit-seeking agencies are potentially more efficient providers of services.
- *In particular, studies of garbage collection, water utilities, electric utilities, office cleaning, firefighting, and transportation (airlines, railroads, buses) found that private providers were more efficient under conditions of competition and accountability* (Donahue 1991; Spann 1977).
- *Notably, though, in several instances public provision was more efficient than private provision, even under competitive market conditions* (Donahue 1991). There were several possible explanations. First, in some cases private competitive firms may be too small to capture economies of scale in production or billing. Second, private firms may get away with higher prices by taking advantage of the fact that many consumers are unwilling or unable to shop around for the least expensive private provider. Third, despite competition, there is likely to be some duplication and waste when multiple private providers provide garbage pickup, water, firefighting or other services in a single neighborhood or area. Fourth, networks of private competitors may in reality be more like private cartels that maintain high prices throughout an industry. The classic example of the latter is commercial garbage collection cartels that operate in some regions.
- *More specifically, publicly monitored private contracts, that is, privatization, is consistently more efficient than either public provision or competitive private provision in garbage collection and firefighting services* (studies in Donahue 1991). Competition and accountability may be ensured by competitive bidding and municipal monitoring and enforcement of privatization contracts. The knowledge that a contract will not be renewed if service does not meet consumer demands appears to impel private contractors to reduce inefficiency.
- *There appears to be no tendency for private water or electric utilities to be more efficient than their public counterparts; in some instances, the public providers are more efficient for these services* (studies in Donahue 1991). Analysts suggest that these results are due at least in part to the regulation of the profits of private utilities, which leads to higher than normal investment in relatively expensive capital equipment.

2. Efficiency II: Centralized versus Decentralized Local Government Arrangements

A second topic of interest with respect to the efficiency effects of local government structure focuses on the degree of centralization or decentralization in local government arrangements. Since the earliest days of metropolitanization in the early 1900s, popular wisdom has held that politically fragmented metropolitan regions are inefficient due to duplication of service and lack of coordination in service delivery. Since the 1950s a contrasting perspective has emerged that advances the opposite argument, namely that politically fragmented metropolitan regions with many competing jurisdictions are, like competitive private markets, more efficient than centralized, single provider arrangements.

Theoretical Arguments

This debate over the relationship between government arrangements and efficiency persists in part because each viewpoint has theoretical support. Bolstering the "politically decentralized arrangements are more efficient" view are economic principles related to consumer preferences and interjurisdictional competition. Bolstering the "one or a few large governments are more efficient" view are the principles of economies of scale and externalities.

Argument 1: politically decentralized governance is more efficient. One source of support for the view that politically decentralized governance is more efficient is the principle that the closer the match between individual consumer demand and actual services delivered, the more efficient the service delivery. The more homogenous a jurisdiction, then, with respect to service preferences, the greater the potential for achieving efficiency. Because individuals vary, no community is entirely homogeneous with respect to preferences for particular services, of course. It is likely, however, that smaller communities will have a smaller gap between individual preferences and the jurisdiction's actual service offerings than will large communities. Small communities are simply more likely to be homogeneous with respect to preferences, especially if residents are able to "self-sort" themselves into communities.

Note that it is diversity of preferences, not size *per se*, that matters. There is no *inherent* efficiency advantage to smaller communities. To the extent small communities are internally diverse with respect to preferences, the efficiency advantages of decentralization are diminished. Likewise, if large communities are homogeneous with respect to preferences, the efficiency disadvantages of centralization are diminished.

The greater likelihood of interjurisdictional competition in politically decentralized metropolitan regions provides a second theoretical support. Competition is well-known to compel efficiency. To the extent that political officials believe taxpayers/voters will express dissatisfaction about local services by migrating to another community, officials will strive to improve public sector performance. Government officials have a strong incentive to root out inefficiency in public service delivery.

The theoretical efficiency advantage of politically decentralized areas rests on the notions that competition between jurisdictions is more likely and taxpayer threats to move more credible in areas with multiple jurisdictions. Under a regional government, which by definition limits relocation choices, there is virtually no jurisdictional competition and, because moving out of the jurisdiction requires moving out of the region, citizen threats to relocate are far less credible. On grounds of competition and preferences, then, theory favors politically fragmented regions over those with integrated government arrangements.

Competition between jurisdictions is more likely and taxpayer threats to move more credible in areas with multiple jurisdictions.

Argument 2: politically centralized governance is more efficient. Economies of scale criteria imply that small units of government cannot achieve lowest cost service provision because they sacrifice the cost savings associated with large-scale production.

Economies of scale are especially relevant for capital-intensive services, such as water, sewer, and mass transit, and for administrative tasks, such as vital statistics or property recordkeeping.

Economies of scale are especially relevant for capital-intensive services, such as water, sewer, and mass transit, and for administrative tasks, such as vital statistics or property recordkeeping. Once again, there is *no guarantee* that large units are more efficient. Large units may suffer from diseconomies of scale, that is, be too large for cost-effective service delivery. For example, a large regional sewer agency might sacrifice efficiency by attempting to serve remote areas or because of slack in a large bureaucracy.

A second argument favoring the efficiency of large-scale units of government concerns externalities, which are also known as spillovers or third-party effects. Externalities are impacts (either positive or negative) imposed by one party on another without any mechanism for the impact-generating party to compensate the affected party. Examples of externalities are air pollution, water pollution, traffic congestion, or the benefits of a central city zoo, all of which may be generated by the actions of one jurisdiction or person and experienced by other jurisdictions or persons. Externalities lead to inefficiency because the preferences of affected parties are not accounted for when the impact-generating party makes decisions about service delivery. As a consequence, a jurisdiction produces inefficiently large amounts of a service that generates negative externalities and inefficiently small amounts of a service that generates positive ones.

