Metropolitan Organization:
Comparison of the Allegheny and St. Louis Case Studies
Members of the
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on Intergovernmental Relations
(October 1993)

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Metropolitan Organization:
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Advisory Commission on Intergovernmental Relations

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ACKNOWLEDGMENTS

This staff report compares the findings of the two case studies undertaken by ACIR as part of a series on how complex metropolitan areas are organized and governed. The studies focused on St. Louis County and City, Missouri, and Allegheny County (Pittsburgh), Pennsylvania. The case studies followed from the 1987 policy report *The Organization of Local Public Economies*.

This comparison concludes with some suggestions for further research based on the lessons learned from the case studies.

This report was written by Roger B. Parks of Indiana University and Ronald J. Oakerson of Houghton College, who were the principal investigators and authors of the earlier studies.

The report was submitted to review by several critics, whose time, effort, and expertise are gratefully appreciated. They included: David Berman, Arizona State University; William Blomquist, Indiana University; Richard L. Cole, University of Texas, Arlington; William G. Colman; Robert Dilger, West Virginia University; Randy H. Hamilton, University of California, Berkeley; Paul L. Knox, Virginia Polytechnic Institute and State University; Michael E. Libonati, Temple University School of Law; Michael Pagano, Miami University (Ohio); Stephen L. Schechter, Russell Sage College; John Shannon, The Urban Institute; and Robert Thomas, University of Houston.

At ACIR, Bruce D. McDowell, director of Government Policy Research, and Seth Benjamin, senior analyst, were responsible for the final report. Joan Casey edited the report for publication. Secretarial assistance was provided by Suzanne Spence.

Responsibility for the contents of the report remain with the Commission staff.

John Kincaid
Executive Director
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INTRODUCTION

This report is a summary of the findings of ACIR's case studies of local government organization in St. Louis City and County, Missouri, and Allegheny County (Pittsburgh), Pennsylvania.1 Research on metropolitan organization and governance focused for decades on the large number of governments that generally serve these areas. Three different approaches to understanding metropolitan government have held the attention of scholars and urban reformers in America: consolidation, tiered government, and local public economies.

THE CONSOLIDATION APPROACH

The consolidation view of metropolitan governance emphasizes a unified structure of government in order to deal with the increasingly areawide problems of local service delivery. William Anderson, in 1925, summarized this view:

1) Each major urban area should be organized by only one unit of local government.

2) The voters in each major urban area should elect only the most important policymaking officials, and these should be few in number.

3) The traditional separation of powers should be eliminated from the internal structure of the single consolidated unit of local government.

4) The function of administration should be separated from that of politics. The work of administration should be performed by specially trained public servants who are adequately compensated, and employed on a full-time basis.

5) Administration should be organized into an integrated command structure in accordance with the hierarchical principle, where authority tapers upward and culminates in a single chief executive.2

The Committee for Economic Development reiterated this view as late as 1966.3 The thrust of this argument is that the decline of urban areas can be halted by remedying what is perceived as an obstacle to "good" metropolitan govern-
ment. Good government, it is believed, is thwarted by the presence of many local governmental units, each pursuing its own goals, often in conflict with those of the larger whole.

A related analytical approach to the problem of metropolitan governance has been proposed recently. This approach stresses the concept of elastic versus inelastic cities—the ability or inability to annex surrounding suburban areas—as a central issue for the health of metropolitan areas.4

Consolidation as an approach to local government reform in metropolitan areas has not been a route favored by the voters in most places where it has been proposed. For example, there have been only 28 city-county consolidations in U. S. history. Of 83 city-county consolidation referenda held from 1921 to 1979, only 17 were approved by voters. In addition, the Voting Rights Act of 1965 and its 1972 amendments imposed some constraints on consolidation and annexation. As a result, municipal and city-county consolidations have been rare occurrences.

This has resulted in part from, and been aided by, the suburbanization of metropolitan areas that has taken place since World War II. With such development, formerly rural areas began to be defined as new municipalities. Also, as the nature of service demands in this suburbanizing landscape became more complex, particularly after the 1960s, there was rapid growth in the number of specialized local units of government. This tendency is shown for metropolitan areas in Table 1.

THE TIERED APPROACH

Even with this growth, a parallel development in metropolitan regionalism has been taking place, especially with regard to transportation, sanitation, and major parks. (The need for areawide solutions to certain metropolitan service delivery problems was recognized as far back as the 1920s.) After World War II, urban transportation funds and comprehensive planning funds for the support of metropolitan planning organizations spawned regional approaches to metropolitan planning. Regional planning organizations, however, remained just advisory. Formal “tiering” of governments occurred in only a few large metropolitan areas, such as Toronto and Miami-Dade County in the 1950s and Greater London in the early 1960s.

The turbulence in urban America in the late 1960s and early 1970s made analysts and policymakers rethink some of their assumptions. Large-scale administrative agencies were no longer seen as the only answer to metropolitan governance. A new “two-tiered” approach developed that concentrated on neighborhoods as the lower tier of single governmental units.5 As a counterbalance to comprehensive areawide organizations, citizens asked for greater community control of neighborhoods and schools. The main complaint against large centralized administrative structures was their lack of responsiveness and their tendency to alienate and frustrate citizens.
Table 1
Number of Local Governments in Metropolitan Areas
(1942-1992)

<table>
<thead>
<tr>
<th></th>
<th>Number of MSAs¹</th>
<th>Counties</th>
<th>Municipalities</th>
<th>Townships</th>
<th>School Districts</th>
<th>Special Districts</th>
<th>Total</th>
<th>Average Number of Governments per MSA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1942</td>
<td>140</td>
<td>272</td>
<td>1,741</td>
<td>895</td>
<td>11,822</td>
<td>1,097</td>
<td>15,827</td>
<td>113</td>
</tr>
<tr>
<td>1952</td>
<td>168</td>
<td>256</td>
<td>3,164</td>
<td>2,328</td>
<td>7,864</td>
<td>2,598</td>
<td>16,210</td>
<td>96</td>
</tr>
<tr>
<td>1957</td>
<td>174</td>
<td>266</td>
<td>3,422</td>
<td>2,317</td>
<td>6,473</td>
<td>3,180</td>
<td>15,658</td>
<td>90</td>
</tr>
<tr>
<td>1962</td>
<td>212</td>
<td>310</td>
<td>4,142</td>
<td>2,575</td>
<td>6,004</td>
<td>5,411</td>
<td>18,442</td>
<td>87</td>
</tr>
<tr>
<td>1967</td>
<td>227</td>
<td>404</td>
<td>4,977</td>
<td>3,255</td>
<td>5,018</td>
<td>7,049</td>
<td>20,703</td>
<td>91</td>
</tr>
<tr>
<td>1972</td>
<td>264</td>
<td>444</td>
<td>5,467</td>
<td>3,462</td>
<td>4,758</td>
<td>8,054</td>
<td>22,185</td>
<td>84</td>
</tr>
<tr>
<td>1977</td>
<td>272</td>
<td>594</td>
<td>6,444</td>
<td>4,031</td>
<td>5,220</td>
<td>9,580</td>
<td>25,869</td>
<td>95</td>
</tr>
<tr>
<td>1982</td>
<td>305</td>
<td>670</td>
<td>7,018</td>
<td>4,756</td>
<td>5,692</td>
<td>11,725</td>
<td>29,861</td>
<td>98</td>
</tr>
<tr>
<td>1987</td>
<td>2822</td>
<td>735</td>
<td>7,488</td>
<td>5,036</td>
<td>5,975</td>
<td>12,690</td>
<td>31,924</td>
<td>113</td>
</tr>
</tbody>
</table>

