

BUILDING THE NATIONAL CAPITAL REGION COMMUNITY
GOVERNANCE FOR THE NATIONAL CAPITAL REGION:
AN ASSESSMENT
Paper 2

by

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PREFACE

Paper I in this series, “Assessment of Regional Governance in the National Capital Region,” summarizes the history of regional governance in the National Capital Region from its roots in 17th century English colonies and an 18th century federal district under the U. S. Constitution, to a globally-recognized multi-state region in the 21st century. Based principally on the interviews conducted for this project, Paper I also presents the challenges facing the National Capital Region and its public, private, nonprofit, and civic assets and liabilities for addressing them. Overall, Paper I concludes that the National Capital Region lacks the governance and leadership capacities it needs to be able to effectively think and act as a region, especially a world-class one.

This paper, the second in the series, provides background information on regional governance. It shares information on the models of regional governance that have been proffered and, to some degree, practiced, nationally and globally. It shares thoughts on the key components that need to be found in the practice of regional cooperation in the National Capital Region. It shares the thoughts of individuals interviewed for this project on actions that the 2030 Group could consider pursuing to build the capacity of the National Capital Region to address cross-cutting challenges, effectively and confidently. Finally, it suggests case studies from regions that have pursued these actions that could be explored in Paper III.

1. INTRODUCTION TO REGIONAL GOVERNANCE

“My argument, stated generally and briefly, is that the driving force in nature, on this kind of planet with this sort of business, is cooperation. In the competition for survival and success in evolution, natural selection wins, in the long run, to pick as real winners the individuals, and then the species, whose genes provide the most inventive and effective ways of getting along. The most inventive and novel of all schemes is nature, and perhaps the most significant in determining the landmark events in the evolution, is symbiosis, which is simply cooperative behavior carried to its extreme. But something vaguely resembling symbiosis, less committed and more ephemeral, a sort of wish to join up, pervades the biosphere.”
-- Lewis Thomas, *The Fragile Species*

Regional Communities Are Difficult to Govern

The regional challenges of the new century are overwhelming our regional governance capacity. We have lost the flexibility to pool, redistribute, and leverage our sovereignty -- our individual and jurisdictional powers and authorities. Or, at least in the same ways we used when we lived in caves and walled communities. We can no longer succeed with forming informal hunting parties or simply moving jurisdictional walls. It has become difficult in most places to use annexation, almost impossible to consolidate local governments.

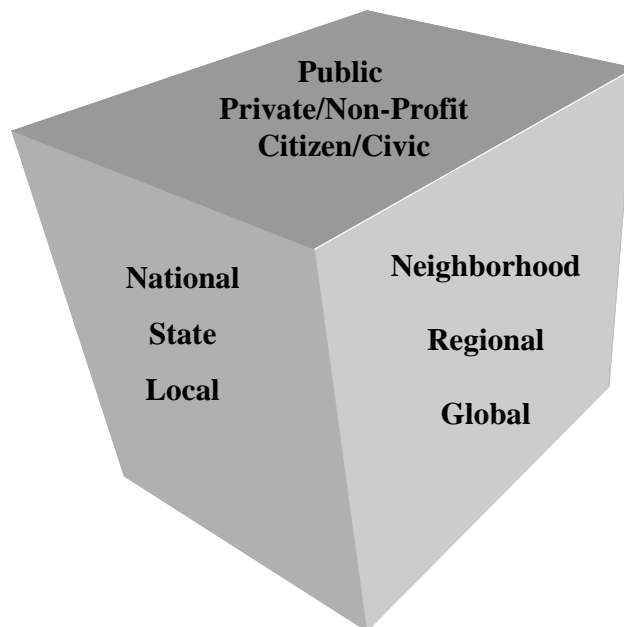
As structural solutions have often become infeasible, we have turned to a wide array of regional mechanisms and partnerships. Sometimes they work for particular opportunities or threats, but cannot be depended upon to address the overarching regional challenges.

Not only are new challenges emerging at the regional level, they are also emerging at the neighborhood and global levels, the other levels of organic communities. Governments, however, are organized as more artificial constructs at national, state, and local levels. There is a mismatch between the communities where the tough challenges are emerging and government structures to address them. Regional cooperation requires “in-between” governance, bringing local, state, and national governments together to address common challenges.

If that was not enough, regional challenges now cut across all sectors. Everyone, including individual citizens, wants to be engaged in, and is critical to, resolving regional challenges. Regional cooperation, thereby, requires yet another form of “in-between” governance, this time linking the public and private and civic sectors, again to address regional challenges.

Exhibit 1 presents this governance conundrum graphically. The challenge of governing regions is to connect the governments, sectors, citizens, and even the neighborhood and global communities, to address regional challenges.

Exhibit 1: The Regional Governance Mismatch



To make the situation even more difficult, the geography of regions keeps changing, depending on the nature of the challenge being addressed. Sometimes the challenge only

cuts across a few neighboring municipalities, such as to deliver a common service, like animal control, that no jurisdiction can effectively provide alone. Sometimes the challenge cuts across parts of central cities, adjoining towns and counties, and outlying rural areas, such as to promote economic competitiveness, provide multi-modal transportation systems, or overcome interjurisdictional inequities. Sometimes the challenge cuts across neighboring regions, such as air quality (airsheds), water quality (watersheds), and responding to natural/manmade disasters. Sometimes the challenge cuts across state and national borders, requiring complementary, even look-a-like actions by fiercely independent higher levels of government.

Regions range in size from sub-county to mega-region, a new level of regional governance being explored by the America 2050 Project, such as the Northeast mega-region that stretches from Portland, Maine through the National Capital Region to Richmond.

To further compound the a-geographic nature of regions, technology is facilitating the emergence of virtual regions, using electronic communications systems to bring individuals and organizations together, to share perspectives and design and pursue common initiatives, such as campaigns to support or oppose regional ballot initiatives to finance transportation systems or housing trust funds. New communications systems, such as instant messaging, list serves, web casting, web blogs, and wikis, facilitate information-sharing and decision-making as well as help connect regional “smart mobs”.

Technology can cut both ways, simultaneously empowering us to be detached consumers and connected citizens. Technology, however, cannot download “connectiveness”. Regions still have to provide the places for human interaction; regional villages with coffee houses and bookstores, telecommuting centers, and conventional offices, restaurants, and stores where people can interact.

Regions now resemble the “Cheshire Cat”, continually disappearing and reappearing in different forms, wearing a mysterious virtual smile, and always upsetting the national, state, and local government “dogs” and even some private and civic “mongrels”.

Maybe, most importantly, the challenges are getting tougher. Just when we thought that shaping equitable growth might be the toughest challenge, safeguarding our regions against natural disasters or terrorist attacks, whether from Al Qaeda or hurricanes, confronted us. Environmental challenges are becoming more severe. The National Capital Region is now experiencing an even higher level of air pollution, Code Purple compared to Code Red on the air quality index scale. More and more endangered species, even Chesapeake blue crabs, are running out of natural habitats to assure their survival. And, if this wasn't enough, the 2008 economic downturn is further exasperating income inequalities across the region.