One traditional solution to externalities is to tailor the boundaries of jurisdictions so that they encompass the entire territory affected by their decisions on public services, a process known as "internalizing" the externality. Matching political borders to service areas

ensures that everyone affected will contribute financially (through taxes) and have a political voice in service delivery decisions.

Unfortunately, the fact that externalities vary for different services complicates implementing the solution. Services with strong externalities, such as major cultural facilities, pollution generating activities, or airports, lend themselves to more regionalized government arrangements. Services with weak externalities, such as administrative tasks, curb ordinances, or a local tennis court, lend themselves to more local control. Some services, notably planning and public safety, have mixed externalities. Depending on the particular task, the appropriate government level may vary. Locating a region-serving retail mall or pursuing criminals across borders, for example, are more amenable to regionalized decision-making, while downtown sign ordinances and community policing patrols are well-suited to local control.

Matching political borders to service areas ensures that everyone affected will contribute financially (through taxes) and have a political voice in service delivery decisions.

The presence of externalities, which differ for every service and function within services, implies that to achieve efficiency requires a variety of governing units, each geographically tailored to be most efficient for a particular task. The impracticality and unwieldiness of such a system, which could have hundreds of different governments, has traditionally persuaded society to tolerate less than 100 percent internalization of externalities and, thus, less than 100 percent efficiency.

The presence of externalities implies that to achieve efficiency requires a variety of governments, each geographically tailored to be most efficient for a particular task.

The practical problems associated with achieving efficiency given multiple services and fixed municipal borders has motivated intermunicipal service agreements and formation of special-purpose

governments. Analysts agree that externalities (and also economies of scale and preference matching, though not competition) can be theoretically addressed by cooperative arrangements or overlay governments, the boundaries of which can be precisely tailored to encompass the efficient scales for a given service. A metropolitan region might establish, for example, a series of public authorities and special districts for water, sewer, health, parks, libraries, housing, and highways services. Likewise, two or more municipalities might join forces to capture economies of scale or internalize an externality associated with a service. Sub-municipal, special-purpose governments can also satisfy specialized service preferences, much in the same way that downtown business improvement districts enable a higher level of public safety and maintenance services within a small area of a city.

In theory, then, if service preference and competition factors outweigh economies of scale and externalities considerations, then smaller decision units are most efficient. If not,

In practice, the optimal system of local government arrangements will depend on resident preferences, the nature of services provided, presence and intensity of externalities, and the level of competition.

then more regionalized governance arrangements are most efficient. Neither argument is inherently superior. In practice, the optimal arrangement will depend on resident preferences, the nature of services provided, the presence and intensity of externalities, and the level of competition.

Empirical Evidence

Moreso than studies on public versus private sector efficiency, empirical studies on local government arrangements are essentially cost studies that measure the "buck" part of "bang for the buck." In that genre, there is a relatively large literature examining the link between local governance arrangements and per capita costs of service delivery. A review reveals several themes:

- *the greater the number of multi-purpose governments in an area, the lower the amount of government spending on services* (Adams 1965; Isserman 1976; Sjoquist 1982; Nelson 1987; Schneider 1989). The preponderance of evidence indicates that competition between jurisdictions drives down costs. Apparently, the implied threat of outmigration by residents or businesses and the desire to attract new residents and businesses prompts municipalities to keep service costs low.
- *for single-purpose governments, however, the greater the number of units in an area either has no effect or leads to higher per capita costs for services these units provide* (Nelson 1986; Nelson 1987; Eberts and Gronberg 1988). There are several possible explanations. First, because special-purpose governments provide different functions, a multiplicity of these entities does not guarantee the competition hypothesized to keep costs low; airport authorities and library districts, for example, do not compete with one another. Second, even when multiple special-purpose governments do provide the same service in an area, the possible erosion of economies of scale might outweigh cost reductions realized through greater competition. Third, because special-purpose governments often provide regional level services such as transit or sewer, multiple special-purpose providers may sacrifice economies of scale and thus sacrifice lower costs. Fourth, managers of special-purpose governments may capitalize on the likelihood that most customers will not relocate if dissatisfied with a single service. Fifth, institutional specialization itself requires higher expenditures to cover the overhead and administrative costs of a separate government unit.
- *results are inconclusive with respect to whether fiscally centralized or decentralized areas (measured by the share of higher-level government spending to total higher- and lower-level government spending) spend more per capita for services.* Some studies find that more fiscally decentralized states have higher government expenditures (Nelson 1986; Oates 1985). Others find the opposite (Giertz 1981). At

the metropolitan scale, two studies yield mixed results depending on the service (Wagner and Weber 1975; DiLorenzo 1983); a third found lower costs in areas that were more fiscally decentralized (Zax 1989), while a fourth found the opposite, that costs were lower in more regionalized areas (Dolan 1990).

