

Good morning, thank you for the opportunity to speak to you about the Onondaga Citizen's League 2005 Study Report, Strategic Government Consolidation for Syracuse and Onondaga County.

I had the honor and great privilege of working with a fabulous study committee comprised of 21 talented, knowledgeable and patient members of our community, many of whom are with us this morning. In addition to recognizing our study committee, I would like to thank Vito Sciscioli and Syracuse 20/20 and its committee on government modernization, with co-chairs Bob Doucette and Kathy Murphy Pietrafesa, as well as former co-chair LeMoyne President Rev. Charles J. Bierne for working collaboratively with the OCL on this project. The resources that they brought to the table were extremely helpful to this study committee. I would also like to thank Sandra Barrett, the executive vice president of the OCL for the thousands of emails that she sent to me and members of the study committee as she continually worked to bring new perspectives and new resources to the study. Sandra lives, on a daily basis, the mission of the OCL of involving citizens in the

study of critical community issues, trying to make sense out of them, and then making recommendations to the community.

When we set out to tackle the issue of government consolidation, we wanted to make sure that the study was as comprehensive as possible within the one year time frame that generally constrains OCL study's. During 2005, we did the following:

- conducted face-to-face interviews with 22 community leaders, including city, county and town elected officials, local business leaders, and opinion leaders;
- through the generosity of Jeff Stonecash, professor of political science at Syracuse University, we conducted a random phone survey of 301 registered voters in Onondaga County;
- conducted a written survey of over 200 elected local officials;
- conducted 15 focus groups throughout the community on topics surrounding consolidation of government including a very lively discussion on WCNY's Central Issues program;

- reviewed the literature on governmental consolidation;
- participated in a field trip to Buffalo and Erie County to meet with members of local government, as well as those who were actively involved in the government consolidation efforts in that region;
- educated ourselves on the history of government structures in Onondaga County, as well as the economic, demographic and population trends in our community;
- reviewed a number of recent studies in our attempts to identify community goals and in our attempt to avoid reinventing the wheel;
- had the opportunity to engage in discussions with experts on the issues surrounding consolidation including our keynote speaker Bruce Katz, Brookings Institution; Richard Hudnut, former mayor of Indianapolis; David Rusk, former mayor of Albuquerque; and Kent Gardner, president of the Center of Governmental Research; and finally

- through the good offices of Sandra and University College, several Thursday Morning Roundtables were dedicated to the subject of consolidation including a very informative roundtable discussion that involved Joe Mareane, Chief Fiscal Office for the County, Ken Mokryzski Director of Administration of the City and David Moynihan, the Independent Auditor for the City of Syracuse, Onondaga County and the City School District.

We made a decision as a study group early on in the process to examine consolidation in the broader context of the critical issues facing our community. Changing the structures of government or changing the allocation of power among government structures only makes sense if those changes contribute to making our region a better place to live. Thus, we arrived at the title of our report, “Strategic Government Consolidation” - consolidation of government as a strategy, a tool, for improving life in our community.

It is important to note that when we refer to a plan for consolidation of government, we are not limiting the

possibilities to political consolidation (the City into the County; villages into towns), but we also mean to include consolidation of planning, decision making, and implementation; joint service agreements among municipalities; and consolidation of certain functions that are presently at a local level (village, town, or City) to the County level.

To understand how government consolidation fits into the puzzle we first have to understand the current lay of the land, what is the current structure of local government. Second, we needed to identify the most significant problems and issues facing our community. Finally, we needed to identify areas in which consolidation could make a difference in addressing our most critical issues.

Just by a show of hands, who here believes that the way our local municipalities are presently structured or the way that power and responsibilities for planning and the delivery of services is the best that we can expect?

So, what does local municipal government look like today? Onondaga County contains 19 towns, 15 villages, and the City of Syracuse. There are 18 school districts entirely

within the county and a number of others that overlap county borders. All but the Syracuse City School District operate independently from local governments. In addition, towns have created over 1400 special districts for water, sewer, lighting, hydrants and drainage within town boarders.