Now, water is beginning to emerge as the thorniest aspect of shaping growth. Fast-growing areas in the far West and South can't find enough. Moreover, they have drawn down aquifers so far that they have begun to be contaminated with seawater. Even where water is available, unprotected mining, hazardous development, agricultural wastes,

storm water runoff, and even raw sewage present continual threats to its potability, such as in the Chesapeake Bay. And now, global warming is threatening to change the availability of water worldwide; melting glaciers, flooding water fronts, dehydrating farm land, and changing climates worldwide.

Even worse, the solutions are expensive. Just separating sewer and storm drains in this and other regions will cost billions. Add to this brew more people and it's not unreasonable to expect that providing potable water, watershed by watershed, might become the regional challenge of the new century.

Regional citizens and experts have struggled mightily to address this regional governance conundrum with a growing arsenal of weapons. National, state, and local governments have created regional councils of governments; regional transportation, port, sewer, and other special authorities; air and water quality districts; and other, all too often, single purpose -- "stovepipe" -- regional groups. Mayors have created regional mayors' caucuses, as have other elected officials and professional managers. Business leaders have created regional chambers of commerce, regional economic development associations, and regional CEO groups. Civic groups have created regional citizens leagues, regional associations of neighborhood groups, and regional faith-based coalitions. In addition, regional united ways, regional community foundations, and even regional academic institutes have been created. At times, sectors come together, such as to design common visions for the future and create regional leadership forums to identify new challenges.

On average, there are more than a dozen regional governance organizations per region and the number is continually growing. The interviewees for this project identified close to a dozen regional governance organizations in the National Capital Region.

On the other hand, few of these regional governance experiments have resulted in substantive local government restructuring. Three regions -- Portland, Oregon, Minneapolis/St. Paul, and San Diego -- have created regional planning and service districts -- METRO, Metro Council, and SANDAG, respectively -- to prepare and guide the implementation of regional plans, as well as deliver transportation and other services. In at least three larger regions, central cities and counties have entered into compacts to jointly deliver services (Charlotte/Mecklenberg, San Antonio/Boxer County, and St. Louis City and County). In another 16 regions, central city and county governments have been consolidated, most recently Louisville Metro between Louisville and Jefferson County, Kentucky.

On average, less than one central city and county government consolidate each decade, after repeated failures. The pace has picked up slightly in the last couple of decades, in part due to supportive state legislation, such as the proposed West Virginia legislation to facilitate consolidating cities and counties or the Maine legislation to offer cash incentives to towns and cities that share services. Whereas consolidations can provide services more efficiently and equitably, they often build in new rigidities and perpetuate taxing inequities.

City/county consolidations also have a mixed record in facilitating regional cooperation. In addition to being small in number, they rarely cover the entire region, especially the areas where new growth is taking place, limiting their ability to address emerging regional challenges. Most importantly, focusing on city/county consolidation has a huge opportunity cost; it consumes an inordinate amount of time that could be directed to more achievable regional strategies and can even poison otherwise productive discussions on regional challenges. Most mergers are still among very small jurisdictions, such as the recent merger of Countyside (population 300) and Mission (population 10,000) in the Kansas City region.

For the most part, we still have the same forms of local government that we have had since our founding, and some, like counties and boroughs, that go back to the feudal satrapies of medieval Europe. Regional citizens are concluding that there are incredible political costs and all too little contribution to regional governance from restructuring local governments. Some traditions are almost impossible to change and just have to be worked around by empowering not just local governments, but each regional citizen and other organizations, to implement regional initiatives.

A classic example: the width of rocket boosters on the space shuttles is based on the width of horses' asses on Roman chariots. Horses determined the width of chariots, the ruts chariots made in roads determined the width of wagons, the wagon manufacturers who built the first trains determined the width of railroad tracks, and the width of railroad tracks and the tunnels they pass through now determine the width of rocket boosters. Any regional citizen titillated with the thought of restructuring local government is well advised to uncover the "horses' asses" in its origins!

For all these efforts, we continue to be stymied. We have difficulty coming together to take advantage of regional opportunities until they are all too easily lost. We simply avoid dealing with common threats until they have exploded into crises. Once we finally decide to address regional challenges, we have an equally miserable track record in "pushing" agreed upon strategies "over the hump" into implementation. And, then, we often forget what we have learned and go through the same effort to address the next challenge. Connecting public, private, and civic sector efforts into an effective regional governance network is still an elusive "will-of-the-wisp".

The Traditional "Balkanization" and "Metropolitanism" Models Polarized Regional Governance

In the last century, some pioneer regional citizens began to search for the perfect regional governance model. In fact, some began this search the century before. The first metropolitan administration, for police, was created in London in 1829. The first proposal for a metropolitan authority was also in London in 1848.

H. G. Wells, the author, had already observed the emergence of regional communities a century ago, in 1903. "You will find that many people who once slept and worked and reared their children and worshiped and bought all in one area, are now, as it were, delocalized; they have overflowed their containing locality, and they live in one area,

they work in one area, and they go to shop in a third. And the only way to which you can localize them again is to expand your areas to their new scale.”

Regional experts have advocated for a variety of reforms, mostly structural, to foster regional cooperation, almost from Wells time. By the 1930s, Vic Jones and colleagues called for city/county federation and consolidation when most regions were smaller. By the 1960s and 1970s, political scientists, economists, and geographers had studied the impacts of fragmenting metropolitan governance. Drawing upon these studies, the former national Advisory Commission on Intergovernmental Relations (ACIR) called for two or even three tier local/regional governance in the 1960s and 1970s. The Metropolitan Fund, Inc. in the Detroit region advocated for individuals becoming regional citizens around the same time.

Many of the most pressing regional challenges of today -- such as transportation, air quality, water quality, and general regional planning -- were already the subject of national and state government concern, and even funded programs, by the 1960s and 1970s. These decades were also the last high water mark for academic and national government interest in regional challenges.

Unfortunately, these regional pioneers were dealt two relatively extreme models that even the best-intended regional citizens and organizations had difficulty using, effectively or equitably.

The first model -- “Balkanization” -- refers to the almost always-maligned scattershot pattern of independent government jurisdictions practicing fend-for-yourself behavior and interacting infrequently and often only under duress. Relationships between local governments and private and civic sectors usually received little consideration under this model. Some regional experts have attempted to provide a positive economic or “public choice” perspective on this model, redefining “fragmentation” as “differentiation” and “multiple local government jurisdictions” as the “multiple local economies” needed to be responsive to growth opportunities and citizen preferences. Some have referred to it as an ecology of games, a “natural governmental ecology in which institutions, groups and governments have developed a system of largely unintended cooperation through which things get done and the area considered as a system functions.”

