Making Cities and Counties Work in the 21st Century

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Most American cities are either too big or too small to serve the people who live in them in a cost-effective manner. The system that created them has ossified over time, making change difficult if not impossible. But short of wholesale change, there are some ways cities large and small can become both more responsive and most cost-effective.

This is probably also true of counties – but counties are a completely different type of animal and almost by design they are less responsive to local needs and desires. Counties are subdivisions of states, designed to carry out state policy and services within their borders. They serve as municipal governments to local residents – “cities,” if you will – more or less by default. Cities, by contrast, are municipal governments created voluntarily by local residents to serve their own needs. Partly for this reason – and partly because cities are much more geographically concentrated than counties – people often feel a deep emotional connection to the cities in which they live, which makes them much more difficult to reform.

Cities come in all shapes and sizes. In California, there are almost 500 cities, ranging in size from Los Angeles with a population of 4 million people to Vernon with a population

of 90. Texas has almost 1,000 cities. Houston is the largest, with 2.2 million people; there are hundreds of cities with a population of less than 1,000.

It's also true that all cities are not alike. Some, like my former city of Ventura, Caifornia, are full governments. They deliver all municipal services that residents expect. Others – especially newer city governments – are really shells, providing local residents with a brand identity and a few high-profile services while leaving most of the heavy lifting to the county and special districts.

Especially in large metro areas, the too-big-or-too-small problem is pretty endemic.

Most of our very large central cities – such as New York and Los Angeles – reflect the prevailing wisdom at the beginning of the last century, which held that municipal systems (sewers, parks, police) could be more efficiently delivered at a large scale. This was the primary reason that New York (then consisting of Manhattan and part of the Bronx) annexed Brooklyn, Queens, Staten Island, and the rest of the Bronx in 1898. Today, of course, most large cities are viewed as hidebound and bureaucratic – responsive, perhaps, to public employee unions but not to the residents or the businesses that inhabit those cities.

That's part of the reason why some observers have argued in favor of smaller, more nimble cities, especially in supporting businesses and pursuing economic growth. Writing

in City Journal some years ago, Joel Kotkin made this argument forcefully, claiming that the commercial success of older Los Angeles suburbs such as Glendale and Burbank was due primarily to their size compared to the mammoth City of Los Angeles.

There's clearly some truth to that argument, but small cities come with their own problems – problems that often drag down an entire metropolitan region even while the cities themselves are protecting their own residents and businesses.

Especially in metropolitan suburbs, municipal boundaries – established decades ago and changed nowadays only with great difficulty -- do not follow the geographical sheds of practically anything having to do with people's daily lives. For example, the average person's daily commute crosses jurisdictional lines, thus severing the governmental relationship between where people live and where they work. Especially as job centers have moved into older suburbs, this pattern has allowed affluent suburbs to cherry-pick the good stuff – jobs, high-end housing, good retail, and fancy hotels, which often cluster together. These suburbs typically suck up tax revenue and jobs while blocking middle-income housing, while dumping the all the bad stuff on the central cities and less affluent suburbs.

And fragmented local government doesn't always lead to responsiveness to local residents, especially in those older, poorer suburbs that aren't able to cherry-pick affliuent residents and successful businesses.

In many of these municipalities, almost nobody votes in local elections. This allows the people who run these cities, as I wrote in *The Reluctant Metropolis*, to view them simply as mining operations from which money can be extracted, rather than entities designed to serve local residents. And the results are often scandalous and sometimes tragic.

The municipal racketeering scandal in Bell, California, was facilitated by the city's switch from a "general law" city under California law to a charter city – a move that got the city out from under state laws limiting the compensation of elected officials. The charter city election took place right after Thanksgiving in 2005, days before the law took effect. In a city of 35,000 people, fewer than 400 voters cast ballots. Confident that no one was looking, Bell's leaders accelerated their plundering of the city.

Similarly, in the 2013 municipal election in Ferguson, Missouri – the last election before the tragic shooting of Michael Brown – approximately 1,600 voters cast ballots even though almost 14,000 people were registered to vote. With a turnout of only 11%, it is any wonder that the municipal government viewed its own constituents as a source of revenue to be mined through coercive means, rather than a group of residents to be served? What's more, in 2015, after the Brown shooting had focused national attention on Ferguson for months, turnout was *still* only 30%.

The question of how to balance these regional interests across a landscape of too-big-and-too-small municipalities has vexed public policy experts for generations. Both efficiency and equity would suggest the need to consolidate smaller cities; break up bigger cities;

and find some way to balance the interests of rich and poor cities. Yet this landscape remains stubbornly resistant to change.