The allocation of responsibility among the towns, villages, city, and county municipal governments is Byzantine. Just so you get a sense of the allocation of responsibilities, I will give you a brief summary):

Responsibility for real property assessment and tax collections falls to the city and the towns.

The city is responsible for its schools, parks, police and firefighters, street lighting, sidewalks, public water and hydrants, sewers, trash collection, storm water detention, street trees, all through the collection of real property taxes and through the collection of fees.

Most towns fund these services through special districts based on revenues. For both the city and the towns, the provision of facility and services also necessitates transfer payments from the state. Special districts and authorities are

important for operating and funding county wide and town infrastructure, e.g. water systems (OCWA), waste water transportation and treatment, public transit (CENTRO), solid waste and resource recovery (OCRRA).

Onondaga County government provides or administers services in four main areas:

- Municipal-type services (road maintenance, parks, police);
- Metropolitan Services (criminal justice, jails, penitentiary, juvenile detention, district attorney, police and fire dispatch, probation, medical examiner, crime lab, planning, emergency management, real property tax administration, civil service administration, wastewater treatment, water supply (Lake Ontario water), public health programs);
- Non-Mandated Human Services (mental health programs, Van Duyn Nursing Home, infant mortality programs, community college, support for arts and cultural agencies); and

- Mandated Human Services (Medicaid, public assistance, food stamp program, foster care, day care, education and therapy for PreK handicapped children, legal aid).

And of course, planning and governing structures are not integrated. City, town and village governments have the authority for planning and regulation of land development through 35 local governments involving over 700 elected and appointed officials on 105 legislative, planning and zoning boards, while Onondaga County government and New York State are responsible for the provision of infrastructure and transportation systems (highways, water, and waste water) that support urbanization.

How have things been going with this government structure over the last 50 years?

You have already heard about some of the so-called “Harsh Realities” - when we look at the leading indicators, population and income statistics; government revenue and expenditures, the news is not good.

I would like you all to direct your attention to the graph that shows population trends in Onondaga County since 1950. The population of the City of Syracuse peaked in 1950 and has decreased in every decennial census since then. The population of the County peaked in 1970 and has decreased slightly since then. Thus, the population of the towns has increased dramatically in a time of 0 or negative population growth with the county from a little over 100,000 people in 1950 to 300,000+ in the year 2000. From 1990 to 2000, Syracuse absorbed a 10% decline in population, while the average median national growth rate for cities with population over 100,000 was a positive 8.7% for the same period.

What's even more concerning is who is leaving. Young adults and young families account for a large share of the out-migration from the region. Study committee member, Steve Barone, an internationally known consultant on strategic planning tells a story that explains this phenomenon. When a ship is listing and taking on water and solid land is not too far off, it is the strongest swimmers who will leave the ship first - for the simple reason that they can.

The statistics concerning personal income are no rosier. Personal income in Upstate New York grew at just half the national rate in the 1990s and half of the growth was accounted for by increases in Social Security, Medicare, Medicaid and the Earned Income Tax Credit.

Upstate New York's highest income households earn substantially less than the national average and lowest income households saw little growth in the 1990s. Upstate New York's cost of living does not make up for these lower than average incomes. Food and utilities are higher than the national averages as are transportation costs, sales taxes, income taxes, and property taxes. Hour for hour, Upstate workers receive lower wages than people of similar age, race, sex and education nationwide. Upstate workers also work fewer hours and a smaller percentage of adults participate in the workforce. Central New York had the lowest employment growth in Upstate New York and a decline in real wages per job.

As one would expect, the lack of economic opportunity has resulted in concentrations of poverty. Poverty rates for families, individuals and children and the concentration

of poverty grew in Upstate New York in the 1990s while, nationwide, rates decreased. Low wages contribute to increases in poverty rate - nearly 2/3 of non-senior households below the poverty line have at least one part-time worker and over 40% of non-senior households below the poverty line have at least one full-time worker.