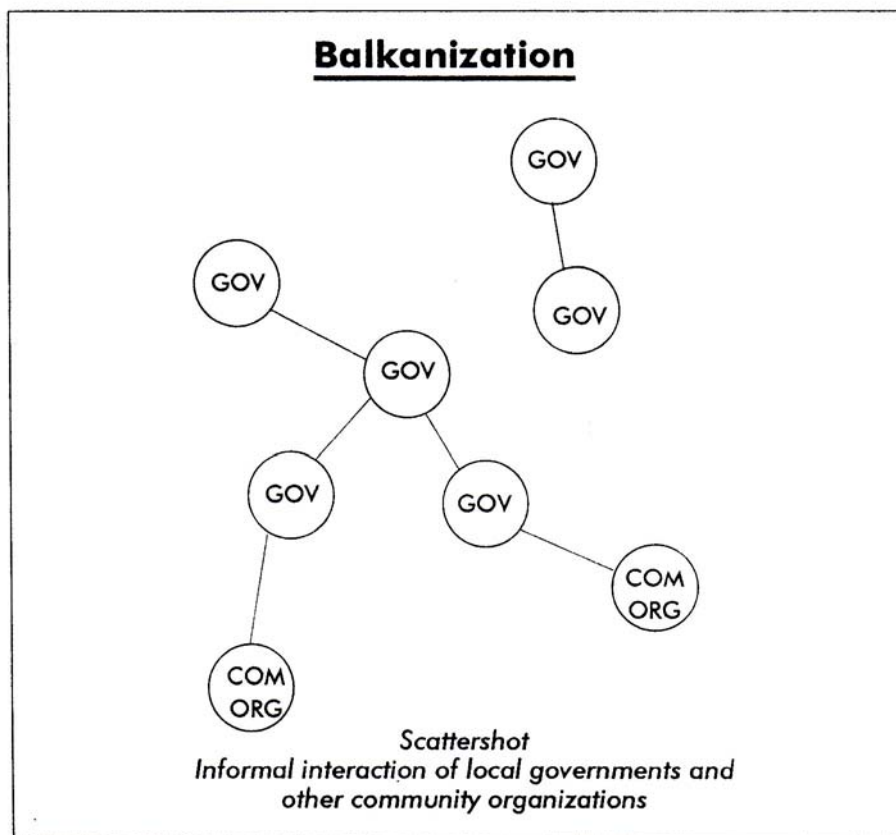
The Balkanization model has also provided a base upon which to build models for voluntary intergovernmental cooperation, such as mutual aid agreements and joint service delivery arrangements among local governments. For all of its theoretical free market comparisons, however, this model usually results in an oligopoly of public, private, and other institutions, each pursuing its own interests in a piecemeal manner and resisting regional change, even by the most energetic regional citizens.

As a result, voluntary cooperation rarely leads to addressing the toughest regional challenges without the collective clout of a negotiated compact or the intervention of state or federal governments to deal with recalcitrant jurisdictions, using financial incentives or regulatory constraints, or both, such as in transportation and growth

management legislation. Moreover, fragmented governance appears to result in less income growth than either centralized or networked models of governance. Especially troubling, fragmented governance is often synonymous with fragmented society, by race, ethnic group, and income class. In an attempt to regulate the “unbridled, laissez-faire profusion of governments which systematically avoid any responsibility” for regional challenges, Balkanization has been used over the past century as a straw person against which to showcase the merits of “Metropolitanism”.

Exhibit 2 presents the Balkanization model graphically.

Exhibit 2: Balkanization Model

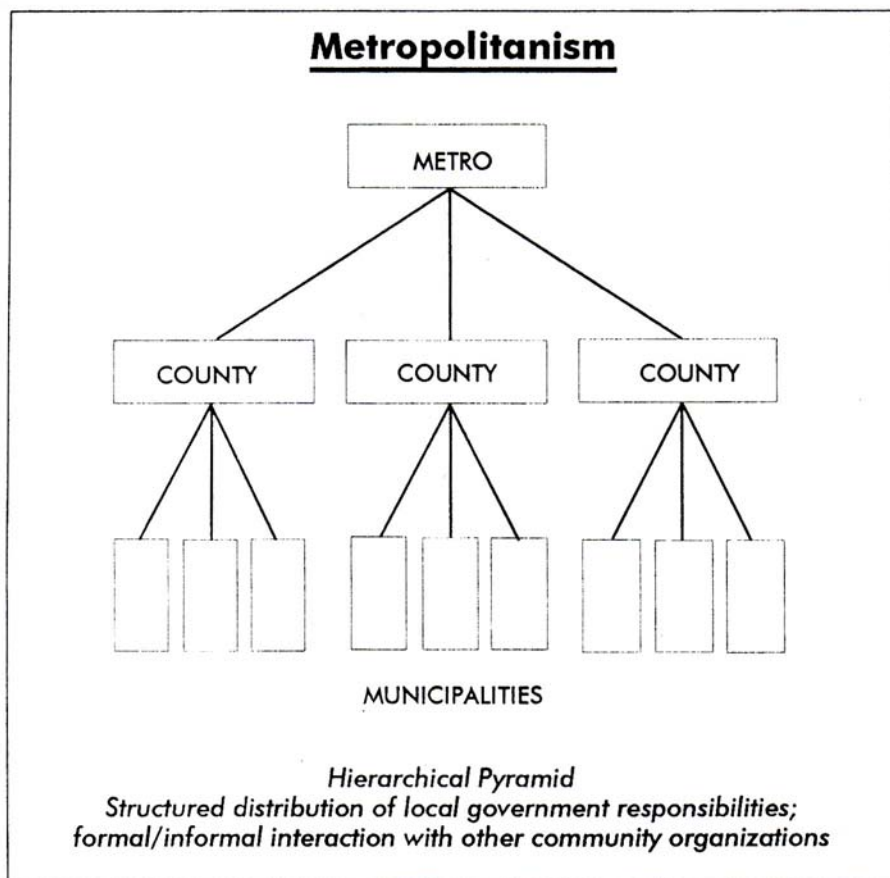


The second model -- “Metropolitanism” -- refers to the never-achieved hierarchical pattern of local government jurisdictions, with problem-solving and service-delivery responsibilities defined and differentiated for municipal, county and anticipated region level governments or even consolidated and carried out by a single all-powerful metropolitan -- or, according to David Rusk, “big box” -- government. As with Balkanization, little consideration is given to nongovernmental and citizen relationships. No region has subscribed to this model, due to its administrative and geographic rigidity. Smaller, usually rural, regions, contained within the parameters of a single county, and

multi-county regions that have established regional planning and service districts, such as in the Portland, Oregon and Minneapolis/St. Paul regions, mimic some of the multi-tier characteristics of this model. Globally, regional governments, such as the Municipality of Metropolitan Toronto (Canada); national government agencies, such as Chile's regional agencies; and region-states, such as Greater Beijing, come close to the Metropolitanism model.

Exhibit 3 presents the Metropolitanism model graphically.

Exhibit 3: Metropolitanism Model



New Network Models Offer the Flexibility to Address Diverse Regional Challenges

Now, regional citizens are beginning to look at new network models for governing regional communities. These models attempt to facilitate bartering and bargaining among sectors, combined with the intelligent use of power and negotiation. They are often compared to the way that we practice international relations. They are not fully new; Vic Jones observed the comparisons between regional and international governance

over half a century ago. In *Regional Excellence*, Bill Dodge proffered a network model, the Strategic Intercommunity Governance Network or SIGNET.