Despite seemingly endless financial crises and scandals, the “Hub Cities” area in southeastern Los Angeles County – of which Beill is a part – remains cut up into eight different cities even though it is a more or less cohesive area of 300,000 (admittedly mostly poor) people and perhaps 100,000 jobs tightly packed into about 30 square miles. Each of these cities, for example, has their own police department. Meanwhile, a short distance away, a 2002 attempt to split the San Fernando Valley (260 square miles, 1.8 million people) from the City of Los Angeles (465 square miles, 4 million people) failed because residents of the remainder of L.A. failed to approve the plan, as required by state law.

In a few instances around the country (Indianapolis, Jacksonville, Nashville), consolidation of the central city and central county has helped overcome some of these problems. But in other locations where such a solution might make sense – shrinking Buffalo, for example – the desire to retai local political fiefdoms has defeated consolidation efforts.

And in at least one instance, favorable political circumstances have permitted a regional approach to balancing the winners and losers in an equitable way. Metropolitan Minneapolis-St. Paul, for example, has used a regional tax-sharing system for more than 40 years.

Such as system helps overcome big-small, rich-poor imbalances without reorganizing jurisdictional boundaries.

But such systems are strongly resisted elsewhere by affluent suburbs who don't want to give up their advantage; and in most states there is simply no way to have a metropolitan-level discussion about how to share taxes. (In Minnesota, because the Twin Cities is the dominant metro area, it was possible to have metropolitan governance discussions in the state legislature – something that is not possible in multi-metro states.)

It is worth noting, however, x the Twin Cities system as turned out to be quite dynamic: The central cities that received tax subsidies in the early years now generate a surplus, which goes to the now-older suburbs that used to be net donors to the system. There's a lesson here for advantaged suburbs that assume they will retain their advantage forever and regional cooperation will always be inimical to their interests.

So, if most cities are either too big or too small and political obstacles block reform, how can cities be reshaped to properly serve their residents and businesses in the 21st Century? There is no one answer, of course. But there are at least three approaches – two that can be pursued locally and one that probably requires state intervention – that can help.

First, small cities can focus on the brand that matters to their residents rather than trying to be all things to all people. This approach allows cities to focus on the things that matter to people and save money on other operations, which will relieve the financial pressure most cities face. For many cities, this will mean maintaining brand-name police and fire

services while consolidating other, less visible operations with other cities, their county, or regional entities.

Second, cities must focus on improving voter turnout and, especially in larger cities, finding a way to create a more responsive set of elected officials. Turnout is low in many small cities – including Bell and Ferguson – in large part because elections are held off-cycle, usually in the spring of odd years. A forthcoming report from the Kinder Institute's Center for Local Elections in America, focusing on the turnout problem in California, concludes that the single most significant factor in local turnout is the timing of local elections, and simply switching to on-cycle elections can vastly increase turnout.

At the same time, many larger cities function with outmoded small legislative bodies that impede responsiveness by creating large districts. The public sometimes expesses disdain for politicians and opposes the idea of having more of them. And lobbyists prefer to have as few legislators as possible. But many of these problems could be solved by simply increasing the size of the legislative bodies.

Los Angeles, for example, has 15 district city councilmembers for its 4 million people spread across 465 square miles. Houston has 9 city council districts and 5 at-large councilmembers for a city of more than 600 square miles with 2.2 million residents. San Diego has 9 city council districts for a city of 340 square miles with 1.3 million residents. Combined with low turnout, this is a recipe for unresponsive government whose elected officials probably listen only to well-organized and well-funded constituencies.

To cite just one example, in December 2015, Karla Cisneros – a former school board member – was elected to Houston City Council from District H with approximately 5,400 votes. District H spreads across almost 40 square miles and has close to 200,000 residents.

This is no reflection on Ms. Cisneros, who appears by all accounts to be a dedicated public servant. But it is typical of big-city, large-district, low-turnout situations.

Finally, states do need to intervene to overcome the parochial interests cities sometimes inevitably wind up representing.

The most common parochial issue is housing – which a prosperous region needs but residents of an individual city often oppose. California, New Jersey, and a few other states have attempted to use state requirements to overcome local opposition to housing, mostly by forcing cities to upzone property to build higher densities. These interventions can be controversial and sometimes ineffective, but in the absence of right-sized cities and true regional governance they are necessary.

It's not easy for to reform a well-established and often hidebound system of cities and counties so that it works for a new century. But minor reforms around the edges could make a big difference.