As one would expect, the fiscal picture on the local government end of things isn't any better. David Moynihan, a member of our study committee and as I mentioned the independent auditor for the City, County and City School District put it bluntly,

"Something has to change because government is going broke. On June 30, 2004, the City of Syracuse had an imbalance of \$69 million dollars between its long term obligations and its assets at hand. The County has about \$8 million dollars of surplus representing only 1% of its revenue. Local governments generate about 55% of their revenue between sales tax and property taxes; these sources of revenue have been absolutely

stagnant over the past 10 years in both the County and the City except for sales tax and property tax rate increases. Our local governments will only survive if they can find a way to drive economic growth."

Highlighting the fiscal challenges facing city and county government are a few facts, as illustrated by the graph that you are now looking at, retirement and post employment benefits have increased seventeen fold since 2001. The county's cost of medicaid has increased approximately \$45 million since 2001. In general, expense increases for the city and county have vastly outpaced any revenue growth. Onondaga County government presently employs 4,200 people, the third largest employer in Onondaga County, but 17% fewer than 10 years ago.

The polling of registered voters, the surveys of elected officials, the interviews of political and community leaders and the numerous public sessions that we held all confirmed the obvious: the issue of jobs and the economy is far and away the most critical issue facing the region. When registered voters

were asked the question “what do you think is the most important issue facing this area at this time?” 43% said lack of jobs and lack of growth in the local economy. The issues of crime, drugs and public safety were identified by 17.8% of those surveyed. Education and schools was identified by 8.7%, followed by taxes and property taxes at 8% and the Destiny project was also at 8%. It is also interesting to note that 78.5% of those surveyed thought the local economy was either maintaining the status quo or was declining.

Of the 21 political and community leaders surveyed, 13 identified economic development and jobs as among their top goals and priorities. Followed by neighborhoods and housing, then schools and education.

Among elected the 217 elected officials surveyed 40% agreed that jobs and economic development was the most important issue facing the community. Taxes was the second most important issue (19.5%). Interesting only 18% of elected officials saw the stagnant population numbers as being a serious problem. This compares to 40% of the voters surveyed. There were a number of other areas where the reviews of elected

officials did not seem to coincide with those of the public and I would refer you to the report at the pages of 18 and 19 for that information.

One of the most surprising and we believe, most hopeful signs to come out of the poll and the survey is that over 80% of registered voters said that an economically healthy city is either crucial or important to the future of the county. That result did not vary significantly by party enrollment, the area of the county or education level. We believe that the fact that there is a consensus among voters on the importance of the city to the region is a critical point of agreement. When the same question was asked of elected officials, 64% responded that a healthy city was either crucial or important to the county.

Though there seems to be consensus that the city is critically important to the region, and there is certainly a consensus that jobs and economic growth is the most critical issue facing the region there appears to be no consensus, at least among our community leaders and elected leaders, on what the various local governments, towns, villages, the city, and the county can do to address those priorities.

Four quotes from our interviews illustrates a common and troubling theme:

One leader echoed a commonly held "unstated" agenda of county residents - "there is an underlying perception by some in the community at large that we should just as soon keep the City where they are. There is a fear element."

Another leader put it this way "I think that consolidation is actually a threat to some people because they see that some of the things that contribute to a good life in the suburbs might be threatened by complete consolidation."

While some leaders thought that the county residents would fight consolidation, others thought that City residents would fight it "until the end". According to this leader, "the reason is that the people who live in the county, and I don't want to make this a broad generalization, but I don't think that they care to understand the difference, the needs of the City."

And finally, one leader said that there could never be consolidated government between the City and the County, "not in a million years. Why? Because they don't believe the County Legislature is going to take care of them."

To quote my favorite philosopher, "we have met the enemy and he is us". The challenges facing our region are not City versus County, village versus town, town versus City, or town versus County, but they are the challenges of competing for jobs and economic growth in a national and world economy that has dramatically changed since Syracuse's glory years in the first half of the last century.