- ***at least at the national scale, competition apparently holds down the growth rate of government expenditures over time*** (Marlow 1988; Grossman 1989; Lowery and Berry 1983). Results are inconclusive at the metropolitan scale (Schneider 1986, 1989).
- ***"before and after" studies of metropolitan reorganizations reveal higher per capita costs for regionalized services following consolidation*** (Gusteley 1977, Cook 1978; Benton and Gamble 1984). In Miami-Dade County (Florida), Metropolitan Toronto, and Jacksonville-Duval County (Florida), three areas that either formed two-tier federated governments or underwent city-county consolidation, per capita costs increased for regionally provided services (e.g., police and education), while there was no change in expenditures for locally provided services (e.g., sanitation). Higher costs were attributed in part to the "equalizing up" phenomenon in which post-consolidation spending levels are set equal to the highest pre-consolidation levels in individual jurisdictions prior to the reorganization. An alternative explanation is that the purpose of city-county consolidation was not cost savings but rather improved services, which tend to cost more.
- ***in short, studies on the cost effects of local government arrangements reinforce the importance of competition as a brake on local government spending.*** The greater the number of local governments in an area, the lower the per capita costs of service provision. This finding is reinforced by findings that greater concentration of spending power in higher level governments is associated with higher government spending. On cost grounds alone, it appears that the benefits of consolidated government (economies of scale, externalities) are outweighed by the drawbacks of large units of government (lack of competition, greater barriers to public scrutiny of government costs).

3. Equity and Local Government Arrangements

Questions of equity focus on the distribution of resources across groups by neighborhood, race, age, gender, income class, and location within city, suburban, or rural area.

A third area of interest is the relationship between the arrangement of local governments and various measures of equity. Questions of equity focus on the distribution of resources across groups by neighborhood, race, age, gender, income class, and location within city, suburban, or rural area. For present purposes, equity refers to fairness in the incidence of taxes and distribution of public services.

Equity is not equivalent to equality. Few would expect absolute equality of tax payments or services received by individuals or groups, given very different needs and preferences. Equity is also not a universally defined or static concept. Not only do societies define what is fair in different ways, any single society continually redefines its own conceptions of fairness over time.

Two measures of equity are most frequently used to evaluate policies, ability-to-pay and benefits received. The ability-to-pay criterion holds that persons with equal ability to pay should pay equal taxes (a standard known as horizontal equity), and persons with greater ability to pay should pay more taxes than those with lesser ability (known as vertical equity). Thus, two persons with equal incomes, regardless of place of residence, age, race, occupation or so forth, should pay equal taxes. Within any jurisdiction or region, vertical equity would require some form of redistribution or progressive taxing to ensure that those with more resources pay more.

Persons with equal ability to pay should pay equal taxes. Persons with greater ability to pay should pay more taxes than those with lesser ability.

Those who benefit pay; those who do not benefit, do not pay.

The benefits criterion, sometimes referred to as fiscal equity, holds that persons should pay taxes or fees in proportion to the services received. That is, those who benefit pay; those who do not benefit, do not pay. Fiscal equity does not presume redistribution to accommodate different resources of the poor and rich.

Theoretical Arguments

Because the two measures of equity are often contradictory, depending on which one is considered a policy may appear to be equitable or inequitable. Naturally, this complicates the assessment of equity. If ability-to-pay is given greater weight, politically integrated regions are more likely to achieve horizontal equity than are politically decentralized ones. Given systems of local property taxation, there is a greater probability that two persons or households with identical resources will pay the same in taxes if they live in the same jurisdiction than if they live in different ones. With respect to vertical equity, there is no inherent advantage to either integrated or fragmented systems of governance. In either case, vertical equity requires fiscal policies that favor the poor. To the extent that integrated governments have a larger pool within which to draw

If ability-to-pay is the criterion, then politically integrated systems have greater potential for achieving equity at the metropolitan scale.

funds and redistribute them according to progressive principles, however, most analysts agree that politically integrated systems may have greater potential for vertical equity at the metropolitan scale.

If, by contrast, the benefits criterion of equity is given greater weight, achieving equity implies shifting from collective taxing systems to user fees and charges based on actual services used. This shift puts proportionally greater financial responsibility on those who receive relatively large amounts of public services, regardless of whether the government is regional or municipal. Because the poor typically receive large amounts of public services, often at considerable subsidy, the benefits criterion represents a potentially large threat to their well-being. Only to the extent that benefits principles are relaxed somewhat and used to justify collective funding for regionwide cultural or recreational institutions

previously funded only by central city residents (who may have disproportionately high poverty rates) would regional government hold fiscal advantage for poorer households.

Another dimension of equity relates to the degree of disparity or standardization in service levels. By this criterion, the most socially equitable system would be one in which service disparities are most narrow. Theory suggests that centralized governance arrangements are more likely to achieve social equity than are decentralized ones. The reasoning is straightforward: decentralized arrangements imply variations across jurisdictions in tax burdens, taxable resources, and service levels. If the entire area is a single government, there is by design a single tax base and uniform tax rate for all residents.

To the extent that equity is influenced by planning and zoning laws, moreover, politically decentralized metropolitan areas would be expected to have higher levels of social, racial, and economic differentiation than would politically centralized areas. Through planning and zoning, a community has the legal power to insulate itself from outsiders it considers undesirable, promote its social values and community character, and ensure through devices such as minimum lot sizes that newcomers pay their fair share in property taxes. Given that each local government unit has planning and zoning powers, we would expect to find higher levels of segregation in politically decentralized metropolitan areas that have relatively small, demographically homogeneous jurisdictions. To the extent that economic, racial, or social integration is an equity-related goal for a region, politically integrated governance holds greater promise.

If benefits received is the criterion for equity, then there is a proportionally large burden on the poor, regardless of whether the government is regional or municipal.

If narrowing disparities is the criterion, then regionalized arrangements are more likely to achieve equity than are decentralized ones.

Although these arguments give preference to politically integrated metropolitan areas on equity grounds, there is no reason why decentralized systems could not achieve high levels of tax or service equity in practice. National, state, or regional systems of tax base sharing or grant equalization (in which the areas with the lowest tax bases or highest needs receive the largest grants) can be designed to redistribute wealth or aid to better equalize fiscal capacity. In addition, services for which a relatively standardized level of service or access to service are deemed important may be provided by the county or higher unit of government, which enables the pooling of resources from area jurisdictions. Such an arrangement often occurs for social services such as public assistance and health, for which service equity is considered critical.

