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COMMENTARY May 13, 2010, 5:00PM EST

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## When Counties Don't Stop Governing at the Border

To compete for funding—and save their budgets—municipalities are doing the unthinkable: Working together

By [James Warren](#)

Illinois has more government bodies (8,469) than licensed beauty salons and barber shops (6,485), funeral directors and embalmers (2,752), or dental hygienists (7,455). It will not shock you to hear that many of these agencies don't play well together. There are 380 separate units responsible for the Chicago region's transportation. Still, it takes more than a dozen fare cards to ride everywhere in the Chicago area.

Confidence in rational government has never been lower, which makes the anomalies even more important—like the real collaboration among the Chicago-area municipalities of Joliet, Berwyn, Aurora, Cicero, and Elgin. A strategy borne of necessity brought them together. When the foreclosure crisis hit, the area's 800-pound gorilla, the City of Chicago, was first in line for stimulus funds to acquire, rehab, and sell some of its 22,685 foreclosures. Surrounding towns in five counties were hit far worse, enduring 41,321 foreclosures in 2009. A few large towns received federal help early last year via formula grants calibrated to reward populous areas. As individual entities, they lacked the staffing, expertise, and influence to pull off complex funding applications.

When \$2 billion in new stimulus funds became available in 2009, the counties decided to team up. It meant getting help from savvy nonprofit groups and more efficient decision-making; not relying on local councils for approval of every component of the application. It also required sacrifice. Some towns were angered by the decision to accede to the federal desire to target homes near existing mass transit and businesses, effectively excluding towns without transport hubs. Still, the coalition stuck together for the greater good and sent off its application.

The nexus of transport and housing—putting affordable housing near mass-transit helps ensure people can get to jobs—inspires the most imaginative gambits among U.S. municipalities. (It's also a priority for the Obama Administration, which has urged the Environmental Protection Agency, Transportation Dept., and Housing & Urban Development Dept. to work together more closely.) Outside Seattle, the 17-year-old A Regional Coalition for Housing (ARCH) pools the financial resources of 14 cities and King County to coordinate affordable housing projects near mass transit, important given pricey housing and rising employment in an area that includes Microsoft, ([MSFT](#)) in Redmond. Seven members are providing \$1.5 million for a planned 40-unit development in Bellevue for poor families, the homeless, and veterans. "The cities realize that housing needs are not just aligned with their borders," says program director Arthur J. Sullivan of ARCH.

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Groups like Chicago's Metropolitan Planning Council and the Partnership for New York City hope to imitate the success of ARCH and San Francisco's Great Communities Collaborative—a partnership among five regional groups that fashions neighborhoods where housing melds with job creation and transit. Funded by the Ford foundation and 11 others, GCC gets cities to work together as it lends money to developers. It's now leveraging \$10 million in federal transportation funds to raise at least \$30 million more for affordable housing acquisitions, says Initiative Officer Heather Hood.

Allegheny County, Pa., is one of the few places to experiment beyond housing. Realizing that borders between its 130 municipalities, 109 police departments, and 195 fire departments weren't helping the area's 1.2 million people, the county merged operations with its biggest player, Pittsburgh. Now fingerprinting of law enforcement and the purchasing of electricity are done singly, with a net savings of \$10 million. Allegheny has also set aside \$100,000 for a fund to promote shared services. If two towns want to merge police forces, the fund will pay to repaint cars or help secure a new headquarters. A private firm specializing in conflict resolution will mediate particularly contentious discussions at no cost.

These are small sums, and some elected officials are loath to cede authority. Collaboration isn't a guarantee of success, either. For all their effort, the Chicago suburbs still got shut out in the quest for federal stimulus funds. (Chicago filed separately and got \$98 million; Mayor Richard M. Daley has vision, too—and a very effective Washington lobbyist.) Lee Deuben, the senior planner for the Chicago Metropolitan Agency for Planning, wrote the suburban foreclosure proposal. He's disappointed, and not the least bit bowed. "While we didn't receive the funding," says Deuben, "we're highly encouraged that this type of regional coordination will become common practice."

*Warren is a reporter for Bloomberg News.*

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**'Katie'**

May 18, 2010 10:32 AM GMT

'Lee Deuben is a woman.'

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**'Andy Sentgeorge'**

May 14, 2010 3:54 PM GMT

'Interesting to think about your premise of reasoning for municipalities to go this route - clamoring for federal monies. This concept has been a common practice for years across the country (numerous examples of shared services e.g. planning, emergency). A word of caution though, very few of us really want to see how the sausage is made in national politics, much less our local councils.'

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