¹ MSAs—Metropolitan Statistical Areas. The old term Standard Metropolitan Statistical Area (SMSA) was replaced in July 1983 by three new categories: (1) Consolidated Metropolitan Statistical Area (CMSA); (2) Primary Metropolitan Statistical Area (PMSA); and (3) Metropolitan Statistical Area (MSA). PMSAs are components of CMSAs, many of which existed prior to 1983 as independent SMSAs. Not all PMSAs and MSAs, however, were formerly SMSAs. PMSAs may not be included in the 1987 MSA count. Therefore, 1987 MSA data cannot be directly compared with the 1982 Census of Governments data and earlier.

Source: U.S. Department of Commerce, Bureau of the Census, Government Organization, Census of Governments, Volume 1, Number 1, various years.
The authors of this second reform approach concentrated on neighborhood preferences and the inability of large bureaucracies to respond with sufficient flexibility to localized concerns, problems, and needs. There was a desire for a variety of service levels—community councils and neighborhood governments for local issues, alongside a more regional approach to areawide problems.

**The Local Public Economy Approach**

A third approach to metropolitan government reform also began in this period. This approach viewed the diversity of individual citizen preferences as the basis for the organization of metropolitan areas. These analysts argue that a multiplicity of governmental units in a metropolitan area is not necessarily a bar to efficient and effective local government, but can broaden citizens' choices and enhance opportunities to build closer and more directly accountable relationships between citizens and their local elected officials. Additionally, residents who do not approve of the services provided and their associated costs, and cannot change them politically, can move to another local jurisdiction. In other words, they can "vote with their feet," as well as with their ballot.

This view is based in part on social science research findings that metropolitan areas with a greater number of governmental units per capita experience lower costs of local government as well as lower expenditure growth.

**A Guide to Practitioners**

These three approaches clearly provide different emphases as to what works best in governing metropolitan America. Practitioners, however, must ask which approach (1) is best suited to solving specific problems in their particular metropolitan area; (2) can provide a practical framework for future research into urban problems; and (3) can help the public make the best informed choices to meet its needs in any given situation. This report summarizes research done by ACIR using the local public economy approach.

**A Framework for the Case Studies**

In 1976, ACIR published a comprehensive report, *Improving Urban America: A Challenge to Federalism*, which outlined many criteria for making policy choices to alleviate and stem urban decline. It drew on a number of previous ACIR reports dealing with local and areawide governance issues from the consolidation and two-tier approaches and related viewpoints.

In 1987, ACIR revisited the issue of local government services in metropolitan areas in *The Organization of Local Public Economies*. That report reviewed the status of research into metropolitan governance and attempted to address two emerging issues: (1) the need for a framework for empirical research and (2) the need to understand how metropolitan areas function with large numbers of governments. This report took a local public economy approach to intergovernmental relations in metropolitan areas.
The local public economy framework of analysis rests on three basic concepts:

1. A large number of small local governments in metropolitan areas may not necessarily be an impediment to effective and efficient local government.

2. The closeness of citizens to their local governments may permit, in some instances, a clearer definition of desired local government services and the manner in which they are to be undertaken.

3. The diverse needs or expressions of citizen choices in different municipalities result in varied methods of delivering services and a greater range of choices.

Following up on the 1987 report, in 1988 and 1992, ACIR published case studies of St. Louis City and County, and Allegheny County. Both cases involve metropolitan counties that have complex patterns of local government organization and service delivery. This report summarizes and compares the two case studies and suggests a direction for further research.

A decision was made to examine four key municipal services that residents generally demand of local government, whether in a metropolitan area or not—police, fire, streets, and schools.

**Fragmentation, Service Provision, and Service Production**

From the local public economy perspective, it is appropriate to define three terms—fragmentation, service provision, and service production—that will assist in conceptualizing local government organization.

**Fragmentation.** Those advocating consolidation argue that there are difficulties in coordinating policies and programs in metropolitan areas made up of numerous units of government, both general and special purpose. Numerous local governments are said to fragment the metropolitan area, creating confusion in service delivery, duplication of effort, and fiscal disparity and inequity. The reports on St. Louis and Allegheny counties measured fragmentation with an index of the number of governmental units per 10,000 residents. On that basis, Allegheny County, with 323 governments and a 1984 estimated population of 1.41 million, had a fragmentation index of 2.23. St. Louis City and County, with 145 governments and a 1984 estimated population of 1.42 million, had a ratio of 1.55. For comparison, Cook County, Illinois, with 516 governments and a population of 5.3 million, had a fragmentation index of 0.98.

Thus, Allegheny and St. Louis are not typical cases but hard cases, in the sense that the expected consequences of fragmentation should be evident in both areas. ACIR focused most attention on St. Louis County (which is separate from the City of St. Louis) and the portion of Allegheny County outside Pittsburgh because most fragmentation is found outside the central cities.
Service Provision and Service Production. In the language of local public economy analysis, provision refers to the process of expressing and organizing local demand for goods and services, whether through the decisions of local elected representatives and their agents (such as city managers) or by referendum or a mixture of both. Provision includes making the following choices:

- What goods and services will be publicly provided?
- What private activities will be publicly regulated?
- How much public revenue will be raised, and how?
- What quantities of each good or service will be provided and what quality standards will apply?
- Who will produce or deliver these goods and services?

Production is the process of rendering the service. It is the work of police officers in patrol cars, teachers in the classroom, fire fighters and street cleaners, along with the work of their supervisors and managers. In short, it is the daily job of delivering the services that local governments have decided to provide.

Production also can be sorted into direct services and indirect or auxiliary services. Direct services are supplied directly to the residents of a municipality or other governmental unit. Indirect services, also called auxiliary or support services, are supplied to those who produce direct services.