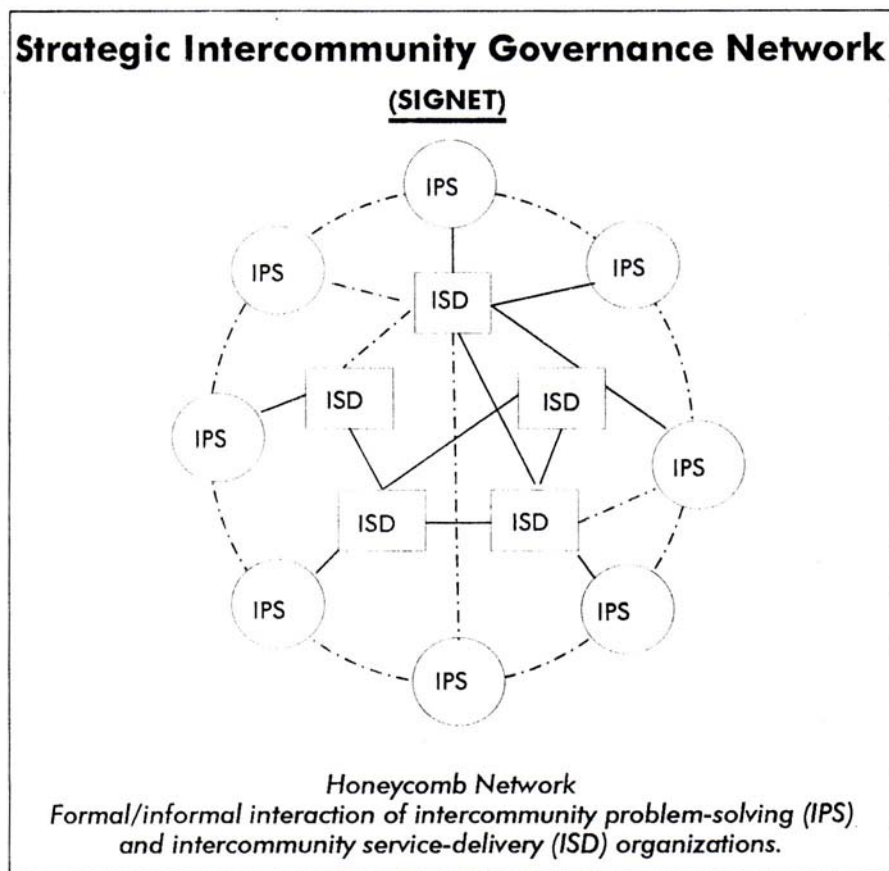
SIGNET was based on the premise that regional governance evolves out of, or is the product of, the formal and informal interactions between intercommunity problem-solving and service-delivery processes and mechanisms. Intercommunity problem-solving processes and mechanisms include regional councils of governments, regional chambers of commerce, regional academic studies centers, and regional civic organizations and a whole range of regional partnerships, such as regional leadership forums. Intercommunity service-delivery processes and mechanisms include mutual aid agreements and regional transit and sewage treatment authorities and even some regional service-delivery coordinating mechanisms. Sometimes the intercommunity problem solving and service delivery processes and mechanisms are tied together, such as in the regional planning and service districts in the Portland (Oregon) and Minneapolis/St. Paul regions. Intercommunity governance includes all interactions, from those among adjoining jurisdictions to those that cut across multi-county and interstate regions.

The nature of these interactions range from informal planning and sharing of personnel and equipment to cooperative plans for addressing cross-cutting challenges and joint agreements and special authorities for financing and delivering services and responding to state and national government mandates. Collectively, they provide the range of choices needed to address any emerging challenge and tie together the problem-solving and service delivery mechanisms in a “network” pattern.

The shape of the network is determined by the numbers and types of intercommunity decision-making mechanisms. The capabilities of the individual mechanisms and the nature of their interactions determine the strength of the network, which can be both cooperative and competitive.

Exhibit 4 presents the SIGNET model graphically.

Exhibit 4: SIGNET Model



SIGNET suggested a middle ground between the more disconnected, scattershot relationships among local governments in the Balkanization model and the more hierarchal relationships in the Metropolitanism model and added private, academic, nonprofit, foundation and civic sector processes and mechanisms. It called for intentional, yet flexible, regional governance that is prepared to address new regional challenges. It turned the national/state/local vertical hierarchy on its side and stressed the more horizontal relationships among all sectors and interests in addressing regional challenges. SIGNET suggested that the nature of the “structure” for addressing these challenges would be determined by the nature of the challenge itself and that the “structure” would change from challenge to challenge, drawing from the range of resources available in the network.

SIGNET, or similar regional governance networks, can utilize the widest range of decision-making mechanisms. Pat Atkins, Associate Research Professor at George Washington Institute of Public Policy, developed a typology of options for intercommunity problem solving, almost all of which can be utilized in building a regional governance network. Exhibit 5 presents Pat Atkins typology.

Exhibit 5(1): Pat Atkins Typology of Options for Intercommunity Decision Making

Pat Atkins' Typology of Options for Intercommunity Decision Making

Some of the options for delivering services require very little change for the typical local government. Others are more drastic. This list slides from lesser change to greater change.

Volunteerism: The provision of all or part of a public service through the use of trained and supervised volunteer personnel, employed without pay for a local government.

Informal Agreement: An agreement, not backed by law, between two or more units of local government that pledges them to common improvement in a targeted service.

Formal Agreement, Joint powers: A legal agreement permitting two or more jurisdictions mutually to plan, finance, and deliver a service for their constituencies.

Interlocal Service Contract: A local agreement permitting one government to supply a specified service for a fee to another government.

Privatization: The provision of public services for local governments and their constituency by the private sector.

Multicomunity Partnerships: An intergovernmental entity that ranges from loosely connected and informal to formal complex long-term networks, including joint public-private citizen associations, private business-industry alliances with government, and others.

Intersectoral Cooperation: Creation of mutually beneficial alliances between government, the nonprofit public sector, and the business sector to best finance and deliver services.

Negotiated Boundary: A contract between two jurisdictions that legally secures a mutual boundary for the specified time period of 10 to 20 years and may include services agreements as part of the contract.

Nonprofit Public Corporation: A legal entity used by local governments to own a company jointly and manage it through a board of directors representing the local governments.

Extraterritorial Power: A state statute-bestowed grant of power enabling a local government to exercise specific powers or services beyond its legal territorial borders.

Regional Council: A voluntary regional organization, regularly convening appointed and elected representatives of area local governments to discuss, study, and adopt multiple purpose cooperative plans and programs.

Federally Induced Regional Body: A single-purpose regional body established or mandated by the national government, as with a metropolitan transportation planning agency.

Exhibit 5(2): Pat Atkins Typology of Options for Intercommunity Decision Making

Local Special Purpose Services District: A single-purpose unit legally established to handle one service and not required to follow existing local boundaries.

Transfers of Functions: The legal transfer of one or more services from one government to a second, deemed more able in resources or area to provide the service.

Annexation: An attachment of a portion of unincorporated territory to the contiguous annexing local jurisdiction.