The trend lines have been so long and pronounced, our Study Committee believes that to finally break the cycle of decline, all stakeholders - local governments, business and education leaders, economic development organizations, state and federal governments, citizens groups, and citizens, need to be "in the same boat paddling in the same direction."

Local government needs to be structured so that it can most effectively address regional issues that have the most impact on job growth and economic competitiveness.

Before we get into the heart of our recommendations, I will share with you a few important lessons that we learned from the experiences of other communities and the experts on government consolidation.

- David Rusk, former mayor of Albuquerque, New Mexico, makes three points that influenced our recommendations:

- (1) the "little boxes" of New York State's local governments, the 1,545 cities, villages and towns contribute significantly to minimal growth in wealth and income in New York's metropolitan regions, the deterioration of central cities and inner-ring towns and the inability of "little boxes" governments to mobilize the full resources of the region to compete effectively with "Big Box" regions elsewhere;

(2) the fact that New York's legislature has delegated land use planning and the zoning authority to the 1,545 municipalities without state standards for regional growth management is at the core of the economic malaise (this is exacerbated by making the municipalities dependent upon local property taxes which pit local municipalities against each other in the battle for tax revenues); and

(3) part of the solution is legislative action aimed at ending intermunicipal conflict, wasteful duplication of infrastructure expenditures, accelerating regional economic growth and sharing the benefits of such growth among the municipalities.

- Our keynote speaker, Bruce Katz, with a very strong assist from study committee member Karen Kitney, taught us about the poisonous impact of “sprawl”. Sprawl hinders a city's ability to compete for educated workers, creates additional tax burdens, and adds to

persistent concentrated poverty - economic success relies on attracting and retaining highly educated people - innovation and creativity drive the economy and success requires large numbers of people with high skills and college education. According to Katz, the most successful cities and metropolitan areas have the highest numbers of educated workers and share the following qualities: thick labor markets, vibrant and distinctive downtowns, plentiful amenities, and a positive, tolerant culture. At the core of Katz's argument, are two principles: (1) how a region grows physically affects how the region prospers as a community - "density and compact development and quality of place matter in the knowledge economy" and (2) local governance makes a difference in how a region grows - "in a changing economy, regional cohesion and less governmental fragmentation are hallmarks of smart governance."

- Our recommendations are also indebted to Jerry Paytas of Carnegie Mellon University, who has

concluded that metropolitan fragmentation exerts a statistically negative impact on competitiveness and weakens long term regional performance. See if you see ourselves in the following quote, “How well a region organizes and utilizes its assets and resources is the key to its ability to compete and to respond to change. Long term competitiveness requires flexibility and fragmented regions are less likely to mobilize the consensus for change. Fragmented regions divide the regional constituency, offering opponents of change more opportunities, forums and even institutional support to resist change.”

- Surprisingly, a review of the literature concerning metropolitan governments and city/county consolidations revealed that such consolidations do not, in general, save money or improve efficiencies and may in fact increase the cost of government and reduce efficiency. The consensus of the research is that:

- (1) it is more difficult for one consolidated government to provide services to a larger, more diverse metropolitan population than it is for smaller units to provide services to smaller populations;
 - (2) not all public services cost the same, thus, not all will achieve economies of scale from consolidation;
 - (3) duplication of services does not necessarily create inefficiency, and in fact in some cases is demonstrated to cost government less and be more efficient; and
 - (4) economies of scale and greater efficiency are more easily achieved through consolidating specific local government services or through intergovernmental cooperation.
- The literature reviews prepared by study committee member, Eric Persons and LeMoyne college professor, John Freie, came to common conclusions