Provision can be separated from production. A governmental unit organized to provide a service must somehow arrange for production but need not produce the service itself. Production can be contracted out to another governmental unit or to a private firm. Moreover, different components of a service can be produced by different units. For example, a municipality can choose to produce direct services in-house with its own department while acquiring support services from other governmental units, such as special districts, councils of governments (COGs), counties, or even the state.

As a result, provision and production can be linked in a variety of ways: (1) in-house production by the provision unit, (2) production by an overlapping jurisdiction, (3) contracting with another public agency or with a private or nonprofit firm, and (4) production by citizen volunteers.

Characteristics of the Counties

St. Louis. The City of St. Louis and St. Louis County together had an estimated 1.42 million residents in 1984. Since 1876, the city and county have been separate, nonoverlapping jurisdictions. St. Louis is the central city of a metropolitan area of approximately 2.5 million people, covering nine counties in Illinois and Missouri. St. Louis County’s population was nearly a million. Sixty percent of the county’s residents lived in 90 municipalities; the other 40 percent lived in unincorporated territory with a population approximately equal to the City of St. Louis (see Table 2). Florissant was the largest municipality in
the county, with about 55,000 residents. The great majority of the population within municipal limits resided in cities or villages of 5,000 to 25,000 people. Still, there were 21 municipalities with populations of less than 1,000. In addition to county and municipal governments, St. Louis County was served by 23 independent school districts, 25 independent fire protection districts, and a countywide special district for the provision of special and vocational-technical education.

The City of St. Louis, with a 1984 estimated population of 429,300, acts as both a city and a county, and has an independent citywide school district. Three special districts link the city and the county, one to provide for the St. Louis Zoo, a second supplying sewage collection and treatment, and another, which is bistate, for public transportation.

**Allegheny.** Allegheny County, which includes the central city of Pittsburgh, had a 1984 estimated population of 1.41 million. Outside Pittsburgh, the county population was just over one million. The county is fully incorporated. Allegheny County is the center of a five-county metropolitan area of approximately 2.3 million people. In addition to Pittsburgh, Allegheny County has 129 municipalities ranging in size from 127 to nearly 58,000 people, almost evenly split above and below 5,000. Twelve municipalities had fewer than 1,000 residents in 1984.

<table>
<thead>
<tr>
<th>Table 2</th>
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<tbody>
<tr>
<td>Population and Primary Government Characteristics of St. Louis and Allegheny Counties</td>
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<tr>
<td></td>
</tr>
<tr>
<td>Population (1984)</td>
</tr>
<tr>
<td>Land Area (square miles)</td>
</tr>
<tr>
<td>Population Density (per square mile)</td>
</tr>
<tr>
<td>Population of Central City (1984)</td>
</tr>
<tr>
<td>Municipal Population Outside Central City (1984)</td>
</tr>
<tr>
<td>Population in Unincorporated Areas (1984)</td>
</tr>
<tr>
<td>County Governments</td>
</tr>
<tr>
<td>Central City</td>
</tr>
<tr>
<td>Suburban Municipalities</td>
</tr>
<tr>
<td>School Districts</td>
</tr>
<tr>
<td>Central City</td>
</tr>
<tr>
<td>Suburban</td>
</tr>
<tr>
<td>Special Districts/Municipal Authorities</td>
</tr>
<tr>
<td>Governmental Units</td>
</tr>
</tbody>
</table>

1 In 1985, one additional municipality, Chesterfield, incorporated after the research for this study was completed.
Elementary and secondary education services are provided by 43 independent school districts, including one district for the City of Pittsburgh. In addition, in 1985, there were 149 municipal authorities in the county providing services, such as water and sewer, school buildings, and parking facilities. The total number of governments in Allegheny County was 323.

Highly fragmented metropolitan areas frequently include a large number of very small municipalities. Although their combined share of the metropolitan population is small, they often comprise a large percentage of the total number of municipal jurisdictions. This phenomenon was reflected in both cases. St. Louis County had 37 municipalities with fewer than 2,000 residents, accounting for only 2.4 percent of the 1984 city-county population but 41 percent of the county's municipalities. Allegheny County's 30 municipalities with fewer than 2,000 residents contained 2.5 percent of the county's 1984 population, but accounted for 23 percent of the municipal governments.

Despite their small size, these municipalities are able to function effectively in various ways. In St. Louis County, very small units operate primarily by contracting out the production of most or all municipal services. In Allegheny County, small municipalities combine a reliance on contracting out with the use of part-time employees or volunteers and the joint production of services with neighboring municipalities.

The 22 smallest municipalities in St. Louis County (with fewer than 1,000 residents each in 1984) function primarily as pure provision units, that is, they make provision for services but produce few if any services in-house. Pure provision units, or contracting units, are not inactive or nonperforming. They must still raise revenue, choose service levels, select the producers from whom they procure services, and monitor the performance of contractors. Their viability is dependent not only on contracting, but also on part-time, nonprofessional public officials, such as elected mayors who often tend to municipal business during evenings and on weekends. Many of these officials serve their communities for a number of years and become very knowledgeable about alternatives available within the local public economy. Such municipalities are made viable by virtue of a clustering effect. Given their proximity to one another, they can use the services of other producers, both public and private.

**COMPARISON OF SERVICES**

The St. Louis and Allegheny County case studies focused on police, fire, streets and roads, and schools. Here is how the findings on these four services compare.

**Police**

Of the 22 smallest municipalities in St. Louis County, 21 made the decision to provide police protection. One maintained a full-time police depart-
Table 3
Police Service Structure
St. Louis and Allegheny Counties

<table>
<thead>
<tr>
<th>Police Service Providers</th>
<th>St. Louis City and County</th>
<th>Allegheny County</th>
</tr>
</thead>
<tbody>
<tr>
<td>County Governments</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Municipalities</td>
<td>91</td>
<td>130</td>
</tr>
<tr>
<td>Total</td>
<td>92</td>
<td>131</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Police Service Producers</th>
<th>St. Louis City and County</th>
<th>Allegheny County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entry Level Training</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>Crime Lab</td>
<td>22</td>
<td></td>
</tr>
<tr>
<td>Major Case Investigation</td>
<td>32</td>
<td></td>
</tr>
<tr>
<td>Communications-Dispatch</td>
<td>3053</td>
<td></td>
</tr>
<tr>
<td>Patrol and Call Response</td>
<td>66122</td>
<td></td>
</tr>
</tbody>
</table>

Source: U.S. ACIR.

ment, and two employed part-time police officers. Eighteen of the 22 contracted out for police protection, six with the county police and 12 with other municipalities. Five of the 14 municipalities with populations between 1,000 and 2,000 contracted out for police services, as did one municipality with more than 5,000 residents. Police contracts in St. Louis County tended to be negotiated at below-average cost per capita, suggesting that competition among producers was driving the price down.