Incorporation: A legal process whereby a given community or part of a community is transformed into a legal municipal corporation endowed in law with specific duties, services, rights, and liabilities.

Unified Property Tax Base Sharing: A formula that allows a percent of any new industrial-commercial property development within a region, with that percent accruing to a general pool which is then shared regionally by a weighted formula.

Government Equity Fund: A voluntary redistribution by a region's local governments based on a complex formula that considers aggregate growth in property values, income and property tax revenues, so that communities not experiencing growth still receive a share of the fund.

Services Consolidation: A merging of two services into one delivery mechanism without changing the underlying local governmental structure.

Reformed Urban County Government: The rechartering of a county government to undertake municipal-type services delivery, usually in conjunction with the establishment of an elected county executive.

Regional Special Purpose Services District, Regional Joint District: As the local special district, but geographically larger, created to provide a single service to many local jurisdictions.

Regional Special Authority: As the regional special district, but with stronger and more extensive powers surrounding its specified service.

Regional Delimited Purpose Multiservices District, Metropolitan Services Authority: As the metropolitan or regional government, but with responsibilities restricted to a cluster of interrelated services.

Consolidated Government: Merger of two or more entire governments into one new unit that replaces them.

Metropolitan Government, Regional Government: Incorporation of a new general purpose government encompassing a complete metropolitan area or rural area, which may or may not replace all existing local governments.

Federated Metropolitan Government: Incorporation or merger of local governments into one large government containing two tiers, one to handle areawide services and the other, which consists of preexisting local jurisdictional boundaries, to handle local services.

In practice, almost all regions, in the states and globally, are engaged in an evolutionary process to build regional governance networks.

Some regions are primarily practicing the more informal types of regional cooperation, such as the ones found on the first page of Pat Atkin's exhibit. They use regional councils to guide regional visioning and prepare transportation and sometimes other plans, but are only beginning to negotiate regional compacts for shaping growth and create regional mechanisms to finance as well as deliver regional services. Most regions have such *informal regional governance networks*, including the National Capital Region.

Some regions have entered into compacts for shaping growth and created regional mechanisms to finance and deliver regional services, and are beginning to practice some of the types of cooperation found on the second page of Pat Atkin's exhibit. These regions often have state government support, usually in the form of growth management legislation. Local governments, often with private, nonprofit, and civic partners, have entered into growth compacts in a number of regions -- such as the Mile High Compact in the Denver region -- and others are in the process of negotiating such compacts -- such as the Greater Washington 2050 Compact emerging from the Greater Washington 2050 effort of the Metropolitan Washington Council of Governments. A growing number of regions have *compact regional governance networks*.

Some regions have considered preparing regional charters to build the capacity to address any regional challenge, utilizing almost all of the types of cooperation found in Pat Atkin's exhibit. These regions have strong state government partners, either fostering or mandating regional governance. Only a few regions -- Portland, Oregon, Minneapolis/St. Paul, and San Diego -- have such *charter regional governance networks* and only the Portland region has a charter that is prepared, monitored, and modified by its citizens. The other regional charters are the results of state legislative action. The benefits of regions becoming charter regional governance networks is explored in Section 2 of this paper

Regions with all three types of regional governance networks can have success in addressing regional challenges, but with varying difficulty. Those with informal regional governance networks often have to create new capacities to address new challenges and usually lack a regional consensus on future growth to guide decision-making. Those with compact regional governance networks have negotiated growth compacts to guide decision-making, but often have not institutionalized the resources to address new challenges. Those with charter regional governance networks should be best prepared to address new regional challenges quickly, while it is still possible to shape their impact on the region.

Finally, Thomas Murphy and Charles Warren even gave names to the types of reformers that advocated for these three models -- the polycentrists who advocated for Balkanization, the consolidationists for Metropolitanism, and the federalists for regional networks.

Bottom Line: In sum, five potential models for governing the National Capital Region are:

- Balkanization
- Informal Regional Governance Network
- Compact Regional Governance Network
- Charter Regional Governance Network
- Metropolitanism

Exhibit 6 presents the five potential models for governing the National Capital Region:

Exhibit 6: Potential Models for National Capital Region Governance



Given the growing shortcomings of Balkanization to address tough challenges, and the political obstacles to Metropolitanism, exploring the merits of the three network models offers the best opportunity for strengthening the leadership and providing the capacity to govern the National Capital Region. Such a National Capital Region governance network would build on the existing regional governance capacity identified in Paper #1.

Regional Governance Is Working

In spite of the toughness of the challenges and the shortcomings of the models, regional governance is working.

Regional governance has already been critical to making our national, state, and local governments -- our whole federal governance system -- work over the past century. Regions would not have, or at least have affordable, water, sewer, and transit services without regional cooperation. They would have an even more congested, polluting road system, and probably total gridlock, without coordinated regional planning. They would be ill-prepared to provide the level of resources and range of amenities that make our communities desirable places to live and work without regional cooperation.

Regional cooperation has resulted in tangible savings, such as for joint purchasing programs in the Hartford region, which save local governments over \$1 million annually. But, many regions would not even be able to deliver key services without regional cooperation, not only transit, sewer, and increasingly water, but now 911 and other emergency preparedness services. They could not compete in the global economy without regional marketing and economic development programs.

Evidence of the benefits and costs of regional cooperation are still sketchy but are beginning to be documented in academic studies and state of the region reports.

Most of the studies have focused on the benefits of compact development. Several studies have calculated that pursuing more compact development patterns from 2000 to 2025, such as the patterns in the Portland region, would result in the following range of savings for governments nationwide; 11%, or \$110 billion, in 25-year road-building costs; 6%, or \$12 billion, in 25-year water and sewer costs; and roughly 3%, or \$4 billion, in annual operations and service delivery costs.

Finally, some studies show that suburbs benefit from investment in healthy urban cores. Bill Barnes and Larry Ledebur found that the incomes of suburbs rise and fall with their central cities, confirming that a rising or falling tide does affect all boats, regardless as to where they are berthed in the harbor. Manual Pastor found the same correlation between central city poverty rates and metropolitan income growth, arguing that alleviating central city poverty will eventually improve incomes across the region. Richard Voith uncovered the same connectivity in the Philadelphia region, finding that a 1% increase in city income would result in an additional \$1.2 billion in cumulative suburban income and \$900 million in aggregate house appreciation, for a total \$2.1 billion benefit in the suburbs.

Maybe, most importantly, the incremental investments in building regional governance capacity in urban and rural areas in the earlier decades of the last century bore fruit in extraordinary experimentation in the last couple of decades, even in shaping equitable growth. For example, the Portland, Oregon region was even beginning to implement its second regional compact for shaping future growth and the results are impressive. 26% of new residential development and 53% of new retail development is infill development. Downtown employment is up approximately 75%. Streets throughout the region are being retrofitted to include sidewalks and bikeways; frequent transit service is being provided on all major streets; a network of parks, trails and open spaces is being developed; housing is being built where one can walk to stores and restaurants; and air quality standards are being met. The average size of housing parcels is down from 13,000 to 9000 square feet.

