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OneDayton Issue Guide - The Time Is Now: Making the Most of Our Rebound

OneDayton

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OneDayton

Issue Guide

The Time Is Now: Making the Most of Our Rebound



Can Change Bring More Jobs to Dayton Faster?

Years of decline in Montgomery County have brought concerns how we got where we are and how we improve our situation. Proposed solutions like collaboration have threatened local control, this in a community that came together in 1913 to work our way out of the worst disaster we've ever faced. **Deliberative forums on the issue of economic development will not be easy. We remind participants that the objective of these forums is to begin to work together for the common good and local control.**



Some participants in these forums may become angry, and those with strong feelings may feel attacked by those who hold other points of view. This can sidetrack the deliberation. In productive deliberation, people examine the advantages and disadvantages of different options for addressing a difficult public problem, weighing these against the things they hold valuable.

The framework outlined in this Issue Guide encompasses several options and provides alternative means for moving forward in order to avoid polarizing rhetoric. Each option is rooted in a shared concern, proposes a distinct strategy for addressing the problem and includes roles for citizens to play.

Equally important, each option presents the drawbacks inherent in each action. Recognizing these drawbacks allows people to see the trade-offs that they must consider in pursuing any action. It is these drawbacks, in large part, that make coming to shared judgment so difficult – but ultimately, so productive.

The goal of this framework is to assist people in moving from initial reactions to more reflective judgment. That requires serious deliberation or weighing options for action against the things participants hold valuable.

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How Can We Reform Local Government For Improved Growth and Vitality in our Region?

To properly examine possible new paths to help grow the number of jobs and build a prosperous community for our children and their children, it is important to reflect on our local history.

Although much of the country is well on the road to recovery, our region is recovering more slowly. Many positive initiatives are underway, demonstrating the resiliency of our region and the creativity of our citizens. Yet many people wonder if we need to take even more innovative steps to reform and revive our region for success.

Where Are We Now (2014)?

With a population of more than 600,000 in 1970, Montgomery County was at its peak. Since then the population has dwindled to 535,000; businesses have left the region; families have lost personal wealth, and young professionals have found career opportunities elsewhere.

In the last 10 years, Montgomery County had the steepest slide (27%) in payroll earnings among all metropolitan counties in Ohio. In terms of personal wealth, we ranked 413th out of 420 cities in the country with a population of more than 75,000.

- However, personal income in Montgomery County is trending up. From 2011 to 2012, there was a 3% increase in per capita income versus a nationwide increase of 3.3%.
- That ranks us 163rd out of 382 metro areas measured.
- Conversely, a December 2013 Milken Institute's annual index of best-performing U.S. cities (job & wage growth since '07 the key criteria) ranks Dayton lowest among Ohio cities (#172, next worse is Cleveland at 147. Only 200 cities are ranked.)
- 2007-2009 Dayton area lost 34,100 jobs ... only 7,200 have been recovered ... and just 10% of those recovered jobs happened from 2012-2013. *Source: Richard Stock, University of Dayton Economist*

Overall, it is a mix of positive and not-so-positive trends. We need to increase the positives to boost our ability to compete with other metro areas for new jobs. Many factors impact economic growth for communities, but we believe one in particular deserves a closer look.

PREMISE: *The present governance structure of Montgomery County and the cities, villages and townships within it is NOT working to create an economically competitive metro area. The number of individual jurisdictions drains our collective resources and encourages competition in job growth rather than cooperation. The structure, with its multiple layers of taxes, permitting and approval processes, creates obstacles for businesses trying to locate and grow in the area. The lack of a unified region dilutes our influence in the state, nation and internationally when competing with other regions around the globe.*

Question: WOULD changes in the structure of our county’s local governments improve the economy of our region?

Some say Montgomery County’s current structure of 28 local governments continues to be a barrier to transforming our region into a thriving community. Multiple jurisdictions, with independent tax structures and operating priorities results in competition to take businesses away from one another instead of bringing new businesses into the region. Our local governance structure stifles our ability to compete in today’s larger economy.

There are layers and layers of elected and appointed officials serving the needs of their particular constituencies as opposed to uniting to build a strong metropolitan area. Opportunities are lost, resources are not leveraged to compete outward, and the results are that we are not achieving our fullest potential for jobs and prosperity.

This Issue Guide provides three distinct options for points of dialogue on which we want your feedback as we explore whether we can reform local government for improved growth and vitality in our County.



OPTION 1 No Change

Is the Status Quo “the way to go”?