In contrast, contracting out for police in Allegheny County was found only among the smallest municipalities, all of which were under 1,000 population. In one case, a joint police department was organized by three municipalities. Of the county’s 12 municipalities with fewer than 1,000 residents, eight contracted for policing, three produced their own police services wholly or partially with part-time employees, and one had a full-time police department. In the municipalities with populations between 1,000 and 5,000, no contracting out was observed, but seven municipalities used only part-time officers and 35 departments used a mixture of full-time and part-time officers. Three municipalities in this size range had a single joint department, which employed all full-time officers; and 12 municipalities, nearly all of which were in the 2,000-5,000 population range, had their own full-time departments.

Table 3 outlines the service production structures for police services in both counties. Both structures combined a large number of producers of direct services (such as police patrol) with smaller numbers of producers for support
services. Certain service components—training and major criminal investigations, for example—are highly integrated in one or two agencies.

The difference between the number of providers and the number of producers of police patrol—a direct service to citizens—reflects the amount of service contracting. Municipalities that do not produce patrol service were unlikely to produce any component of policing; they were providers only. The number of dispatching units was substantially less than the number of patrol producers in both counties. Dispatch tended to be organized as a subcounty, regional function, although the arrangement varies. Some departments contract with adjacent or overlapping jurisdictions; others join with nearby departments to create joint dispatch centers. In Allegheny County, dispatch is also produced by councils of governments (COGs).

The investigation of major crimes, crime-lab facilities, and training are produced by even fewer units, most commonly a single producer. St. Louis’ major case squad is a criminal investigation unit staffed by officers on assignment from their home departments in the city and county, as well as surrounding counties in Missouri and Illinois. This squad investigates particularly serious crimes in virtually all of the jurisdictions in the area. The Allegheny County police perform this function. As is often true elsewhere, crime-lab services are produced by county agencies, supplemented by state and federal labs.

**FIRE PROTECTION**

Fire service is another function for which small municipalities sustain viability with few resources. The two metropolitan areas use very different approaches. Most municipalities and unincorporated areas in St. Louis County depend on a relatively small number of fire protection districts, while the boroughs and townships of Allegheny County draw on the services of approximately 20,000 volunteer fire, rescue, and emergency medical services (EMS) personnel, organized in some 250 volunteer companies.

Most of the municipalities in Allegheny County give some form of support to the volunteer fire companies—some own the fire station; some pay for a full-time driver; and some supply equipment. The bulk of the labor cost, however, is covered by the voluntary contributions of residents, who organize production through private, nonprofit community organizations.

Table 4 shows how the production structures for fire services differ in the two counties. The number of fire suppression producers exceeds the number of public fire protection providers in Allegheny County. There is often more than one volunteer fire company per municipality, dividing the municipal jurisdiction between them.

As in policing, production of fire and EMS dispatch services is more concentrated than fire suppression services, and a single fire academy in each county trains fire fighters from all the local governments (except St. Louis and Pittsburgh).
The service production structures for both police and fire protection are built from the bottom up, not superimposed from the top. Countywide organizations of police chiefs and fire chiefs, supplemented by countywide municipal leagues (and COGs in Allegheny County), are usually the major forum for discussing problems and creating new intergovernmental arrangements. Often, one or two chiefs assume the entrepreneurial responsibility for seeking support from their colleagues, resolving difficulties, and laying plans, which are then taken to appropriate governing bodies for their approval.

Fire districts in St. Louis County illustrate service delivery economies of scale, although the districts have the capacity both to provide and to produce fire protection services. In the absence of a strong volunteer tradition, as in Allegheny County, fire protection benefits from significant, although limited, economies of scale. Many of the municipalities in the county are too small to produce fire protection efficiently and maintain full-time fire departments.

**STREETS AND ROADS**

The provision of residential streets and roads follows a bottom-up pattern similar to police and fire services. In St. Louis County, 18 of 22 municipalities with fewer than 1,000 residents reported provision of residential street maintenance, but only one out of 10 responding to a survey produced any street maintenance services in-house; the other nine contracted with various private producers. Arterial street services are provided and produced, however, by county and state governments in both areas. Table 5 shows street and road production units.
Small municipalities in St. Louis County were outnumbered as pure providers of residential street maintenance by private communities (i.e., subdivisions) with their own street responsibilities. In addition to the 18 municipalities noted above, 427 subdivision associations, located in 27 municipalities, owned their streets and made provision for street and road maintenance, contracting out the production of the services to a combination of municipal street departments and private firms.\textsuperscript{11} Many private subdivisions controlled vehicular access, often chaining off streets to reduce traffic through the neighborhood.

Contracting for street and road services in St. Louis County was not limited to the very small municipalities or to pure providers. Most municipalities procured selected components of street services by contract.

In Allegheny County, all but one municipality maintained their own street or public works departments, but street sweeping was frequently produced by COGs under contract to member municipalities. One COG organized a joint public works team among five small municipalities that pooled personnel, equipment, and materials to perform crack sealing—an important preventive maintenance routine. Another COG operated a joint purchasing program for street materials and equipment in which a number of municipalities participated.

Controlling for median household income, the data suggest that contracting municipalities in St. Louis County spent less per household on street maintenance than did municipalities with their own street department.

\begin{table}[h]
\centering
\begin{tabular}{|c|c|c|}
\hline
\textbf{Street and Road Service Structure} & \textbf{St. Louis City and County} & \textbf{Allegheny County} \\
\hline
\textbf{Street Service Providers} & & \\
State Government & 1 & 1 \\
County Governments & 1 & 1 \\
Municipalities & 91 & 130 \\
Subdivisions & 427 & 0 \\
Total & 520 & 132 \\
\hline
\textbf{Street Service Producers*} & & \\
Arterial Street Maintenance & 3 & 3 \\
Purchasing (of materials and supplies) & 58 & 70 \\
Street Sweeping & 77 & 25 \\
Residential Street Maintenance & 77 & 125 \\
\hline
\end{tabular}
\caption{Street and Road Service Structure \textit{St. Louis and Allegheny Counties}}
\end{table}

*Includes only government producers, not providers.

Source: U.S. ACIR.
SCHOOLS

Production structures in public education follow a similar pattern. In Allegheny County, for example, support services such as audio-visual services and joint purchasing were integrated and produced in a single unit, known as the Allegheny Intermediate Unit. This is one of several such units created by the state throughout Pennsylvania, deviating somewhat from the bottom-up pattern of organization characteristic of other services in Allegheny County. Intermediate units also produce special-education services. Local school districts are required to contribute to the funding of intermediate units according to a state formula. The units are governed by boards elected by the members of local school boards. Schools are not required to use an intermediate unit’s services, but most do.