Moreover, new tools are being successfully applied in a growing number of regions; to use market incentives to provide more moderately priced housing units in large housing developments (inclusionary housing); to allocate the benefits of development more widely among communities, such as sharing growth in local taxes in the Minneapolis/St. Paul and Dayton regions; and to dedicate sales taxes to support regional

cultural, recreation, library and other regional assets in the Denver, Kansas City, and Pittsburgh regions.

2. BUILDING A NATIONAL CAPITAL REGION GOVERNANCE NETWORK

“The adequate organization of modern metropolitan areas is one of the great unsolved problems of modern politics.” Vic Jones, *Metropolitan Government*

“In the mean time, it will be necessary for scholars and practitioners of government to turn their attention to the problem of how to construct systems of metropolitan governance in which there is a degree of functional and territorial co-ordination and integration. It is difficult to see, however, who will speak for the metropolis and promote its interests in such systems.” I. M. Barlow, *Metropolitan Government*

Key Components of a Regional Governance Network

Unfortunately, Vic Jones was right. No topic has received more attention and less action than organizing regions. Notable regionalists were laying out superb suggestions for governing the region throughout the last century, but few were seriously considered much less experimented with in the real regional world. And even fewer of these initiatives provided more than the obligatory reference to involving all sectors and citizens in regional decision-making.

Connecting the region might be the most demanding governance task of the new century. Accepting the need to come together across the region to address a cross-cutting, and usually tough, challenge is difficult enough. Creating venues, providing resources and equipment, and empowering connecting organizations that allow you to address the challenge effectively are even more difficult. Using the venues, equipment, and connectors to design and implement often controversial initiatives appears to be almost impossible.

Most of the proposed models for governing regions have looked for structural answers, either creating a new regional level of government or modifying the existing structure of state and local government to address regional challenges. Some have recommended consolidating local governments, especially central cities and counties. Some have recommended a multi-tiered approach of municipal, county, and region level governments. Some have recommended linking common functions together, like economic development or transportation. Some have even tried to find the benefits of fragmentation (public choice). Most of these models have had a public sector myopia, resulting in often-parallel development of models for private, academic, nonprofit, and civic sector involvement in regional cooperation. Most have given only passing consideration to regional citizens.

Structural change has not been pursued by accident. It is the most traditional way to modify roles, responsibilities, and relationships when the current ones no longer work. But, in the process of making a structural change, new rigidities are usually introduced that sooner or later trigger the need for another round of structural reform. Many regions

have pursued successive rounds of structural change for a long time; in the Greater London, England, region, for example, since the 1820s.

Now, the sins of structural change have been recognized and a spirit of reform is in the air. As a result, most of the more recent experimentation involves building a network model of regional decision-making venues. Such a model needs to involve all sectors, and regional citizens, be flexible to changing challenges and geography, and, to the degree possible, not look structural. If not, the advocates for structural reform will reassert themselves.

The network model, at least in theory, can provide more flexibility to respond to changing challenges, thereby overcoming the rigidities of structural change. It can more readily accept the dynamic geography of regional challenges, which not only changes from challenge to challenge but also over time as the region organically grows.

And regions are living organisms. They have vital organs -- downtown business and cultural districts, suburban employment centers and shopping malls, residential neighborhoods and recreational areas -- tied together by the sinews of transportation, the arteries of commerce, and the protoplasm of community. Over the last century, regions have been divided up by dozens, and sometimes hundreds, of local governments, especially the more urban ones. In the National Capital Region, even war, the Civil one, has divided up the region. And, dividing up regions has the same consequences of dividing up any other living organisms, such as mice or deer; it makes a mess.

Like the Internet, another type of network, the network model can even offer the opportunity for everyone to design and implement strategies to address tough regional challenges, simultaneously. And, just about everyone will be needed to address shaping cooperative growth and safeguarding regions against natural disasters and terrorist threats.

The network model also has its own baggage. Networks are notoriously vague on specifying who is responsible for doing what to address a regional challenge and then assuming that whoever steps forward will have the appropriate authorities and resources to proceed. They usually don't. Successful networks need to be able to negotiate charters to divide up responsibilities, authorities, and resources, while balancing the benefits and costs for all participants and avoiding introducing new rigidities into the system.

Even though they are all superbly flawed, regional governance networks need to be allowed to work. All too often, regional decision-making has been "stovepiped". One group has been allowed to recommend transportation systems, for example, but prevented from influencing the land use decisions that create the need for and almost dictate the type of transportation to be provided. Another group is allowed to suggest approaches for providing affordable housing units, but has no influence to deal with exclusionary zoning practices.

The regional governance network needs to have some form of “home rule” powers to allow local governments, and other interests, to collectively deal with common challenges as effectively as they can individually deal with local challenges. Some have suggested empowering existing regional organizations to prepare regional plans, assure their consistency with local plans, and oversee their implementation. Some have suggested passing out new public, as well as private and foundation, financial largesse on a regional basis and guiding its use within the framework of balanced growth principles. Some have suggested creating new regional organizations that can redistribute local government powers to facilitate addressing regional challenges.

The good news is that some of the experimentation with network models has been successful. Individuals and organizations in some regions have risen above their local and parochial biases and provided sufficient venues, equipment, and connecting organizations to collectively address some regional challenges.

The success of these efforts has made regional citizens more confident that they can play the regional cooperation game and win; that is, they can negotiate compacts to shape regional growth and other tough challenges and guide them into implementation. Many regions have successfully negotiated such compacts on specific topics, such as protecting mountaintops from development or sharing the cost of regional recreational and cultural “assets.” This success, and the growing importance of resolving tough regional challenges, has led to testing new decision-making venues and equipment, ones that have the potential to bring decision-making up to a regional scale.

Most importantly, the experimentation of the last decade has given regional citizens the confidence that they know what is needed to make regions work. Exhibit 7 suggests the key components of a regional governance network that can address the tough regional challenges.

All regions have some of the components of a regional governance network. Most regions have some but not an abundance of regional citizens. Most regions have some, even an abundance of regional venues, and have used them to negotiate some of the pieces of a regional cooperative growth compact. Most regions have one or more regional connectors that can tie these resources together to play the regional cooperation game. Most regions have some, but far from enough, equipment, to design strategies for addressing these challenges and especially to implement them.

Exhibit 7: Components of Regional Governance Networks

- Abundant Supply of Practicing Regional Citizens -- Leaders and Followers

- Strengthened Regional Governance Venues
 - Regional Visioning Alliances
 - Regional Problem-Solving Arenas
 - Regional Service-Delivery Agents
 - Regional Cooperation Performance Audits

- Empowered Regional Connectors

- Enhanced Regional Governance Equipment
 - Adequate supply of trained regional experts
 - Timely, user-friendly regional information and tools
 - Safe, neutral, staffed meeting places that are “front porches” and “country stores”
 - Seed and program funding to explore and launch new regional initiatives
 - Supporting state and national legislation and funding and foundation and association support to breathe life into regional strategies
 - Regional edifices to co-house regional governance venues and organizations and share critical equipment
 - Regional awards

- Regional Charters

I. M. Barlow was not alone in the last century. Few saw the need for regional citizens, much less their potential to develop regional governance networks, to “speak for the metropolis”. None advocated for "regional charters" to provide a vision and strategy for building regional governance networks that can address any emerging challenges efficiently, equitably, and effectively.