Empirical Evidence

Most equity studies examine socio-economic and/or racial segregation in politically decentralized metropolitan regions. These studies do not analyze similar patterns of segregation in politically consolidated regions (although some studies compare segregation within municipalities), so conclusions about local government structure are thwarted. Other studies examine pre- and post-consolidation standardization of service levels. Overall, empirical studies rarely address equity in centralized versus decentralized arrangements.

With these considerations in mind, empirical studies show that:

- ***given fiscal systems and planning laws, political fragmentation facilitates segregation at the jurisdiction level*** (Danielson 1976; Miller 1981; Logan and Schneider 1981; Weiher 1991; Rusk 1993). Political fragmentation allows persons to differentiate themselves by characteristics into discrete and autonomous government units. Differences tend to be greater across jurisdiction boundaries than across informal neighborhood boundaries.
- ***variation in income levels across jurisdictions increases as the number of jurisdictions in an area increases*** (Hill 1974). Such differentiation may result both from exclusionary laws and behaviors and also from individual residential choices within the metropolis.
- ***city to suburb per capita income ratios are lower in metropolitan areas with "inelastic" boundaries than in areas with "elastic" boundaries*** (Rusk 1993). Elasticity refers to the ability of a central city to capture surrounding suburban areas through annexation or other means. Thus, areas with more expansive central cities, which tend to be more politically integrated, have narrower income gaps between the central city and suburbs than do areas with less expansive central cities, which tend to be more politically fragmented. To the extent that city-suburban differences are a measure of equity, politically integrated arrangements are superior means toward equity.
- ***per capita spending for services tends to vary widely across jurisdictions*** (Paddison 1983). Interpreting public service disparities requires caution, however. Given that

persons have different service preferences and needs, variation is expected and well-accepted. Variations are also evident within jurisdictions.

- *within municipalities, per capita spending on services tends to be higher in low income areas compared to high income areas* (Rich 1982; Lineberry 1977).
Contrary to popular wisdom, studies suggest that low-income areas do not receive lower levels of public services. The finding is understandable from a service need viewpoint: poor, high-crime areas are likely to receive higher levels of social and public safety services than are affluent, low-crime areas.
- *in Toronto, transfer of education, police, infrastructure, and social services to an upper-tier, regional level of government helped narrow intermunicipal fiscal and service disparities within the region* (Frisken 1993; Cook 1973; Feldman 1995).

4. Accountability, Responsiveness and Local Government Arrangements

Conventional wisdom holds that small government units are more accountable and responsive to residents and businesses than are larger units. The notion, often trumpeted by opponents of metropolitan government or service consolidation, is that big government equates to big bureaucracy, which equates to diminished accountability and responsiveness to citizen concerns.

Responsiveness can be measured by the match between citizen preferences, on the one hand, and actual policy and service outcomes, on the other. Accountability, defined as the extent to which public officials are answerable to constituents, is difficult to measure, although one might argue that in practice unaccountable public officials are more likely than accountable ones to be turned out of office by dissatisfied constituents.

Theoretical Arguments

Some of the same theoretical considerations discussed in the context of efficiency also pertain to the questions of responsiveness and accountability. This is understandable, given that one dimension of efficiency is providing people with the goods they desire, which is itself a measure of responsiveness.

The fear that citizens will "vote with their feet" prompts governments to heed closely the wishes of their constituents.

There are two sides to the theoretical debate over the responsiveness advantages of different governance arrangements. On one side is the argument that decentralized government arrangements are superior to politically integrated arrangements in terms of accountability and responsiveness. By this reasoning, the fear that citizens or businesses will "vote with

their feet" in a politically decentralized system to obtain a preferable public service package prompts governments to heed closely the wishes of their constituents. Because the threat of exit is credible only where municipal options are plentiful, politically decentralized arrangements are more likely to achieve political responsiveness.

On the other side is the argument that politically integrated governance arrangements provide clearer lines of citizen accountability and accessibility than do more complex decentralized arrangements. By serving as a place for "one-stop complaints," integrated governments are less able and apt to pass the buck and so may achieve greater responsiveness and accountability. A multiplicity of governments, by contrast, is considered more difficult to monitor and hold accountable.

On the other side is the argument that politically integrated governance arrangements provide clearer lines of citizen accountability and accessibility than do more complex decentralized arrangements.

Empirical Evidence

Researchers encounter two types of problems in examining the link between local government arrangements and government responsiveness and accountability. The first is the difficulty separating the effects of jurisdiction size *per se* from the related but distinct effects

Analysts tend to substitute consumer satisfaction as a proxy for the more elusive concepts of responsiveness and accountability.

of integrated versus decentralized local government arrangements. The second problem is devising a measure for responsiveness. In the former case, research designed to compare responsiveness for persons living under two different types of local government systems can disentangle the effects of political structure as opposed to jurisdiction size. In the latter case, analysts tend to substitute consumer satisfaction as a proxy for the more elusive concepts of responsiveness and

accountability.