In St. Louis County, similar support services were produced by an organization called Cooperating School Districts, an association in which membership, while voluntary, was widespread. Special education in St. Louis County was both provided and produced by a countywide special district. However, many special district personnel work in the regular local schools. The special district also provided and produced vocational-technical education, a service that in Allegheny County is produced largely through cooperative arrangements, called “jointures.” Jointures are created from the bottom up by interlocal agreements among school districts to operate regional vocational-technical schools. The number of school production units in St. Louis and Allegheny counties were few, as Table 6 shows.

<table>
<thead>
<tr>
<th>School Service Structure</th>
<th>St. Louis City and County</th>
<th>Allegheny County</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Elementary and Secondary Education Providers</strong></td>
<td></td>
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<tr>
<td>School Districts</td>
<td>24</td>
<td>43</td>
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<tr>
<td>Special District</td>
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<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>25</td>
<td>43</td>
</tr>
<tr>
<td><strong>Elementary and Secondary Education Producers</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchasing</td>
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<td>2</td>
</tr>
<tr>
<td>Audio-Visual</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Data Processing</td>
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<td>2</td>
</tr>
<tr>
<td>Special Education</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Vocational Education</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>Regular Instruction</td>
<td>24</td>
<td>43</td>
</tr>
</tbody>
</table>

Source: U.S. ACIR.
School districts in Allegheny County tend to follow municipal boundaries even while overlapping more than one municipal jurisdiction. Historically, school districts in Pennsylvania were created simultaneously with municipalities and followed municipal annexation. Although school district consolidation has altered this pattern, the tendency is for school districts to include one or more whole municipalities. In contrast, school districts in St. Louis County frequently cut across municipal boundaries.

**GENERAL FINDINGS**

**SPECIAL PURPOSE GOVERNMENTS**

Special districts that overlap general governments often have been viewed as a possible source of duplication, confusion, and inefficiency. In St. Louis and Allegheny counties, however, jurisdictional overlap is one of the major tools of metropolitan organization. Without this overlap, the frequent characterization of highly fragmented metropolitan areas as "Balkanized" would be more accurate. In these two urban counties, the ability of special districts to overlap other types of units is, in fact, one of their principal advantages.

In the St. Louis area, four countywide or larger special districts are joined by 23 school and 25 fire protection districts, plus a few miscellaneous districts for such purposes as street lighting and roads.

In Allegheny County, the only independent special districts are 43 school districts. The other special units, called "authorities," are dependent districts organized by municipalities or school districts. Authorities are usually organized for public-enterprise purposes or to finance the construction of public facilities, and they are financed by the sale of revenue bonds supported by user fees. Large-scale authorities supply public transit countywide, water service, and sewage collection and treatment to many municipalities. Authorities in Allegheny County follow municipal boundaries because they are created by municipalities or by school districts.

The Special Education District in St. Louis County is a good example of special district organization for the provision of services. Unlike preferences for regular classroom education, preferences for special education may not be adequately represented by small local school districts. Because of the considerably higher expenditure per pupil required in special education and fewer numbers of students served, no district has much incentive to specialize in the education of handicapped persons. To do so would increase costs for everyone in the district. Provision by a special district that serves a much larger area avoids the disproportionate allocation of costs any single small district may have to face alone and allows the larger community to determine what it wants to spend for these services. In Allegheny County, the state provides for special education through grants to the Allegheny Intermediate Unit or to local districts.

Authorities and districts for water supply, sewage disposal, and public transit exhibit a similar logic, both for provision and production reasons. The
supply of pure water and sanitary sewage disposal are services with potentially large negative spillover effects if not funded adequately. Provision by areawide units helps ensure funding at sufficient levels while capturing economies of scale in the production of these capital-intensive services. Public transit is a service with substantial positive economic spillover, if well funded, and it may benefit from production economies from bulk purchasing, coordinated routing, and consolidated maintenance operations.

In both counties, special districts have been organized to complement, not duplicate, other units of government. For example, making special provision for special education does not require duplicate schools. Indeed, most special district teachers in St. Louis County work alongside regular district personnel.

Fire protection districts in St. Louis County organize services on a larger scale in some parts of the incorporated portion of the county and on a smaller scale throughout the unincorporated areas. In neither case does overlap imply duplication.

**COUNTY GOVERNMENTS**

County governments in St. Louis and Allegheny Counties often complement other local governments within their territorial jurisdictions. Like special districts, county governments complement municipalities in various ways:

- Providing selected services that serve a wider community of interest, such as arterial streets and roads;
- Producing selected service components, such as police crime labs, that benefit from economies of scale;
- Providing assistance, both financial and in-kind, with local problem solving, especially when problems cross municipal boundaries;
- Assisting financially distressed communities; and
- Supplying leadership in resolving conflicts and promoting economic development.

Allegheny County government complements its many small constituent municipalities and the central city of Pittsburgh. Two institutional conditions contribute to this end: full incorporation of Allegheny County and inclusion of the central city in the county's territorial jurisdiction. By contrast, approximately one-third of St. Louis County's population lives in unincorporated areas, and the City of St. Louis lies wholly outside the county jurisdiction. These two institutional conditions clearly make a difference in city-county relations.

The amount of populous, unincorporated territory in St. Louis County reflects, in part, a 20-year hiatus in municipal annexation and incorporation, during which time state courts allowed county government a virtual veto over annexations. The county government became a de facto municipality for the
unincorporated area, supplying police, public works, and planning and zoning (with fire protection provided through special districts). Much of the county administration became preoccupied with its “municipal” responsibilities, and county government was often viewed as competitive with its own constituent municipalities. At the same time, St. Louis County viewed itself as competitive with the City of St. Louis and sought to attract economic growth at the expense of the city. This competition created frequent clashes over the appropriate locations for civic enterprises.

Allegheny County has been fully incorporated since its establishment in 1788. This is because township government, rather than county government, is the “default unit” of local government in Pennsylvania, exercising local government responsibility in the absence of citizens creating any other government. If citizens choose to create a borough or city, the new jurisdiction separates from its parent township. As a result, county government is entirely an “overlay” unit, and views itself as complementary to, not competitive with, municipal governments. In addition, the inclusion of Pittsburgh within the county’s jurisdiction gives county officials strong incentives to assist development in the central city as well as other areas.

**Fiscal Matters**

Although the two counties differ substantially in their principal revenue sources, both Missouri and Pennsylvania rather sharply constrain the ability of their local jurisdictions to raise revenues. These limitations have been in effect for many years.

**Fiscal Limitations.** In Allegheny County, just over one-third of all municipal revenues are raised from property taxes. Statutory rate limits in Pennsylvania, which apply to all but the 16 home rule municipalities in Allegheny County, can be overridden only with court permission. Local sales taxes are not permitted in Pennsylvania (with a few minor exceptions). Another major source of revenue in Allegheny County is a tax on earned income, which is subject to statutory rate limits.