The key components of a regional governance network include:

- Abundant Supply of Practicing Regional Citizens -- Leaders and Followers

Regional initiatives begin to succeed when enough individuals subscribe to and help implement strategies to address tough regional challenges. The best efforts of the most powerful regional interests -- no matter how well intended -- will fail without the support and action of individuals. For example, fighting air pollution requires individual decisions to buy electric lawnmowers and ride mass transit, as well as collective decisions to develop cleaner fuels, regulate vehicle exhausts, and install air pollution equipment.

Regional cooperation is built regional citizen by regional citizen. Each regional citizen provides the “linking-pin” tightness in the “loosely-coupled” regional governance networks. Each regional citizen provides a “light-weight” bridge between established institutions. When enough of these regional citizen bridges are built, a strong and enduring network emerges, along with a new regional community.

Regional citizens are made, however, not born; they are the products of their own actions, often abetted by the support of others. And, all of us are potential regional citizens from corporate CEOs to soccer moms.

Most importantly, regional citizens are best positioned to ask the tough questions. Is priority consideration being given to addressing the challenges that will make the region remembered proudly, one, two, or even seven generations into the future? Is regional decision-making improving over time? Are there visions and strategies for improving regional governance and are they being implemented and reported on to regional citizens? Are the full set of regional venues and equipment being provided on a predictable basis for addressing regional challenges? Are regional citizens being treated as owners, not just consumers, of the regional governance network?

2030 Group members could become practicing regional citizens, encourage other business leaders to become regional citizens, and raise the tough regional questions.

- Strengthened Regional Governance Venues
 - Regional Visioning Alliances
 - Regional Problem-Solving Arenas
 - Regional Service-Delivery Agents
 - Regional Cooperation Performance Audits

For example, to shape balanced growth, networks need regional visioning alliances to design a vision for the future of the region and principles to shape its growth. Networks need regional problem-solving arenas to develop the transportation, air and water quality, housing, land use and other strategies that lay out, and integrate, the specific initiatives for achieving the regional vision. Networks need regional service-delivery agents to finance and implement strategies, from the actions that can be undertaken by individual or groups of regional citizens or to those undertaken by local governments and other organizations. Finally, networks need regional cooperation performance audits to monitor progress in shaping regional growth and reporting regularly to all sectors and the public on the results.

The National Capital Region governance network has various public, private, nonprofit, and civic regional problem-solving arenas and regional service-delivery agents. The Metropolitan Washington Council of Governments serves as the primary regional visioning alliance. Performance auditing is provided on a piecemeal basis; no one prepares regular reports on the state of the region. Regional citizens lack an organization to provide ongoing support for participating in the regional governance network.

2030 Group members could become critical participants in regional governance venues and timely sponsors of existing and new venues.

- Empowered Regional Connectors

All four types of regional governance venues need to be connected almost seamlessly to address regional challenges, successfully. Visioning needs to set the direction for planning, planning needs to design the strategies for guiding the delivery of services, service delivery needs to be monitored on its progress and impact, and plans and even visions need to be modified to reflect the experiences in addressing regional challenges. As a result, most regional organizations focus some of their efforts on connecting regional governance venues, such as the Greater Washington Board of Trade, and some, such as the Metropolitan Washington Council of Governments, provide multiple regional governance venues.

The 2030 Group could become a connector of regional governance venues.

- Enhanced Regional Governance Equipment

- Adequate supply of trained regional experts
- Timely, user-friendly regional information and tools
- Safe, neutral, staffed meeting places that are “front porches” and “country stores”
- Seed and program funding to explore and launch new regional initiatives
- Supporting state and national legislation and funding and foundation and association support to breathe life into regional strategies

- Regional edifices to co-house regional governance venues and organizations and share critical equipment
- Regional awards

Finding adequate equipment is often the Achilles Heel of regional cooperation. Even after a consensus emerges to address a regional challenge, often all of the available equipment, and funding, is already committed to other challenges or the type of equipment needed, such as experts on the challenge being addressed, is not available.

Not surprisingly, fragmentation, and under funding, rule when it comes to equipment. Insufficient attention has been given to identifying the types of equipment needed to successfully address individual regional challenges, much less develop strategies for coordinating their provision and assessing their adequacy for addressing future regional challenges. Intermittent news stories lament the ineffectiveness of regional governance, but rarely do they lead to investigations and actions to provide the equipment to make it successful.

The 2030 Group could help identify the needs for regional governance equipment and generate resources for providing it.

- Regional Charters

Finally, local governments, private/nonprofit/civic leaders, and regional citizens need to be engaged in designing and implementing a "regional charter" to strengthen the regional governance network.

What might life in the National Capital Region look like with a regional charter?

A regional charter would bring the parts of the National Capital Region together to create a joint capacity to address the common aspects of any tough challenge. As a result, it might require redrawing the boundaries of the Metropolitan Washington Council of Governments, as it also divides up the human settlement, and recasting it as a regional charter council to facilitate addressing the toughest common challenges.

The regional charter council would have access to adequate staff and resources to assist local governments to design common strategies to address the tough challenges. It would also have access to predictable funding streams for implementing critical actions, including the ability to submit funding options to the public in regional referenda. It would engage regional stakeholders, from all sectors and the general public, but be controlled, or heavily influenced, by local governments. Most importantly, it would be held accountable by the public, such as through annual reports on its activities, and the state of the region, and periodic citizen reviews of its charter.

The regional charter council will need to have flexible boundaries. Just as each regional challenge impacts a different set of local governments, the regional charter council needs to be able to modify its boundaries to effectively address each emerging challenge. The regional charter council could develop agreements with neighboring

councils, as they are formed, to address common challenges, or state governments could empower regional charter councils to work together to do anything collectively that their local government members can do on their own. This is especially critical for regions that cut across state boundaries, such as the National Capital Region, as they are home to approximately half of the country's population.

A major test for the regional charter council is negotiating compacts to shape future regional growth, to assure that development is competitive and sustainable and infrastructure and services are high quality and affordable. To do this, the regional charter council could provide the safe haven to sponsor dialogues on the innovative, practical, and probably controversial, actions required to shape future growth. Even the most dedicated of local governments cannot succeed, if there is lack of agreement on the future growth of the region and the impact of that growth on all jurisdictions, rich and poor.

Regions with charters could transform local government. It will require elected officials who are comfortable negotiating with their neighbors. It will require staff that is skilled in network management, administering collaboratively what it cannot do alone.

Most importantly, regional charters will require private, nonprofit, and civic leaders, as well as the general public, to become practicing regional citizens, trained to participate at both the local and regional level and elect officials that can do the same. Everyone is already a regional consumer, knowing how to use the resources of the region, but few have declared themselves regional stewards responsible for the region. Regional citizens are critical to forming parades for elected officials to lead, especially to address tough cross-cutting challenges, and holding local governments collectively accountable for resolving the challenges. Regional charters will need to advance initiatives for training regional citizens and provide places for them to share their experiences.