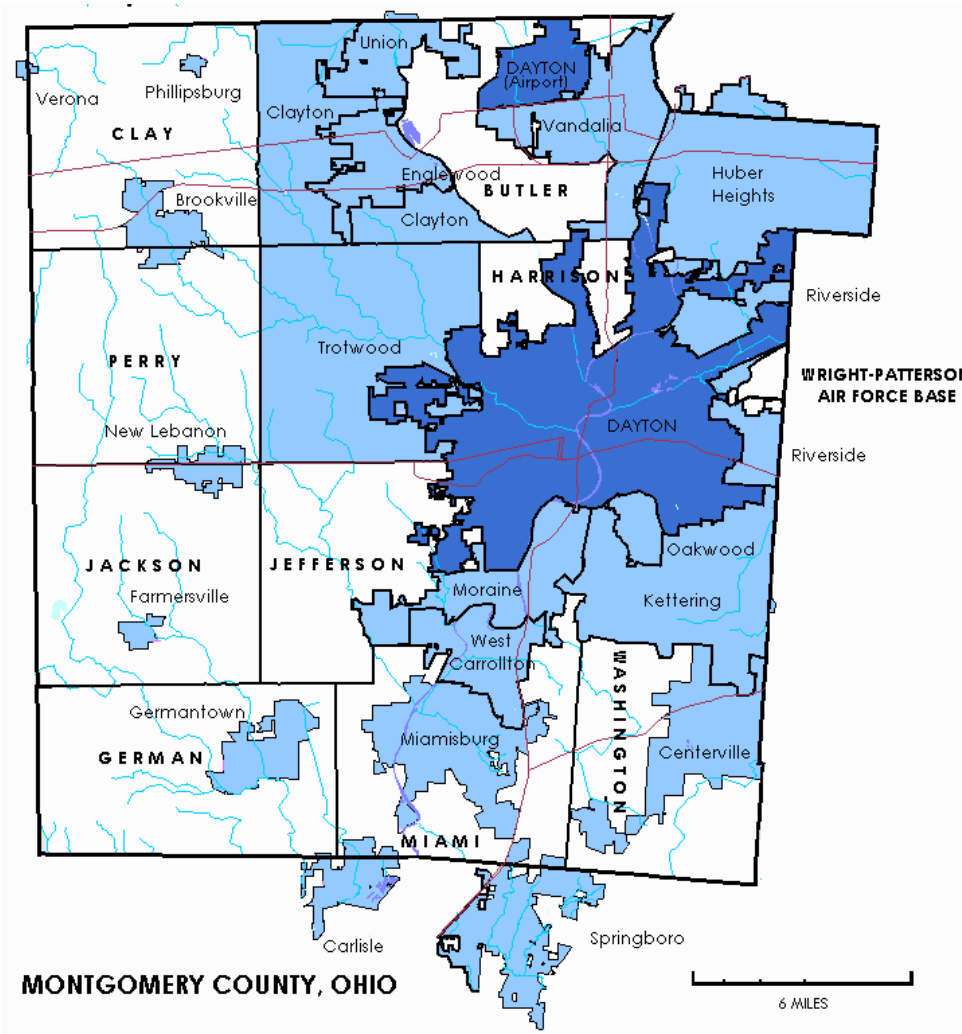
In this option, there would be no structural change in local government. The status quo is maligned by some and praised by others. Some say the structure of local government created by Ohio’s Constitution 210 years ago – which outlines roles and taxing authority of cities, villages, townships and counties – has served us well. Others say that a structure created when horseback was the fastest way to travel inhibits us from competing for jobs and increasing residents in a global economy.

Opportunity

- We like things the way they are.
- Government closer to the people is better.
- Each jurisdiction reaps the benefits or suffers the hardships resulting from their individual success or failure to attract new jobs and residents.

Challenge

- No coordinated countywide approach for economic development makes it harder to attract new jobs when competing against urban markets which have consolidated job development responsibilities.
- Employers look at a region, not individual communities.
- The county’s 28 jurisdictions use tax breaks to “poach” jobs from each other rather than joining together to attract new jobs to the area. (Jobs shift from one area of the county to another but the number of jobs does not increase.)



- Brookville
- Centerville
- Clayton
- Dayton
- Englewood
- Farmersville
- Germantown
- Huber Heights
- Kettering
- Miamisburg
- Moraine
- New Lebanon
- Oakwood
- Phillipsburg
- Riverside
- Trotwood
- Union
- Vandalia
- West Carrollton
- Butler Township
- Clay Township
- German Township
- Harrison Township
- Jackson Township
- Jefferson Township
- Miami Township
- Perry Township
- Washington Township

OPTION

2

Revenue Sharing To Attract and Grow Jobs

Could revising the successful Economic Development/Government Equity (ED/GE) Program encourage significant growth of NEW jobs?