Unfortunately, consumer satisfaction studies focus on individuals within a single jurisdiction, rather than those living in different places. We know of only one study that examines consumer satisfaction levels across places distinguished by local government arrangements. The study, by W.E. Lyons, David Lowery, and Ruth Hoogland DeHoog (1992), compares service satisfaction levels for persons living in carefully matched neighborhoods in Louisville, Kentucky, a politically decentralized metropolitan region, and Lexington-Fayette County, Kentucky, a consolidated city-county metropolitan area. The findings of that study indicate that:

- *local government arrangements are only weakly related to service satisfaction levels.* More important than these arrangements are a variety of factors related to service levels, personal characteristics, and, the researchers speculate, historical events and the quality of local leadership.
- *there is, however, an indirect link between service satisfaction and local government arrangements.* Citizens in politically consolidated areas were more satisfied with services than were citizens of localities in the decentralized system. This relationship was driven primarily by the higher number of services provided by the larger regional government.

5. Participation and Local Government Arrangements

An important question for democratic societies is how local government arrangements may influence levels of political participation. Participation comes in many forms, from voting, which is considered a relatively passive and minor level of involvement, to stronger levels of involvement such as attending public hearings, contacting public officials, joining or running community organizations, and serving as an elected or appointed public official.

There are large theoretical and empirical literatures on citizen participation. Much of these literatures address the pros and cons of participatory government, trends in participation over time, at what levels participation takes place, and the conditions for extensive participation in government. The last of these is of greatest interest to analysts of local government arrangements. What is the link between political structure and participation?

Theoretical Arguments

The conventional view is that small-scale democracy is most conducive to participation. As a consequence, small towns in which citizens know one another and their leaders are thought to be best-suited for extensive participation in government. The much-heralded New England town meeting remains an ideal form of democratic government to many, and a rhetorically valuable model for supporters of small government.

The much heralded New England town meeting remains an ideal form of democratic government to many, and a rhetorically valuable model for supporters of small government.

Without denying the importance of participation at the local scale, other observers note that community-level participation cannot solve important problems of wider societal significance.

For such problems, these analysts argue, the greater resources and broader outlook of a larger-scale government are necessary for effective participation. National level organizations

and interest groups apparently succeed at prompting numerous citizens to participate in government.

Neither of these lines of reasoning addresses directly the question of whether participation is greatest in politically integrated or politically decentralized government arrangements. The most pertinent theoretical analyses are found in studies concerned with responses to dissatisfaction with government. This line of reasoning argues that people may exercise any one of four approaches to expressing dissatisfaction, two of which are considered active forms of participation.

Active forms are "exit" (leaving the jurisdiction or opting for private services rather than public offerings) and "voice" (attending meetings, contacting officials, organizing petitions, and so forth). Passive forms of participation are "loyalty" (tolerating inferior government programs or policies and trusting public officials to work things out) and "neglect" (disregarding the community, ignoring public issues, and giving up on government's ability to work things out).

Residents have one of four means for expressing dissatisfaction with local services: "exit" and "voice," which are active forms of participation, and "loyalty" and "neglect, which are passive.

As noted in the discussion on efficiency, exit options are most available in politically decentralized metropolitan regions. To exit a politically integrated metropolis requires leaving the region altogether. Such constraints might be thought to induce higher levels of voice, loyalty, or neglect, however the precise theoretical link is unclear.

Empirical Evidence

Reflecting the focus of the theoretical literature, empirical studies tend to focus on the relationship between personal characteristics, neighborhood attributes, and government size and levels of participation, rather than on the link between participation and local government arrangements. Surprisingly little is known, although findings on government size and participation shed some light and are thus of interest. In addition, the previously cited study by Lyons, Lowery and DeHoog examined levels of participation and feelings of political efficacy in Louisville and Lexington (KY) metropolitan areas.

Among the findings of these studies are that:

- *there is no definitive answer to the question of whether there is an optimal size of government for political participation* (Berry, Portney, and Thomson 1993; Dahl and Tufte 1973). At least at the national level, the size of a country is not correlated with levels of political participation.
- *demographic characteristics do not account for different levels of participation in community organizations* (Berry, Portney, and Thomson 1993). A study of citizen participation in 15 U.S. cities (including Buffalo) found that communities with low

socio-economic status did not have significantly different participation rates from communities of high socio-economic status.

- *regardless of levels of political participation, residents of politically integrated government systems are more knowledgeable about which services are provided by their local government than are residents of jurisdictions in fragmented systems* (Lyons, Lowery and DeHoog 1992). Despite the argument that large-scale governance will by its size alone be more confusing to citizens, evidence suggests that consolidated government is more understandable to citizens than is a system comprised of municipal, county, and special-purpose governments. This finding is not surprising, given that a consolidated government may be the only government of consequence in an area.
- *residents of politically fragmented local government arrangements are slightly more likely to consider exit as a means of expressing dissatisfaction with government than are residents of politically integrated regions* (Lyons, Lowery and DeHoog 1992). Such a finding is expected, given the greater options for exit in decentralized government arrangements.
- *residents of consolidated systems are more attached to their communities than are residents of fragmented systems* (Lyons, Lowery and DeHoog 1992). Attachment was defined as a measure related to how pleased or disappointed a person would be to leave the community. Participation was positively associated with voice and loyalty forms of participation, thus suggesting that persons in consolidated areas are more likely to participate. This may, of course, be related to the fact that exit options are attenuated under a integrated metropolitan area.

6. Economic Growth and Local Government Arrangements

Finally, much of the interest in the relative differences between local government arrangements stems from the question of whether one form or another is more conducive to economic growth. Particularly for regions where growth is stagnant or declining, public officials and citizens may point to the growth advantages of either regionalized government or small-scale personalized government. Indeed, much of the rhetoric of regionalization focuses on the growth potential of consolidation. What are the theoretical arguments, and to what extent are they borne out by empirical evidence?

Theoretical Arguments

Once again, the theoretical lines are starkly drawn by proponents of politically integrated versus politically decentralized local government arrangements.

