

Examples of Potential 21st Century Demonstration Projects

Concept

The 2008-09 State Budget included \$29.4 million for Local Government Efficiency Grants. Included in that appropriation was \$8.33 million for a new program component to encourage specific activities. The activities selected based on responses to a request for applications would be transformative demonstration or pilot projects, that provide a laboratory for state-of-the-art experiments on 21st Century smart governing.

Demonstration projects will stimulate bold consolidation or regionalism initiatives that could ultimately produce paradigm shifts in local government. Funding, mandate relief, or other special assistance will be provided, and some projects may also need special enabling legislation to move forward. To encourage local experimentation, these projects could receive incentive funding in addition to the grant funds (for example, the highway operations consolidation incentive included in the budget). Approval for dramatic local government restructuring may be easier to obtain using a voluntary demonstration project approach.

21st Century projects will appeal to regions with a natural interest in a particular innovation, and will empower local leaders promoting transformative changes. Some examples of potential 21st Century Demonstration Projects, including things like schools consolidation, countywide or regional services generally, and smart growth are described below.

Smart-Growth Compact Regions

Smart Growth Compact Regions could be a pilot program in a particular region or regions with incentive funding and other inducements. The compacts would provide a mechanism for all municipalities within the region to agree on a regional (or at least countywide) approach to planning and development, and to subsequently be bound by the resulting plan. For example, zoning and other land use controls would be required to conform to it. This approach could even include an actual transfer of responsibility for land use regulation to the county level, enabled and subsidized by the State. Incentive funding would assist development of compacts, which might be pursued in concert with other changes such as bonus points or advantages in applying for other grant programs such as those for consolidated water and sewer projects, open space or agricultural land protection, and demolition and removal of derelict buildings. An additional incentive could apply when more than half of the municipalities in a county (or municipalities containing more than half of the population) transfer planning and zoning authority to the county. Other changes in existing grant programs might support regional economic development projects in areas targeted by the smart growth concept.



Multi-County Functions

These proposals could involve combining activities in two or more counties to become a multi-county function. Providing special state funding to accomplish this, and achieving statutory change where necessary to realize it, would encourage multi-county functions such as jails, boards of health, and social services. These issues are under study as part of the local initiatives process which has informed the Commission on Local Government Efficiency and Competitiveness.

BOCES-wide Consolidated School Operations

This pilot might result in special state funding and authorizing legislation to allow a BOCES-wide group of school districts to operate as a single, consolidated school system, with most major functions centralized. Incentives might include increased school aid (paid for a limited time period), and a lifting of mandates (operating as a “charter” school *district or region*). A degree of autonomy in local programs would be built in, on a school-by-school basis, as well as other ways to retain community identity. BOCES have operated for decades, with many programs shared among component districts, and so are natural organizing regions for this concept (especially since many school districts cross county lines). Several different regions are showing interest in broad consolidation of school operations, or even districts, and a demonstration project in this area would be designed to encourage a bold change which other counties might replicate.

County-Level Services

The 21st Century grant program could provide incentives and statutory authorization to allow for services to be provided at the county level. This could take two forms.

(1) A county or counties could be empowered to take over specific service categories within their boundaries or within a limited geographic area within the county. Examples of such functions could include highway maintenance or snow removal, police protection, and parks and recreation. County government would develop a plan for a consolidated service to be implemented through intermunicipal agreements. This approach has been suggested by David Rusk in his Communities of Common Interest concept paper. Once agreed upon, state incentives could be provided for a fixed term (two to five years) to off-set county costs of providing this service, after which it is assumed the savings and improvements in service would be incentive enough. It is envisioned that incentive grants would be targeted to those counties with the boldest plans, and the highest probability of gaining support of their constituent municipalities. Ideally, one or more demonstration counties would be identified that are proposing major service consolidations.

(2) Demonstration counties could be granted additional general powers to broaden the range of services they would be able to provide. Under this model, cities, towns and villages would contract for major municipal services with the county government. The county services would vary for each municipality, dependent on the level of service



desired. Instead of each municipality maintaining its own police, highway, public works, payroll, and tax departments, there would be a single countywide department for each function. This has often been referred to as the “Lakewood plan” – named for a California community. Under this approach municipalities can take advantage of economies of scale and improved service delivery while retaining local choice over levels of service. For example, a municipality wanting more police patrols or better roads would be able to choose and pay for it. A rural county would probably be a most likely candidate to pilot this system, particularly one with a board of supervisors that would have direct oversight over the departments with which their municipalities are contracting. Additional incentives could include various funding streams, or swapping current social service responsibilities in exchange for partial funding of the new municipal services. Statutory authorization would be required for many service areas, and some municipalities might choose not to participate even with these incentives.

Countywide or Multi-Municipal Policing

This potential demonstration project would provide legal, technical, and financial assistance to a county that will consolidate police operations countywide, including the county sheriff’s department and other police operations. Another possibility would be to require a high proportion of existing municipal police operations to be consolidated. A consolidated police force can increase efficiency by eliminating redundant units and functions (e.g., having one detective or investigation unit, consolidating booking facilities), and creating more efficient patrol areas. Effectiveness can also be improved by broadening operations beyond municipal boundaries, by helping to retain trained officers who will have a better career path in a unified force, and by providing a 24-hour police coverage in currently underserved areas. Consolidating police forces is very difficult, and opinion leaders will need to overcome opposition to the mergers among personnel, leaders and the public. There is also a very real possibility that “leveling up” of salary and benefits across existing units could consume administrative savings. Both short-term and continuing incentives to offset local costs would probably be needed to achieve local buy-in to this approach, and might include additional state aid or support. Several counties are interested in multi-municipal policing initiatives.

Metropolitan Municipal Corporations

Empowering and funding groups of municipalities to create a regional entity (similar to BOCES) to provide functions on a regional basis (countywide or larger) is another potential pilot project. These entities would provide an alternative to county service provision, enabling the State to transfer functions from local governments without being subject to the constitutionally-required multiple referendums to transfer functions to a county. It would also allow municipalities to create an entity that they would control, instead of being subject to decisions made by independently-elected county officials. A group of municipalities would develop a plan for this entity and the services that it would provide, such as highway maintenance, snow removal, police protection, parks and recreation, or any other service or group of services (these could be multifunction entities). Once a sufficient number of municipalities have agreed to create this entity, state aid would be provide an incentive for a fixed term (two to five years), after which



the savings and improvements in service would be incentive enough. It is envisioned that specific regions and specific service areas would be identified from among the local initiatives for these grants, and that the grants would be targeted to those with the boldest plans, and the highest probability of gaining support from the municipalities.