In St. Louis County, the largest single source of revenue is a sales tax (roughly one-third of all municipal revenues). Property taxes account for 10 percent of revenues. Property taxes in Missouri are subject to (1) statutory rate limits that require (in most cases) approval from two-thirds of local voters to exceed the rate limit and (2) a state constitutional limit that requires simple majority approval in a referendum to increase property tax levies (not just rates) faster than the consumer price index. The latter requirement, which includes a mandatory rollback of rates if increases in assessed valuation exceed the consumer price index, was enacted by statewide citizen initiative and referendum in 1981. The sales tax rate in St. Louis County is fixed by state law at 1 percent, with no provision for increase by purely local discretion. Another ma-
### Table 7
Local Revenue Authorized by Missouri and Pennsylvania

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<th>Revenue Source</th>
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<th>Pennsylvania</th>
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<td>Local Income Tax</td>
<td>St. Louis City Earnings Tax</td>
<td>All municipalities</td>
</tr>
<tr>
<td>Property Tax</td>
<td>Rates and levies</td>
<td>Statutory rate limits</td>
</tr>
<tr>
<td></td>
<td>limited by Constitution</td>
<td>(except in 16 home rule municipalities)</td>
</tr>
<tr>
<td>Sales Tax</td>
<td>Fixed by state law</td>
<td>None</td>
</tr>
<tr>
<td>Gross Receipts on Public Utilities</td>
<td>St. Louis County and all municipalities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(state statutory rate limit)</td>
<td></td>
</tr>
</tbody>
</table>

Source: U.S. ACIR.

The major source of revenue is a tax on the gross receipts of public utilities, subject also to statutory rate limits. Table 7 outlines the fiscal structure of both counties.

In addition to these limitations on the ability to raise revenue, neither state shares much revenue with its municipalities. These fiscal constraints require local government officials to make a strong case to local citizens (or state legislators) in order to obtain revenue increases and to seek savings through service production arrangements such as those found in St. Louis and Allegheny counties. These savings are available without the need for governmental consolidation.

**Intergovernmental Tensions.** Fiscal rules were a persistent source of political tension and controversy in both counties at the time of the case studies. The introduction of a local sales tax into a metropolitan area with numerous small municipalities creates tension because the sales tax revenues of any given municipality often are derived from nonresidents.

In 1977, such tensions in St. Louis County led to the adoption of a countywide sales tax, preemption the existing municipal sales taxes and creating two forms of revenue distribution, one for "point-of-sale" cities and another for "pool" cities. A point-of-sale city keeps the sales tax revenues raised within its own jurisdiction. A pool city shares its revenues with all other jurisdictions in the pool, including the unincorporated area of the county. All municipalities (but not the unincorporated areas represented by county government) were allowed to choose between the two arrangements. In 1983, pressures for incorporation led to a restriction that compelled new municipalities to join the sales tax pool. Although the pool allows all municipalities to share revenues to some extent, the voluntary nature of the original membership in the pool limits the amount of revenue sharing that can occur. Many pool cities therefore contin-
ue to agitate for a countywide pool that would entail mandatory sharing of at least some percentage of each jurisdiction’s sales tax revenues.

In Allegheny County, the principal intergovernmental tension over fiscal matters is between Pittsburgh and the suburban municipalities. As the county’s major employment center (half of the county total in 1985), Pittsburgh provides services that benefit large numbers of nonresidents. The household burden (relative to income) for municipal expenditures is higher in Pittsburgh than in any suburban municipality. Yet, Pittsburgh is effectively precluded from levying an income tax on nonresidents. Under state law, suburban municipalities can exempt their residents from the Pittsburgh income tax by enacting their own earned income tax. The difference in tax burdens between the central city and its suburbs encourages residential relocation from Pittsburgh and is a continuous sore point between the city and county. The problem is made more difficult by the absence of a tradition of special legislation for Allegheny County, as in St. Louis County.

St. Louis City is allowed to collect an earnings tax on residents and on nonresidents who are employed in the city. This allows it to capture revenues from nonresident employees that are unavailable to Pittsburgh and, presumably, to use these revenues to reduce the tax burden on city residents. While perhaps a more equitable arrangement than that of Pittsburgh’s inability to tax nonresident earnings directly, the St. Louis’ earnings tax on nonresidents may have an unintended consequence of encouraging employers to relocate outside the city to lower their payroll costs.

Ranges of Revenue. Equally, in St. Louis and Allegheny counties, suburban areas are not the homogeneous, uniformly middle-to-upper income areas that they are often assumed to be. For example, combined municipal and fire district revenues in St. Louis County ranged from $121 per capita to $1,901 per capita in 1985. Dividing the municipalities into four quartiles, each containing roughly one-fourth of the county’s municipal population, the average revenue per capita in each quartile ranges from $196 in the lowest quartile to $518 in the highest quartile. The range in Allegheny County was from less than $90 to more than $400 per capita. Moreover, 19 percent of the suburban population resides in municipalities having both low per capita income and low nonresidential property values. School districts exhibit similar ranges, despite state efforts to “equalize” expenditures per pupil.

In part, these differences among municipalities and school districts can represent different levels of demand for services, as well as inequalities in the economic ability to raise revenue. In both counties, however, there are a few small municipalities and school districts with disproportionate numbers of poor, nonwhite, or elderly people that also exhibit very low per capita revenues. State and federal grant programs designed to assist distressed neighborhoods have not, in many cases, been targeted effectively to these communities. Although they are located outside the boundaries of the central city and their
populations are quite small, they have many of the characteristic problems of inner city neighborhoods.

In both St. Louis and Allegheny counties, proposals have been advanced to aid these distressed communities with revenues raised locally. St. Louis County’s municipal league proposed a 0.275 cent increase in the countywide sales tax, with the extra revenue to be distributed to municipalities having limited resources. Allegheny County’s Mon Valley Commission proposed numerous programs to assist former steel mill towns that have fallen on hard times. Some of these towns are presently receiving limited assistance under provisions of Pennsylvania’s Distressed Community Act. Because of the relatively small size of these towns, the dollar amounts required to improve the finances of most distressed communities are not large in relation to countywide revenues, but mechanisms for targeting revenues to them are not well developed in either county.

**Representation by Local Elected Officials**

Both counties have large numbers of locally elected officials in relation to their population. The incorporated portion of St. Louis County, for example, has 729 elected municipal officials and 144 elected school board members. In nearly all of the 28 villages and many of the fourth-class cities, the ratio of citizens to elected representatives is less than 500 to 1, and none is higher than 3,000 to 1. The two highest ratios in the county are slightly more than 5,000 to 1. Intimate local representation of the sort found in St. Louis County is not feasible without multiple local governments.