- (1) though government consolidation is not a “cure all”, it can enhance land use planning, equitable distribution of resources, economic competitiveness, smart growth policies that limit sprawl, and the revitalization and rebuilding of downtowns;
 - (2) fewer than 15% of proposed city/county consolidations succeed; but the discussion of regional issues in open public forums can help create a sense of regional identity and great cooperation;
 - (3) government consolidation requires concentrated, organized and sustained efforts of a broad coalition over several years and may require significant state action.
- We also learned two important lessons from the attempted consolidation of the City of Buffalo and Erie County.
 - (1) From those involved with the failed consolidation we discovered that there was no strong consensus

underlying the consolidation. There needs to be a community wide consensus on the most critical issues facing the region and how consolidation of government can help address those issues before a plan can be designed. The goals and issues need to inform and frame every element of the discussion; and

- (2) The process for developing a plan of consolidation matters. Buffalo and Erie County used a blue-ribbon panel to frame the issues and develop their plan - the plan was developed behind closed doors, in a process that was not open to the public. For a plan of consolidation to be successful, the plan needs to be developed in the open with public hearings, political and academic input, and media exposure and commentary.

As an overview, consolidation in the context of local municipalities has been aimed at achieving or addressing one or more of the following community goals or issues:

- (1) governmental efficiency and cost savings;
- (2) achieving equitable allocation of governmental resources;
- (3) addressing the issues of jobs, economic growth, and regional competitiveness;
- (4) regionalizing planning;
- (5) increasing political participation; and
- (6) achieving greater accountability for public officials.

Our committee's recommendation is to carefully focus any efforts at consolidation on the most critical issues facing our region: some form of local government consolidation is essential for our region's ability to more effectively compete in the global marketplace.

As a starting point, we believe that any plan that uses the tools of consolidation must look to three elements as its foundation:

- (1) The core issue for our region is jobs, economic growth and regional competitiveness - we will be more competitive in the world marketplace if we have the ability to think and act as a region rather than as a collection of small and ineffectual municipalities.
- (2) Urban sprawl is deadly to our region - both in the cost of infrastructure and the cost to the vitality of the City of Syracuse. Regional land use planning must be developed to have an impact on sprawl.
- (3) The health and vibrancy of the City of Syracuse is absolutely vital to the success of the region.

Vito Sciscioli has consistently made the point that, ultimately, consolidation of any sort is about realignment or concentration of power in a government that does not presently possess that power.

As a study committee, we strongly believe that the end of any realignment or concentration of power should be to achieve something important, something that cannot or is not presently being achieved with the present allocation of power among local governments.

Whether the realignment or concentration happens through a legal merger, legislative rewriting of the rules of the game, voluntary contractual consolidation, or joint service agreements really should be of no moment. What needs to be focused upon is a consensus realization that the way local governments presently operate is not the most effective way to make our region competitive in the world economy.

There are really two central, distinct but inter-related issues at work:

- (1) More effectively structured local government can do more to help the region compete. The multitude of local governments in Onondaga County results in fragmented, piecemeal, parochial, and incomplete decision making on matters that impact the entire County. It is

axiomatic that economic growth can only happen if we in Onondaga County think, and more importantly, act, more regionally. Though by no means the sole cause of the economic issues facing the region, the current structure of government is an impediment to the economic development of the region and needs to change. Government that can act regionally to address regional issues will develop a greater pride in our region, pride that extends beyond the municipality in which we happen to live, and will engender a greater interconnectedness among the citizens of our region - an interconnectedness will focus attention and resources on inequities of facilities, services, and opportunity that exist in our community.

- (2) Local government itself is facing fiscal crisis with a shrinking and aging population base, escalating state mandates for the funding of pension and health insurance costs for employees in the state

retirement system and for human services programs such as Medicaid, an aging and expanding infrastructure, and inconsistent state aid - without new sources of revenue, local government will be faced with a Hobson's choice of increasing the already heavy local real estate tax burden and/or drastically reducing or eliminating services.