This option would build upon and greatly expand and enhance an existing mutually-agreed-upon tax sharing system called the ED/GE Program. For twenty-two years, Montgomery County's ED/GE Program has been successful at helping create new jobs with all cities and townships in the county benefiting from participation in the program.

A key concept of this proven program is a tax sharing formula to assure that all communities in our county see benefit from the development that takes place within the county.

This is also an economic development asset that most other counties do not have.

However, one downside is that despite its success, the amount of tax dollars "pooled" for ED/GE distribution has shrunk significantly: from \$5 million at its start to just \$2 million in 2014.

ED/GE has participated in funding successful economic development projects in all areas of Montgomery County – North, East, South, and West – including:

- Fuyao North America, Inc. in Moraine
- P&G Distribution Facility in Union
- Fifth Third Field in Dayton
- Mound Advanced Technology Center in Miamisburg
- Research Park in Kettering
- Enhancing I-70 Business Corridor in Huber Heights, Brookville, and Englewood

Montgomery County sales tax dollars directly fund the economic development projects, and through the ED/GE tax sharing formula, cities and townships benefiting from development share a portion of their income or property tax growth with cities and townships not growing as quickly so that all communities in the county are winners in the community's development.

This benefit sharing reduces the pressure for inter-local competition among the county's cities and townships, and instead creates a more unified community economic development strategy.

Opportunity

- Preserves local identity and existing cities, villages and townships.
- May create a climate encouraging growth of new jobs and expansion of existing jobs.
- Reduce competition for tax base and encourage collaboration, making orderly development more likely.
- Changes the winner-wins-all and losers-lose-all tax system which rewards communities in the county for stealing jobs from each other.
- Reform might provide a way to share resources for the good of the larger community.

Challenge

- May reduce rewards for a community's individual initiative.
- Difficult to negotiate a fair tax sharing formula.
- Don't feel my community's prosperity is tied to neighboring communities.
- My community can do better on its own.
- Many communities don't want their tax dollars paying for services for people in other areas.



OPTION

3

Local Government Consolidation

Could a more dramatic reform to our structure of local government in Montgomery County be the “game changer” needed to improve our ability to grow and improve our vitality?

Over the years, some people have said that the current governance structure of Montgomery County and the cities, villages and townships within it is a barrier to creating an economically competitive metro area. We have 28 separate cities, townships and villages. All of them delivering essential services to their citizens.

(OneDayton is now researching how much savings might be expected from a consolidation of services.)

There are layers and layers of elected and appointed officials serving the needs of their small constituencies as opposed to uniting to build a strong metropolitan region. Opportunities are lost, resources are not leveraged to compete outward, and the result will be more of the same until something changes.

What Might Be Done

Unification of Jurisdictions through City/County Merger

Through a series of steps, voters could choose to approve more dramatic reforms to our local government structure. These reforms could include:

- The creation of a strong County Charter with municipal powers similar to the powers currently held by our various cities
- The transfer of local municipal powers of one or more of the cities and jurisdictions within the County to the newly-empowered County entity

In adopting these types of reforms, voters in the entire County would play a role in re-defining how we govern ourselves as a region, deciding which officials are elected and which are appointed, how communities are represented in the unity government, how resources are used and services are delivered. Voters within the individual cities and villages would weigh-in through voting on whether to join the new structure or retain their independence.



Opportunity

- If the new entity reflects a County-wide unified government, it becomes Ohio's second-largest city, outranking all but Columbus; increasing local clout in state decisions. It might mean our state delegation will command greater attention and be less susceptible to having our concerns brushed aside by the three C's.
- It may enhance the region's ability to attract businesses nationally and globally. If our county's population is included in a unity or consolidated government ... it would rank us, as a market, higher than Atlanta. When you are a Top 40 market, employers start looking at you ... rather than we having to "lure" employers to look at us.
- Any savings realized from increased efficiencies in delivering government services could be used to promote job growth.
- As one example, a County Council could replace the current 3-member county commission which would spread decision-making among a larger group who better reflect the diverse interests and needs within the County communities.

Challenge

- Possible perceived loss of local control and identity.
- Difficulty in having all county communities agree on a structure that markets our collective assets fairly to new employer prospects.
- Some people may feel too distant from their elected representation in a County Council.

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