**Local Governments and Citizen Initiative**

Although local governments in the United States have been considered to be creatures of the state, most states authorize local residents to create their own municipal corporations. Both St. Louis and Allegheny Counties exhibit extensive use of such local authority. Local governments exist in large numbers in both counties because citizens created them and have seen no compelling reason to consolidate or otherwise eliminate them. As a result, local general governments tend to be the creatures of their local communities, in the sense that they are created at local discretion on the basis of general enabling provisions of state laws or state constitutions.

While Missouri and Pennsylvania differ in the particulars, both states have accorded local citizens wide latitude to create municipalities of various types—villages and cities of several classes in St. Louis County, and boroughs, first-class townships, third-class cities, and home rule municipalities in Allegheny County. In both counties, new municipalities continue to be formed by local citizens, although not at the high rate seen more than 35 years ago. After an earlier attempt failed, St. Louis County saw the formation of a new boundary commission in 1989, aimed at preparing referendum proposals to incorporate the remainder of the county.
The same set of rules that allows local citizens to create local governments through initiative petition and referendum also requires that citizens approve annexations and consolidations. In St. Louis County, the rule governing annexations is that a majority of voters participating in a referendum in the area to be annexed must consent. In Allegheny County, which is fully incorporated, the relevant rule allows boundary adjustments only on the basis of initiative and referendum in each affected municipality. In both counties, municipal consolidations require concurrent majority approval in separate referenda. Although infrequent, consolidations do occasionally occur following this procedure.

Also, school district consolidation in both counties requires separate approval in each district, although consolidation of school districts in Pennsylvania requires approval only from elected school boards.

In earlier decades, both states applied pressure on local communities to consolidate school districts, in effect curtailing local initiative. Indeed, a great deal of school district consolidation occurred throughout the nation.

In Allegheny County, the consolidation and growth of Pittsburgh during the early part of the twentieth century was aided repeatedly by special state legislation, allowing the city to annex adjoining municipalities on the basis of a majority of the combined votes cast in the city and the area to be annexed, rather than requiring concurrent majorities in both. The largest by far was the forced annexation of the City of Allegheny in 1907, now Pittsburgh's north side (residents in parts of this area retain their own street names and street numbering system). After the League of Boroughs and Townships of Allegheny County was formed in 1910, for the purpose of opposing Pittsburgh's unilateral expansion, Pittsburgh added territory mainly as residents petitioned for annexation.

**Legal Structure**

The key to metropolitan governance in complex counties such as St. Louis and Allegheny is the ability to make and alter rules that apply across governmental units. The laws and constitutions of each state provide such rules. These rules—bearing on local government formation, boundary adjustment, and authority to act, including taxing authority—together amount to a "local government constitution" that creates a capability for local self-governance. Procedural requirements, limits on authority, and duties to act combine to regulate the relationships among neighboring and overlapping local governments, as they both empower and constrain local communities. By creating different types of jurisdictions for different purposes, by conditioning the creation or expansion of local jurisdictions, by extending limited authority to raise revenue from specified sources, and, in some cases, by creating a duty to provide a specific service, state constitutions and laws guide and shape emerging relationships among local governments, all the while preserving a high degree of local discretion and local accountability.
The Missouri Constitution provides St. Louis with what is, in effect, special legislation for an urban county. Specifically, state law allows the treatment of municipalities located in St. Louis County as a distinct and separate legal class. The availability of state legislation for local purposes spurs the creation of rather elaborate arrangements among local governments to facilitate intergovernmental negotiations. The county municipal league has become a forum for negotiating differences among municipalities as well as an agent for negotiating with county government.

As a result, measures that affect specific local service functions, such as police or fire, are as likely to be conceived locally as initiated by the state legislature. What appears as a "state law" may well be, in effect, an agreement that represents a local settlement negotiated among the relevant parties in St. Louis County. Recent examples of state legislation obtained in this manner include mandatory training requirements for municipal police officers; a requirement that all municipalities in the county with populations exceeding 400 persons provide full-time police services; a measure redistributing sales tax revenues among municipalities in the county; and authorization of a boundary commission to assist progress toward full incorporation of the county (i.e., the elimination of unincorporated territory).

It is unclear whether or not Pennsylvania law allows special legislation that would distinctly and separately classify municipalities located within a particular county. Such special legislation has almost never been used to address the problems of particular counties (the exception being the consolidated city-county of Philadelphia). The Allegheny County municipal league, while active in helping sponsor a statewide legislative agenda, has been less active than the St. Louis County league in addressing countywide metropolitan issues.

Nevertheless, Allegheny County has successfully built governance structures that regularly address regional and countywide problems. Many of these structures consist of public-private partnerships formed around economic development issues.

**Economic Development**

The large number of local governments in St. Louis or Allegheny counties did not appear to have deterred economic development. Nonetheless, their city-county relationships did affect economic outcomes in the central cities. Between 1970 and 1985, in a comparison with similar areas in the Northeast and Midwest, St. Louis City and County together, with an employment growth of nearly 20 percent, either outperformed or performed as well as virtually all areas that had fewer local governments per capita. Pittsburgh-Allegheny County experienced employment growth of only 3.4 percent. Almost certainly, the differences are due to factors other than the jurisdictional structure of local governments.

The distribution of growth within the two metropolitan areas, however, has been quite different, and these differences are clearly related to jurisdictional issues. Most of the growth in the St. Louis area was in St. Louis County; the
city has experienced a decline in economic fortune. Pittsburgh, on the other hand, has been the focus of successful economic development efforts pursued jointly by the city and county and private interests. The inclusion of Pittsburgh within Allegheny County makes it easier to focus county development efforts on the central city. The separation of St. Louis City from its county leads more to competition than to cooperation in areawide development ventures.

The key factor is not fragmentation but the presence or absence of overlapping county government. The municipal fragmentation of Allegheny County outside Pittsburgh has not deterred its impressive economic development efforts, nor has the large number of municipalities in St. Louis County impeded impressive growth there.

CONCLUSION

St. Louis and Allegheny counties were selected for intensive study because they are among the most fragmented metropolitan counties in the United States, as measured by the ratio of local governments to population. A multiplicity of governments has been associated in metropolitan reform literature with inefficiency and duplication in the delivery of municipal services. Also, it has been argued that such multiplicity leads to ineffective metropolitan governance.

The expectations of that reform literature were not borne out by these two case studies. From the local public economy perspective, the multiplicity of governments has exhibited somewhat different characteristics. There was a pervasive pattern of cooperation among governments. There was a marked attempt to integrate the production of certain service delivery components associated with providing for citizens' needs. At the same time, these local governments have responded to areawide concerns by building governmental structures that transcend their local jurisdiction to provide effectively for areawide needs.