Careful, intentional, and consistent planning for the use of our resources and acting as a region to develop and implement economic growth opportunities are at the heart of our recommendations. In addition, the Study Committee sees careful stewardship of the region's resources, growth in the local economy, and an increase in the number of jobs as the only real long term solution to the fiscal issues facing local government.

Our research and the experience of other communities, especially the failed attempt at the consolidation of the City of Buffalo and Erie County, indicate that the process for developing a plan of consolidation is critical to its success.

The Study Committee recommends that a process, open to public debate and public comment, begin immediately with representation from all stakeholders to develop a detailed plan for strategic consolidation of local government.

Though as a study committee we did not presume to develop specific consolidation plans, we recommend that the plan for strategic consolidation of local government must:

1. Empower local government to increase the region's ability to compete more effectively in the global marketplace by:

- Creating a land use plan that is consistent and enforceable across all municipalities within the County and using land use plans to keep sprawl in check - reducing costs associated with new infrastructure; revitalizing and reusing existing infrastructure; avoiding further concentration of poverty in City of Syracuse; and the deterioration of the contiguous suburbs. We have some catching up to do - for example, the City of Portland, Oregon developed regional limits on urbanization 33 years ago

and continually monitors progress toward that region's strategic objectives.

- Developing consensus on an economic development plan for the region with buy-in by all stakeholders, including local government. "The Essential New York Initiative" written by the Metropolitan Development Association based on the findings of The Battelle Memorial Institute and Catalytix provides an excellent economic development strategy for the central upstate New York region, but makes little mention of the role that local government should play in executing the strategy. Local government should be a key player and critical partner for making Central New York fertile ground for economic growth and job development - our region needs local government that can draft and implement policies that seek to enhance business growth and employment on a region wide basis with the goal of providing employment opportunities, increasing the revenue base, and increasing the quality of life.

- Developing consistent "rules and tools" for project approval processes and "one stop shopping" for local, state, and federal tax incentives.
- Facilitating the development of the City of Syracuse as a safe and diverse center for education, commerce, tourism, residential living (neighborhoods and downtown), culture, and the arts - any plan of government consolidation must be aimed at addressing the particular issues of the City of Syracuse
 - population loss, diminished tax base, concentrations of poverty.
 - Equitably sharing local tax revenues generated by economic development activities among the municipalities within the county.

2. Recognize the attachment that the citizens of our county have to their local governments (the City of Syracuse, the towns, and the villages). Balanced demographic and geographic representation in the process of consolidation and in the resulting plan is essential to its success. We like our local governments and we are not advocating their elimination, but

the lack of a forum where local municipalities are required to engage in debate, compromise, and decision making for the benefit of the broader region creates an impediment to sustain growth and prosperity.

3. Reduce the inefficiencies and impediments to consistent high quality, cost-effective services caused by the service being provided at a level that is inappropriate to the nature, geographic scope, and significance of the service by realigning functions and services provided by government to the appropriate level. This type of "functional consolidation" or "rationalization of government services" can help make our region more attractive to business and economic development.

4. Provide substantial incentives from New York State to overcome inertia. The suggestions made by David Rusk are a provocative and helpful list of legislative proposals.

What About Metropolitan Government?

It is the unanimous opinion of the Study Committee that, in an ideal world, the formation of a metropolitan government for the greater City of Syracuse and the resulting sense of community would have a greater impact on the fate of

the City of Syracuse, the County of Onondaga and the greater region than the other forms of consolidation studied.

But, the issue for our Study Committee has never been "metropolitan government or no metropolitan government?" OCL has focused on whether and how local governmental consolidation could assist in addressing the most pressing issue of our region. Our conclusion is that fundamental changes need to occur in the allocation of power among local governments so that local government can act regionally to enable us to compete effectively in the global market place.

That reallocation of power can occur through political consolidation, legislative mandate, voluntary intermunicipal agreements, or any combination of those consolidation tools.

The Study Committee does not presume to define the specific forms of consolidation that will best assure that sprawl is brought in check, land use planning is regionalized, a consensus regional economic development plan is adopted by local government, and the vitality of the City is recognized as essential to the region.

