PM
PUBLIC MANAGEMENT

100th ANNIVERSARY 1919-2019

Ethics and the Public Trust 2

Intergenerational Living 12

Healing Council Divisions 24

Job Description Tips 26

Managing for Organizational Integrity

SPECIAL REPORT
LGR: LOCAL GOVERNMENT REVIEW

MARCH 2019
ICMA.ORG/PM

MARCH 2019 VOL. 101 NO. 2

CONTENTS

PM
PUBLIC MANAGEMENT

SPECIAL REPORT
LGR: LOCAL GOVERNMENT REVIEW

FEATURES

8
Minding the Money
No local government is immune to falling victim to serious employee misconduct, including embezzlement.
David Ross, Chandler, Arizona

12
The Intergenerational Imperative
How local governments are uniting the generations.
Irv Katz, Washington, D.C.

16
Rethinking Council Chambers Design
The arrangement of council chambers can be more important than expected.
Scott Lazenby, Lake Oswego, Oregon

20
A Chinatown for North Miami
With city-side partnerships, North Miami is creating the first Chinatown in South Florida.
Larry Spring, Jr., North Miami, Florida

DEPARTMENTS

2 Ethics Matter!
Ethics and the Public Trust

5 Insights
How Does Your Community Prepare for (a Possible) Increased Demand for Emergency Services Teams?

7 Inside ICMA
On ICMA's Calendar

24 Council Relations
Healing Council Divisions

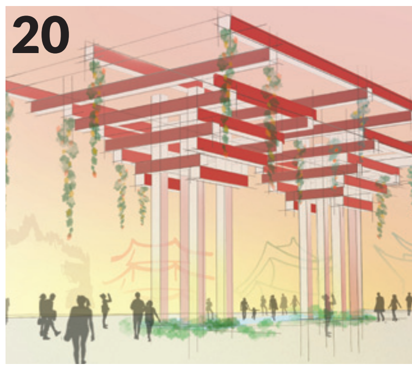
25 Celebrating 100 Years

26 Management
Manage This: How to Promote Inclusivity Through Better Job Descriptions ... **26**

Exiting Your Position and IT Concerns ... **27**

Satisfying Surveys ... **29**

31 Professional Services Directory



ICMA
The International City/County Management Association

Ethics and the Public Trust

Crossing the Line Between Educating and Advocating

By Daryl Delabbio, ICMA-CM

Daryl Delabbio, Ph.D., ICMA-CM, *and an ICMA Life Member, is retired county administrator/controller, Kent County, Michigan (djdelabbio@gmail.com). He served on the ICMA Committee on Professional Conduct, 2014–2017.*

Leadership characteristics are plentiful: developing and communicating a compelling vision, being technically competent, having high emotional intelligence, showing appreciation for—and respect to—those with whom and on whose behalf you work. And, of course, being ethical and having a strong moral compass.

During my 40-year career in local government, I also found that passion was an essential characteristic that helped me in my leadership role. I saw passion contribute to the success of other leaders.

For me, this includes passion for the profession, passion for the communities that managers serve, passion for ICMA, and passion for state and provincial associations.

But when can passion result in an ethical dilemma? When can passion override legal or ethical obligations? When can that win-at-all-costs attitude motivate someone to tread on the line between being ethical and being unethical?

Unfortunately, in one instance, I found out how overriding passion and belief that "doing the right thing" led me in the direction of "the ends justify the means," and almost resulted in a breach of ethics.

Thanks to two staff members who had the courage to question me, I didn't make that mistake.

My Story

In 2007–2008, the Great Recession was beginning but Michigan had been experiencing economic challenges for most of the 2000s. The future was troubling.

The county I managed faced numerous financial challenges, with a fair degree of uncertainty about what we would confront within the next three to five years.

One of the biggest issues was a 20-year property tax millage that funded half of the operations of the county's correctional facility and paid for all bonded debt on a capital project approved in 1990, which was expiring in 2010.

As we looked to the future, we needed to demolish, renovate, and build new space to house prisoners, making it necessary for the county to request a millage renewal from voters.

Michigan, and I assume most if not all other states, prohibits public funds from being used to advocate for ballot issues, financial or otherwise. State law limits local governments and other publicly funded organizations to providing information only. This is as it should be; public funds should not be used to advocate for issues or funding requests.

As staff members and I were in the midst of preparing a communications strategy for the millage's renewal,

ICMA

International City/County Management Association

icma.org

March 2019

Public Management *(PM)* (USPS: 449-300) is published monthly except February by ICMA (The International City/County Management Association) at 777 North Capitol Street. N.E., Washington, D.C. 20002-4201. Periodicals postage paid at Washington, D.C., and at additional mailing offices. The opinions expressed in the magazine are those of the authors and do not necessarily reflect the views of ICMA.