Proponents of regional government argue that politically integrated arrangements have the edge when it comes to attracting new (or retaining existing) population and business

growth. First, they argue, political fragmentation is an obstacle to economic development because potential investors are repelled by multiple layers of government, confusing lines of authority, inefficient duplication of services, and the necessity of dealing with multiple small units of government, each with distinct planning processes, zoning and subdivision regulations, and building codes. Streamlined government, by contrast, presents uniform development controls and a "one-stop shopping" model that attract new businesses to a region and facilitate development within it. Second, planning and economic development services are better coordinated in a regionalized metropolis, which attracts new business. Third,

regional government itself signals interest in efficient and progressive management, which attracts potential investors. Fourth, interjurisdictional competition, despite its potential advantages for efficiency, inhibits development of a regional consensus on economic development.

Which is more attractive to business? The "one-stop shopping" model of regional governance or the "play-one-off-against-the-other" model of decentralized governance?"

By contrast, decentralist scholars argue that politically decentralized government arrangements are a magnet for economic growth and investment. First, politically decentralized systems enable

potential investors to "play one community off against the other" in bidding wars that lead to highly favorable terms of development. Regionalized government represents a public service monopoly which is less compelled to strike a bargain for potential investors given the absence of alternatives. Second, the particular offerings of a regionalized government may not match closely the preferences of a business; without other options, the business may go to another metropolitan region altogether. Third, to the extent that decentralized government arrangements are more efficient or perceived to be more efficient, potential investors may be attracted to the metropolis. Fourth, because decentralized regions finance at least part of their service offerings at the local, rather than regional, level, they permit private corporations to escape some of the collectivized costs inherent to a consolidated government.

Empirical Evidence

Because numerous factors contribute to business or residential location decisions, researchers agree that isolating the independent effect of local government arrangements on economic growth is an especially difficult methodological challenge. Complicating the problem is how to identify appropriate measures of economic growth, such as population growth, unemployment rates, employment growth, and bond ratings, which are affected by many factors external to the metropolis. Nonetheless, several researchers have shed empirical light on the relationship between political structure and economic growth. Among the findings are that:

- *there are too few models of actual consolidation to apply statistical tests to pre- and post-consolidation circumstances.*

- *metropolitan regions with elastic central cities (see the discussion under equity) grew faster in population and manufacturing employment, and had higher bond ratings on average than did regions with inelastic central cities* (Rusk 1993). Politically integrated metropolitan regions had consistently higher growth rates between 1950 and 1990. Because the study used only seven matched pairs of cities, the generalizability of this finding is uncertain.
- *evidence is mixed for whether integrated or decentralized metropolitan areas have the edge in economic growth, after controlling for regional differences* (Foster 1993). A cross-sectional study of population growth rates in 129 large metropolitan areas found inconclusive results linking political structure to economic growth.
- *most likely, cross-sectional studies are too crude to get at the complex location decision-making process of corporate officials and residents.*
- *case study research, however, reveals strong support by business interests for regionalized government* (Crosby and Bryson 1995; Greer 1963; Lyons 1977; Temple 1972; Rosenbaum and Henderson 1973). Apparently, the potential for one-stop shopping is more attractive to business interests than is the opportunity to play one community off against another.
- *of particular note is the strong link between support for economic growth and consolidation proposals* (Edwards and Bohland 1991). Persons with favorable attitudes toward economic growth tend to support city-county consolidation; those who believe high rates of growth to be undesirable tend to oppose consolidation. Regardless of whether consolidation actually does promote growth, then, the popular perception is that it does.
- *but at least one study has found that support for regional government is strong among persons concerned with the effects of growth, such as traffic congestion and pollution* (Gerston and Haas 1993). To the extent that social, economic, and environmental problems have passed some threshold of dissatisfaction, residents indicate support for regional mechanisms for managing such issues of regional quality of life.

Where Does This Leave Us?

This review covers considerable ground in the theory and evidence on local government arrangements. A central message is that, rhetoric aside, *there is no hard and fast rule about the optimal arrangements for local governance.*

More particular findings of this review are that:

- *politically decentralized arrangements may have the edge with respect to efficiency, especially if special-purpose governments and other complex forms of service*

delivery are established to accommodate diverse resident preferences, properties of various services, and the cost-deflating effects of interjurisdictional competition.

- *politically integrated arrangements may have the edge with respect to standardizing levels of service, narrowing disparities in service levels, clarifying complex systems of who provides which services within a region, and engendering strong psychological attachments to an area.*
- *such findings are contrary to much conventional wisdom on local governance.* The traditional view holds that politically decentralized arrangements are superior in political terms given the democratic advantages of small-scale governance, while politically integrated arrangements are superior in terms of achieving economies of scale and internalizing externalities, dimensions of efficiency. Neither of these conventional wisdoms garners much empirical support.
- *theoretically, the optimal system of governance is some form of a federation, that is an arrangement that includes a mixture of large and small governments.* Taken to its extreme, such an arrangement has clear drawbacks for democratic governance, not the least of which are service coordination problems and the practical inability to monitor and participate in hundreds of individual government units. In modified form, a federation would have a local and a regional layer of government, with functions allocated to appropriate layers to achieve desired levels of efficiency, equity, responsiveness, and other dimensions of governance.
- *there is an apparent tradeoff between optimizing one value of governance, for example efficiency, and another value, say equity, in local government arrangements.* Different values of governance are more or less well served by a particular local government arrangement. For example, the most efficient systems will tend to be the least equitable; the most equitable will be the most inefficient.
- *decisions about local government arrangements are thus value-laden.* Those who privilege equity over efficiency would tend to prefer regionalized governance, while those who privilege efficiency over equity would tend to support politically decentralized systems.
- *paradoxically, however, interest in regionalized government comes not only from proponents of equity and service standardization, but also from business interests whose belief in the economic growth-inducing properties of consolidation apparently outweighs efficiency disadvantages associated with public service monopolies.*
- *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.*