LESSONS LEARNED

Some specific lessons that have been learned from the case studies are:

◆ The large number of local governments that coexist in these two metropolitan counties have used extensive intergovernmental arrangements to produce certain components of the delivery of police, fire, streets and/or roads, and school services when such arrangements would benefit from large-scale production of services. They reserved to themselves those components of the production of services that benefited from their individual attention.

◆ Small municipalities, even those with fewer than 1,000 residents, are able to function effectively. They do so by acting almost solely as provision units, producing very little, if anything, in-house. They also rely on the volunteer time of elected officials for the administration of municipal affairs, and use ordinary residents for the production of some of the needed services.
Special districts served distinct and useful purposes. They complemented the other units of government by integrating the provision and/or production of selected services on a countywide or subcounty basis. They were seen as one response to areawide issues.

County governments, like the special districts, were used for countywide purposes to complement the needs and abilities of municipal governments. Nevertheless, the inclusion of Pittsburgh in Allegheny County and the exclusion of St. Louis City from St. Louis County made a marked difference in their abilities to function as areawide units of government.

The counties served as the focal point for local governments in the resolution of intergovernmental issues. They helped define and address common problems; they acted to resolve conflicts among local governments; they served as the locus for proposing state legislation; and they assisted in the development of intergovernmental cooperation and innovation.

Nevertheless, the case studies did not deal with all aspects of metropolitan organization. For example, the limited number of services examined, the restricted geographic scope of each case (a single county in a multicounty metropolitan area) and the absence of strategic areawide issues (such as mass transportation, environmental protection, and growth management) leave certain questions of metropolitan governance unanswered.

FURTHER RESEARCH

The need for further research, therefore, is clear. That research should examine, among other things:

1) Whole metropolitan areas with multiple counties (and states where applicable);

2) Metropolitan areas that are less fragmented;

3) Other services that have greater spillover effects, including, for example, solid waste disposal, water supply, sewage collection and treatment, mass transit, and land use regulation;

4) The complex issue of tax-base equity between central cities and suburbs (e.g., how far is this issue related to jurisdictional constraints; and will comparison among neighborhoods in central cities help in defining the nature of these fiscal differences); and

5) The role of the states and interstate compacts in solving intergovernmental problems and instituting metropolitan areawide cooperation.
Notes


6 This approach has also been known by the term “public choice.”

7 See ACIR, *The Organization of Local Public Economies* (Washington, DC, 1987), pp. 27-28, for a summary of this research.


9 This distinction is introduced in Elinor Ostrom, Roger B. Parks, and Gordon Whitaker, *Patterns of Metropolitan Policing* (Cambridge, Massachusetts: Ballinger, 1978).


11 For more information about this practice, see ACIR, *Residential Community Associations* (Washington, DC, 1989).

12 The proposal was defeated, however, in part because of the lack of support by county officials.


14 The earlier initiative, by the county executive in St. Louis County, was attempted in 1986. The aim was to incorporate the entire county, to consolidate municipalities, reducing the total number to 21, and to merge fire protection services into four fire districts. A metropolitan board of freeholders, provided for by the Missouri Constitution, was set up as a boundary commission for altering the relationship between St. Louis and St. Louis County, which had been separate since 1876. The board, composed of nine members appointed by the county executive, nine by the mayor of the City of St. Louis, and one by the governor, developed an alternative 37-city plan. Adoption of the freeholders’ proposal would have required concurrent majorities in the county and the city, but not separate approval in any one of the municipalities to be consolidated.
Also, majority approval would not have been required within the boundaries of the new municipalities to be created. The St. Louis County municipal league opposed this procedure for abolishing existing cities and creating new ones without approval by their residents. The plan was never brought to a vote, however, because legal challenges led to a decision by the U.S. Supreme Court invalidating the board of freeholders for its exclusion of nonproperty owners from membership. Articles that describe and evaluate the Freeholders' Plan from various perspectives are presented in *Intergovernmental Perspective* 15 (Winter 1989). The new boundary commission is described in ACIR, *Local Boundary Commissions: Status and Roles in Forming, Adjusting and Dissolving Local Government Boundaries* (Washington, DC, 1992), pp. 18-20.

15The legislature has failed to implement the Pennsylvania Constitution's requirement that a general law be enacted concerning boundary adjustment.

16This is consistent with the ACIR recommendation on municipal consolidation. See ACIR, *State and Local Roles in the Federal System* (Washington, DC, 1982), p. 449.

17See Constitution of Pennsylvania, Article IX, Section 7, for references to special legislation for areawide government.

18From the perspective of the local public economy approach, it is possible to ask how far central cities can be restructured so that various neighborhoods might gain some of the benefits of the more decentralized approach to local government organization found in St. Louis and Allegheny counties. There has been a start in this direction involving neighborhood associations and special business improvement districts; see Jeffrey M. Barry, Kent E. Portney and Ken Thomson, *The Rebirth of Urban Democracy* (Washington, DC: Brookings Institution, 1993) and Janet Rothenberg Pack, "BIDs, DIDs, SIDs, SADs: Private Governments in America," *The Brookings Review* (Fall 1992): 18-21. The key problem is how to enable discrete neighborhoods within central cities to participate more fully in the larger and more decentralized public economy of the metropolis.
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What is ACIR?

The U.S. Advisory Commission on Intergovernmental Relations (ACIR) was created by the Congress in 1959 to monitor the operation of the American federal system and to recommend improvements. ACIR is an independent, bipartisan commission composed of 26 members—nine representing the federal government, 14 representing state and local government, and three representing the general public.

The President appoints 20 members—three private citizens and three federal executive officials directly, and four governors, three state legislators, four mayors, and three elected county officials from slates nominated by the National Governors’ Association, the National Conference of State Legislatures, the National League of Cities, U.S. Conference of Mayors, and the National Association of Counties. The three Senators are chosen by the President of the Senate and the three Representatives by the Speaker of the House of Representatives.

Each Commission member serves a two-year term and may be reappointed.

As a continuing body, the Commission addresses specific issues and problems the resolution of which would produce improved cooperation among federal, state, and local governments and more effective functioning of the federal system. In addition to examining important functional and policy relationships among the various governments, the Commission extensively studies critical governmental finance issues. One of the long-range efforts of the Commission has been to seek ways to improve federal, state, and local governmental practices and policies to achieve equitable allocation of resources, increased efficiency and equity, and better coordination and cooperation.

In selecting items for research, the Commission considers the relative importance and urgency of the problem, its manageability from the point of view of finances and staff available to ACIR, and the extent to which the Commission can make a fruitful contribution toward the solution of the problem.

After selecting intergovernmental issues for investigation, ACIR follows a multistep procedure that assures review and comment by representatives of all points of view, all affected governments, technical experts, and interested groups. The Commission then debates each issue and formulates its policy position. Commission findings and recommendations are published and draft bills and executive orders are developed to assist in implementing ACIR policy recommendations.