The Study Committee believes that focused, strategic steps must be taken immediately towards a plan of restructuring of local government that will require further education on the issues and potential solutions, open and honest communication, civil, good faith discussion among all interested parties, and an overarching focus on a common goal. More on that later.

There are certainly barriers to moving towards any plan of government consolidation as is not surprising our study found that most commonly identified barrier was the self-interest and “turf” issues that rear their ugly head anytime there is a change in government structure or the allocation of power among municipalities. The other barriers, most frequently sighted was the lack of communication, trust, cooperation and consensus building among our regions political leadership.

Public opinion could also be considered a barrier to consolidation. The telephone poll revealed local residents' loyalties to their local governments. A strong majority (75%) see City, town and village governments as valuable and (44%) thought that local governments were important enough to justify the cost - only 26% felt that local governments are not

important enough to justify the costs. A large majority (77.8%) believes that the ability to create change depends more on the quality of leadership than the structure of government.

Only 24% of those polled felt that one government could do a better job promoting growth, while 65% felt that other factors were more important. On the other hand, over half the respondents think that restructuring government would have a major impact on growth and 58% think that growth is important enough to consider restructuring. Only a minority of those polled were willing to consider political mergers - 41% favored merging the City into the county; 33% favored merging towns into the county; and 43% support merging the village into towns.

Though immediate political consolidation was not favored by a majority of leaders interviewed, voters polled, or elected officials a strong majority of all concerned supported or was willing to consider the merging of certain functions.

The overall responses from elected officials generally mirrored those of the public. Elected officials are less likely to oppose countywide merger of most services, but are more likely

to oppose merger of planning & zoning (59.7% v 48.4% public) and of highway departments (39.3% oppose v 27.6% public). Elected officials are somewhat more likely to oppose merging villages into towns (47.2% v 43.8%), and towns into county (66.3% v. 59.7%), but slightly less likely to oppose merging of City into county (47.2% v. 50%).

We fully agree with the local leader who said that consolidation has to be a consensus driven policy. Of the barriers identified in our study, the most critical barrier is the lack of a consensus among voters, political leaders, elected officials, and community stakeholders on the need for government consolidation. If that consensus can be built around the most critical issue facing our community, the other barriers are surmountable. Reasonable people can differ on the means to achieving job growth, population growth, and economic development. But a forum needs to be available where the development of a consensus is required and government structures must be available that are properly empowered to address the impediments to job growth and to

facilitate economic development that will enhance long term regional competitiveness.

I would like to leave you with one last thought - there are tremendous strengths to this region, from the natural beauty of the Finger Lakes to the extraordinary arts and cultural offerings for a city of our size - to the commitment that Syracuse University is making not only to “the Hill” but to the downtown community and its neighbors on the South side of the city - to the exciting development of residential living in Armory Square, Hanover Square and other parts of downtown. We have the raw material to be a truly extraordinary and exemplary community and we deserve local governments that are structured in a manner to maximize the possibility of this region realizing its potential.

Our recommendations for government consolidation fit well with a community whose economic fortunes may finally be on the upswing and whose City core is finally receiving the attention that it requires. As Jerry Paytas stated in his seminal paper, "Does Governance Matter? The Dynamics of Metropolitan Governance and Competitiveness":

"The results do not dictate that fragmented regions cannot be strong competitors or enjoy periods of competitive excellence. Rather, the findings indicate that few fragmented regions are likely to be strong competitors, and that they are unlikely to sustain competitiveness over the long term. Long term competitiveness requires flexibility, and fragmented regions are less likely to mobilize the consensus for change. Fragmented regions divide the regional constituency, offering opponents of change more opportunities, forums, and even institutional support to resist change. Unification encourages serving the regional constituency rather than parochial interests."

Thank you very much for giving us the opportunity to present our study and I would ask Bob Doucette, Karen Kitney and Eric Persons to join me to field question.