**Appendix References:
The Significance of Local Government Arrangements**

Efficiency -- Theory and Reviews

- Boyne, George A. 1992. "Local Government Structure and Performance: Lessons from America?" Public Administration 70(Autumn): 333-357
- Donahue, John D. 1989. The Privatization Decision: Public Ends, Private Means. New York: Basic Books
- Honey, Rex. 1976. "Conflicting Problems in the Political Organization of Space." The Annals of Regional Science 10(1): 45-60
- Ostrom, Elinor. 1972. "Metropolitan Reform: Propositions Derived from Two Traditions." Social Science Quarterly 53(3): 474-93
- Tiebout, Charles M. 1956. "A Pure Theory of Local Expenditures." Journal of Political Economy 64: 416-424
- Tullock, Gordon. 1994. The New Federalist. Vancouver, B.C.: The Fraser Institute
- Warren, Charles R. 1974. "Developing Alternative Models for Servicing Metropolitan America." In Organizing Public Services in Metropolitan America, edited by T. P. Murphy and C. R. Warren. Lexington, MA: D.C. Heath
- Warren, Robert O. 1964. "A Municipal Services Market Model of Metropolitan Organization." Journal of the American Institute of Planners (August): 193-204
- Wolman, Harold. 1990. "Decentralization: What Is It and Why Should We Care?" In Decentralization, Local Governments, and Markets, edited by Robert J. Bennett, pp. 29-42. Oxford: Clarendon Press

Efficiency/Cost -- Empirical Studies

- Adams, Robert F. 1965. "On the Variation in the Consumption of Public Services." Review of Economics and Statistics. 47(4): 400-05
- Baird, Robert N., and John H. Landon. 1972. "Political Fragmentation, Income Distribution, and the Demand for Governmental Services." Nebraska Journal of Economics and Business 11(4): 171-84
- Benton, J. Edwin, and Darwin Gamble. 1984. "City/County Consolidation and Economies of Scale: Evidence from a Time-Series Analysis in Jacksonville, Florida." Social Science Quarterly 65(1):190-98
- Chicoine, David L. and Norman Walzer. 1985. Governmental Structure and Local Public Finance. Boston: Oelgeschlager, Gunn and Hain

- Cook, Gail A.C. 1978. "Toronto Metropolitan Finance: Selected Objectives and Results." In Metropolitan Financing and Growth Management Policies, edited by G. F. Break, pp. 133-52. Madison: University of Wisconsin Press
- DiLorenzo, Thomas J. 1981. "The Expenditure Effects of Restricting Competition in Local Public Service Industries: The Case of Special Districts." Public Choice 38: 569-78
- Dolan, Drew A. 1990. "Local Government Fragmentation: Does it Drive Up the Cost of Government?" Urban Affairs Quarterly 26(1): 28-45
- Dye, Thomas R., and Brett W. Hawkins. 1971. "Metropolitan 'Fragmentation': A Research Note." In Politics in the Metropolis: A Reader in Conflict and Cooperation, edited by T. R. Dye and B. W. Hawkins, pp. 493-99. Columbus, OH: Charles E. Merrill
- Eberts, Randal W., and Timothy J. Gronberg. 1988. "Can Competition Among Local Governments Constrain Government Spending?" Economic Review. Federal Reserve Bank of Cleveland 24 (1): 2-9
- Forbes, Kevin F., and Ernest M. Zampelli. 1989. "Is Leviathan A Mythical Beast?" American Economic Review 79(3): 568-77
- Giertz, J. Fred. 1981. "Centralization and Government Budget Size: An Extension." Public Choice (38): 119-28
- Grossman, Philip J. 1989. "Fiscal Decentralization and Government Size: An Extension." Public Choice 62: 63-69
- Gusteley, Richard D. 1977. "The Allocational and Distributional Impacts of Governmental Consolidation: The Dade County Experience." Urban Affairs Quarterly 12(3): 349-64
- Isserman, Andrew M. 1976. "Interjurisdictional Spillovers, Political Fragmentation and the Level of Local Public Services: A Re-examination." Urban Studies 13: 1-12
- Lowery, David, and William D. Berry. 1983. "The Growth of Government in the United States: An Empirical Assessment of Competing Explanations." American Journal of Political Science 27: 665-94
- Marlow, Michael L. 1988. "Fiscal Decentralization and Government Size." Public Choice 56 (3): 159-69
- Nelson, Michael A. 1986. "An Empirical Analysis of State and Local Tax Structure in the Context of the Leviathan Model of Government." Public Choice 49: 283-94
- Nelson, Michael A. 1987. "Searching for Leviathan: Comment and Extension." American Economic Review 77(1): 198-204
- Oates, Wallace E. 1985. "Searching for Leviathan." American Economic Review 74(4): 748-57
- Parks, Roger B., and Elinor Ostrom. 1981. "Complex Models of Urban Service Delivery Systems." In Urban Policy Analysis, edited by T. N. Clark, pp. 171-200. Beverly Hills, CA: Sage
- Schneider, Mark. 1986. "Fragmentation and the Growth of Local Government." Public Choice 48: 255-63

Schneider, Mark. 1989. The Competitive City: The Political Economy of Suburbia. Pittsburgh: University of Pittsburgh Press

Sjoquist, David L. 1982. "The Effect of the Number of Local Governments on Central City Expenditures." National Tax Journal 30(1): 79-87