REPRINTS: To order article reprints or request reprint permission, contact pm@icma.org.

SUBSCRIPTIONS: U.S. subscription rate, $46 per year; other countries subscription rate, $155 per year. Printed in the United States. Contact: 202/289-4262; subscriptions@icma.org.

POSTMASTER: Send address changes to Public Management, ICMA, 777 N. Capitol Street, N.E., Suite 500, Washington, D.C. 20002-4201.

ARTICLE PROPOSALS: Visit icma.org/pm to see "Editorial Guidelines" for contributors.

For more information on local government leadership and management topics, visit icma.org.

Public Management (PM)

icma.org/pm

ICMA
777 North Capitol Street, NE
Washington, DC 20002-4201

EDITORIAL OFFICE:
pm@icma.org

ADVERTISING SALES:
202-367-2497
Tilman Gerald
The Townsend Group, Inc.
tgerald@townsend-group.com

ICMA MEMBER SERVICES:
800.745.8780 | 202.962.3680
membership@icma.org

ICMA
Creating and Supporting Thriving Communities
ICMA's vision is to be the leading association of local goverment professionals dedicated to creating and supporting thriving communities throughout the world. It does this by working with its more than 12,000 members to identify and speed the adoption of leading local government practices and improve the lives of residents. ICMA offers membership, professional development programs, research, publications, data and information, technical assistance, and training to thousands of city, town, and county chief administrative officers, their staffs, and other organizations throughout the world.

Public Management (PM) aims to inspire innovation, inform decision making, connect leading-edge thinking to everyday challenges, and serve ICMA members and local governments in creating and sustaining thriving communities throughout the world.

we were cognizant of the importance of the millage vote and concerned about its passage.

During one meeting where we were discussing the millage and the strategy for disseminating information about it, I was so caught up in the importance of the millage vote being successful that I started to talk about ways to use the information to advocate for passage, as opposed to just educating the voters on the issue. . .a definite legal and ethical "no-no."

I have always prided myself on being an ethical leader. I displayed the ICMA Code of Ethics in my office and referred to it. I preached ethics with staff and elected officials, and I had facilitated ethics training for county employees for more than 20 years.

I also prided myself on being a leader whom staff could candidly talk with about any subject; however, there is always difficulty in "speaking to power."

And did I really mean what I said about being able to receive honest feedback? While it is easy to say I was approachable, no one likes to be challenged, particularly if the question is: "Do you practice what you preach?"

Fortunately, two assistant administrators were not afraid to question me on the issue. They didn't do it at the staff meeting, and didn't talk with me together. Each came to me privately, not knowing the other had done the same, within a day of the meeting.

Both asked if I thought I was going in a direction they believed I would not want to go. While they may have felt hesitant about discussing the matter with me, they were professional, respectful, and candid.

And there is no question they were right. I appreciated that they had the courage to talk with me and felt the ethical obligation to call me on my passion. Even if I was motivated by a noble outcome, I was treading on thin ice.

Lesson Learned

At the next staff meeting, I apologized for suggesting a potential breach of legal and ethical boundaries and complimented the two assistants for "checking me." We were back on track to provide information, not advocacy. It was a valuable, and humbling, lesson learned.

Passion can be good. Passion can be great. I will argue that passion is essential. But passion cannot trump legal, ethical, and moral behavior. Passion cannot override doing what is right and doing it in the right way.

Passion cannot be an excuse for the ends justifying the means, regardless of the intent or motivation of an individual. Although this incident happened more than a decade ago, it served as a healthy reminder to me throughout the remainder of my career.

And in the end, the public voted to approve the millage extension for another 20 years, despite the recession we were facing, and with only information—no advocacy—provided by the county. PM

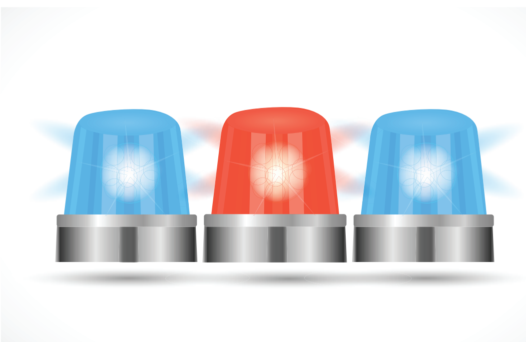
PM
PUBLIC MANAGEMENT

ICMA Executive Director	Marc Ott	
Director, Member Publications	Lynne Scott	lscott@icma.org
Newsletter Editor	Kathleen Karas	kkaras@icma.org
Art Director	Erika White	ewhite@icma.org
Design & Production	picantecreative.com	


WORKING TOGETHER
WORKS BETTER
By connecting employees and their families with programs that change unhealthy behaviors, we help them on their journey to better health. In doing so, we helped one municipality reduce their medical cost trend to less than zero – going from 10.3% to -1.1%* – in just two years. With improved health and savings, it's a partnership that can make everyone feel better.
Learn more at Cigna.com.
Cigna®
Together, all the way.®
* Cigna Case Study, March 2015.
All Cigna products and services are provided exclusively by or through operating subsidiaries of Cigna Corporation, including Cigna Health and Life Insurance Company and Connecticut General Life Insurance Company. The Cigna name, logo, and other Cigna marks are owned by Cigna Intellectual Property, Inc.
910527 08/17 © 2017 Cigna. Some content provided under license.