Governance will become more interactive as elected officials, staff, and citizens move seamlessly between local governments and the regional charter council. Everyone will become trained, and experienced, in removing the historic blinders that have blocked their view of the whole human settlement and considering the local and regional implications of their thoughts and actions.

Regions with regional charters can provide local governments with the confidence to address any challenge thrown at them. Of course, many of those challenges will require state and federal government support. And, at times, some gentle or not so gentle prodding. However, if local governments are coming together regionally, as opposed to engaging in interjurisdictional food fights, it should increase their influence, and clout, at higher levels of government. Local governments will want to strengthen their regional presence in state capitals and Washington, DC to assure robust responses to the common challenges being addressed by human settlements.

The 2030 Group could be a catalyst for exploring a regional charter for the National Capital Region.

Bottom Line: Regional charters, developed by regional citizens, can provide the capacity to negotiate sustainable, affordable, regional growth compacts and provide the confidence to address the toughest regional challenges. And maybe, most importantly, help our grandchildren be proud of their local governments!

Interviewee Suggestions for Building a National Capital Region Governance Network

Interviewees have provided considerable advice on actions that the 2030 group could pursue to build the National Capital Region governance network. They have also suggested a flexible definition of the region to include areas that have grown, are growing, or want to grow in the National Capital Region, as well as interactions with adjoining regions, especially greater Baltimore.

Informally, they have recommended a potential 2030 Group regional leadership/governance goal: To engage its members, other private, public, nonprofit, and civic leadership, and the general public -- regional citizens -- in building the capacity to address tough regional challenges with confidence. To do this requires building sufficient governance capacity -- leaders/followers, resources, and authorities -- to pursue any challenge, both opportunities and threats, through all of the following steps:

- identifying and analyzing the challenge,
- convening stakeholders and designing a strategy to address the challenge,
- securing stakeholder approval for pursuing the strategy,
- generating financing for implementing the priority actions in the strategy,
- monitoring progress in implementing the strategy and reporting to stakeholders,
- evaluating success in addressing the challenge, and
- applying the experience to building the network's capacity to address the next regional challenge.
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Interviewees suggest that the 2030 Group could take the following types of actions for building the National Capital Region governance network. To analyze these suggestions, the CPPPE suggests exploring case studies from other regions that have pursued these suggested actions.

The interviewee suggestions and candidate case studies are as follows:

- Abundant Supply of Practicing Regional Citizens -- Leaders and Followers
 - Sponsor/participate in regional leadership/citizenship classes -- Regional Connections (Louisville), Regional Leadership Program (Atlanta)

- Sponsor/participate in visitations to other regions, domestically and globally -- Trade Development Alliance (Seattle), METREX (European Community)
- Strengthened Regional Governance Venues
 - Work with others to produce an annual report on the State of the National Capital Region and hold an annual conference on the State of the National Capital Region -- Southern California Association of Governments (Los Angeles)
 - Request the federal government, Maryland and Virginia governments, the regional studies institute/think tank (suggestion below), and regional civic organization (suggestion below) to hold regional governance accountable in the National Capital region (International regional efforts)
 - Explore establishing a regional transportation authority to oversee the pursuit of major regional transportation projects, such as building new Potomac River crossings
- Empowered Regional Connectors
 - Invite broad cross-section of private leaders to participate in 2030 Group activities, especially CEOs of major companies headquartered in region
 - Exchange members with the MWCOG and other sector regional groups
 - Help create a regional leadership partnership to coordinate the efforts of regional groups -- Privately-Sponsored: Metropolitan Planning Council (Chicago), Chicago Metropolis, Dayton Business Committee, Kansas City Civic Council, Regional Plan Association (New York), Allegheny Conference on Community Development (Pittsburgh) -- Multi-Sector-Sponsored: Capital Region Partnership (Hartford), Metropolitan Forum (St. Louis Regional Chamber & Growth Association, East West Gateway Coordinating Council, Focus St. Louis)
 - Request the DC Mayor and Maryland and Virginia governors to sponsor annual conferences on the National Capital Region -- Annual Joint Governors Conference on Cooperation (Oregon and Washington)
 - Request all groups -- public, private, nonprofit, and civic -- and individuals to adopt the MWCOG 2050 Compact and cooperate in designing and implementing the strategies for achieving its goals -- Mile

High Compact (Denver), Metro Policy Advisory Committee/METRO (Portland, Oregon), Envision Utah (Salt Lake City)

- Help sponsor a regional studies institute/think tank to complement the MWCOG and especially analyze the tough, politically-sensitive, regional challenges -- Center for Urban and Regional Affairs, Cleveland State University; Institute for Portland Metropolitan Studies, Portland State University (Portland, Oregon)
- Help launch a regional civic organization to complement the MWCOG and especially analyze the tough, politically-sensitive, regional challenges -- Citizens League of Minneapolis-St. Paul
- Enhanced Regional Governance Equipment
 - Help apply for a federal regional livability/sustainability grant to prepare a growth strategy for the National Capital Region -- Federal HUD, DOT, EPA Partnership for Livable Communities, Livable Communities Act (S.1619)
 - Request the White House to establish an Office for the National Capital Region to coordinate federal government involvement in regional efforts (Negotiated Investment Strategy)
 - Request the federal and Maryland and Virginia governments to distribute local funding on a regional basis in the National Capital region, guided by the MWCOG 2050 Compact, including making the region a test site for new regional initiatives, such as in energy, education, health care, and global warming
 - Help establish a regional foundation to finance building the capacity to cooperate in the National Capital Region -- Regional Initiatives Fund (Cincinnati)
 - Help co-locate regional organizations (possibly in multiple locations throughout the region) -- Regional Centers (Regional Enterprise Tower, Pittsburgh)
- Regional Charter

The CPPPE suggests exploring case studies to help understand launching a "regional charter" process. The purpose of this process would be to design a strategy of activities, such as those above, to build the National Capital Region governance network's capacity to cooperate, until it achieves the 2030 Group goal:

- Regional Charters: Metropolitan Service District (METRO) (Portland, Oregon), Metropolitan Council (Minneapolis/St. Paul), Louisville-Jefferson County Compact, San Diego Association of Governments
- Regional Authorities: Port Authority of New York and New Jersey
- Full Service Regional Councils: Mid America Regional Council (Kansas City), Greater Vancouver Regional District (British Columbia, Canada)
- Regional assembly or multi-state regional planning and service district (untested proposals)

Finally, and most importantly, the CPPPE welcomes the suggestions of the 2030 Group, and all others, for strengthening the National Capital Region governance network and case studies to explore those suggestions.

No region, including the National Capital Region, totally fits one of the three regional governance network models. In practice, this region has evolved beyond the informal and is becoming a compact regional governance network. All of the actions suggested by interviewees could be pursued under any of the models, with a couple of exceptions. Adopting the MSCOG 2050 Compact and applying for a federal regional livability/sustainability grant and using both to guide the distribution of federal and state funding is key to the National Capital Region evolving to a compact regional governance network. Preparing and implementing a "regional charter" is key to becoming a charter regional governance network.