Spann, Robert M. 1977. "Public versus Private Provision of Governmental Services." In Budgets and Bureaucrats: The Sources of Government Growth, 71-89. Durham, N.C.: Duke University Press

Wagner, R., and W. Weber. 1975. "Competition, Monopoly, and the Organization of Government in Metropolitan Regions." Journal of Law and Economics 18: 670-84

Zax, Jeffrey S. 1989. "Is There a Leviathan in Your Neighborhood?" American Economic Review 79(3): 560-67

Equity

Cook, Gail A. C. 1973. "Effect of Metropolitan Government on Resource Allocation: The Case of Education in Toronto." National Tax Journal 26(4): 585-90

Danielson, Michael N. 1976. The Politics of Exclusion. New York: Columbia University Press

Feldman, Lionel D. 1995. "Metro Toronto: Old Battles--New Challenges." In The Government of World Cities: The Future of the Metro Model, edited by L. J. Sharpe, pp. 203-26. Chichester, UK: John Wiley & Sons

Friskin, Frances. 1993. "Planning and Servicing the Greater Toronto Area: The Interplay of Provincial and Municipal Interests." In Metropolitan Governance: American/Canadian Intergovernmental Perspectives, edited by D. N. Rothblatt and A. Sancton, pp. 153-204. Berkeley, CA: Institute of Governmental Studies Press

Hill, Richard Child. 1974. "Separate and Unequal: Governmental Inequality in the Metropolis." American Political Science Review 19(December): 1557-68

Lineberry, Robert L. 1977. Equality and Urban Policy: The Distribution of Municipal Services. Beverly Hills, CA: Sage

Logan, John R., and Mark A. Schneider. 1981. "The Stratification of Metropolitan Suburbs, 1960-1970." American Sociological Review 46 (April): 175-86

Ostrom, Elinor. 1983. "The Social Stratification-Government Inequality Thesis Explored." Urban Affairs Quarterly 19(1): 91-112

Paddison, Ronan. 1983. The Fragmented State: The Political Geography of Power. New York: St. Martin's Press

Rich, Richard C. 1982. "The Political Economy of Urban Service Distribution." In The Politics of Urban Public Services, edited by R. C. Rich. Lexington, MA: D. C. Heath

Rusk, David. 1993. Cities Without Suburbs. Washington DC: Woodrow Wilson Center

Schneider, Mark A., and John R. Logan. 1981. "Fiscal Implications of Class Segregation: Inequalities in the Distribution of Public Goods and Services in Suburban Municipalities." Urban Affairs Quarterly 17 (September): 23-36

Weiher, Gregory R. 1991. The Fractured Metropolis: Political Fragmentation and Metropolitan Segregation. Albany: State University of New York Press

Williams, Oliver P., and Kent Eklund. 1978. "Segregation in a Fragmented Context: 1950-1970." In Urbanization and Conflict in Market Societies, edited by Kevin R. Cox, pp. 213-28. Chicago: Maaroufa

Accountability, Responsiveness, and Participation

Berry, Jeffrey M., Kent E. Portney, and Ken Thomson. 1993. The Rebirth of Urban Democracy. Washington, DC: The Brookings Institution

Dahl, Robert A., and Edward Tufte. 1973. Size and Democracy. Stanford, CA: Stanford University Press

Hirschman, Albert O. 1970. Exit, Voice and Loyalty: Responses to Decline in Firms, Organizations and States. Cambridge, MA: Harvard University Press

Lyons, W.E., David Lowery, and Ruth Hoogland DeHoog. 1992. The Politics of Dissatisfaction: Citizens, Services, and Urban Institutions. Armonk, NY: M. E. Sharpe

Oakerson, Ronald J., and Roger B. Parks. 1988. "Citizen Voice and Public Entrepreneurship: The Organizational Dynamic of a Complex Metropolitan County." Publius 18(4): 91-112

Economic Growth

Confluence St. Louis. 1987. "Too Many Governments?: A Report on Governmental Structure in St. Louis City and County With Recommendations for Change."

Crosby, Barbara C., and John M. Bryson. 1995. "The Twin Cities Metropolitan Council." In The Government of World Cities: The Future of the Metro Model, edited by L. J. Sharpe, pp. 91-109. Chichester, UK: John Wiley & Sons

Edwards, Patricia K., and James R. Bohland. 1991. "Reform and Economic Development: Attitudinal Dimensions of Metropolitan Consolidation." Journal of Urban Affairs 13(4): 461-78

Foster, Kathryn A. 1993. "Exploring the Links Between Political Structure and Metropolitan Growth." Political Geography 12(6): 523-47

Gerston, Larry N., and Peter J. Haas. 1993. "Political Support for Regional Government in the 1990s: Growing in the Suburbs?" Urban Affairs Quarterly 29(1): 154-63

Greer, Scott. 1963. Metropolitics. New York: John Wiley & Sons

Lyons, W.E. 1977. The Politics of City-County Merger: The Lexington-Fayette County Experience. Lexington, KY: University Press of Kentucky

Rosenbaum, W. A., and T. A. Henderson. 1973. "Explaining the Attitude of Community Influentials Toward Government Consolidation." Urban Affairs Quarterly 9(1): 151-75

Rusk, David. 1993. Cities Without Suburbs. Washington DC: Woodrow Wilson Center

Temple, D.G. 1972. Merger Politics: Local Government Consolidation in Tidewater Virginia. Charlottesville, VA: University Press of Virginia

Ward, Richard C. 1987. "The Impact of Metropolitan Fragmentation on Economic Development." Urban Resources 4(2): SL1-SL4