We asked our readers »

How does your community prepare for (a possible) increased demand for emergency services teams?



Penny Postoak Ferguson
County Manager
Johnson County, Kansas
penny.postoakferguson@jocogov.org

Through our ongoing emergency planning efforts, Johnson County has identified disaster scenarios requiring additional resources to meet emergent needs. Together, the community has developed plans and capabilities to rapidly activate and integrate additional resources into our response system.

On a daily basis, existing automatic-aid agreements allow emergency response teams to cross jurisdictional boundaries, ensuring the quickest response to those in need. For larger or more unique incidents, specialized regional response teams are available for dispatch throughout the bi-state Kansas City metropolitan area.

Procedures are also in place to request and coordinate state and federal resources. Johnson County maintains and improves these processes by leading the community through a year-long cycle of planning, training, exercising, and evaluation, keeping us as prepared and resilient as possible.

Aaron Adams
City Manager
Knoxville, Iowa
aadams@knoxvilleia.gov

For a smaller community like Knoxville (7,313 population at the 2010 census), preparation and partnerships are critical in providing coverage and keeping residents safe.

Preparation comes in the form of training city employees and developing response agreements with neighboring communities and with Marion County. Having these agreements allow personnel to respond to other communities when assistance is needed and then receive support as we need it.

Like all communities, Knoxville works with limited budgets, and the efficiency that comes from this arrangement is what our residents expect.

Steve Vinezeano
Village Manager
Niles, Illinois
scv@vniles.com

The police department conducts major incident training through the National Incident Management System (NIMS), which involves staff planning for disasters by monitoring weather, terrorism, and threat-related intelligence systems. A combination of innovative scheduling can be used when an increased police demand is needed.

Online scheduling software allows staff to be called to duty as needed. A tech system called PredPol provides direction for targeting crime or hotspot locations.

NIMS can't always mitigate a disaster or concurrent calls for service without assistance from its hospital, schools, churches, and local businesses, along with help from neighboring communities.

First responders have developed automatic and mutual-aid agreements that allow them to cross community lines to provide services when necessary. They also have common operating procedures that help with a smooth resolution of a situation with minimal time delays, regardless of which community they serve.

The final step needed for success is regular training with neighboring communities to be proficient and to provide protection.

Let’s create knowledge together.

ICMA Strategic Partners are dedicated to creating effective public-private partnerships designed to help communities thrive across the globe.

In 2018, ICMA collaborated with Presidential partner OnBase by Hyland to produce *Digital Transformation for Local Governments* — a white paper mapping out digital tools and strategies to transform local government.

Fellow Presidential partner Esri and ICMA produced *A Guide for Smart Communities* — a multimedia series showcasing how local governments create efficiencies, generate cost savings and demonstrate return-on-investment through GIS technology.

If you know an organization looking to build meaninful public-private partnerships, refer them to ICMA’s Strategic Partners Program.

Learn more at **ICMA.org/strategic-partners**.

ICMA | strategic partners

Inside ICMA

March is **National Ethics Awareness Month.** This month, ICMA encourages members to craft a thoughtful strategy for strengthening the ethical culture of the organizations they lead. Take the time to promote ethical behavior within your organization. Remind staff members that doing the right thing the right way matters, and let them know that ethics is worth the effort.

Bristol Ellington, ICMA-CM,
chief operating officer/ deputy city manager, Henderson, Nevada

"Ethics is the cornerstone of our organization. It is important that our employees are respectful, honest, and have integrity. To me ethics is what you do when no one is watching, so for us at the city of Henderson, we have the expectation that people are going to be ethical, professional, and have integrity."

"Ethics to me means doing the right thing all the time, and I am guided by the Code of Ethics that ICMA has put together. It guides the work that I do as I interact with my elected officials, and as I interact with my community. I've attached it to my contract, and it is a great way for me to ensure that the council and I are pursuing and following through on the values that it holds and supporting the values of our community."

Laura Allen, ICMA-CM,
town administrator, Berlin, Maryland

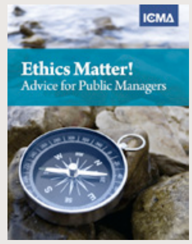
View more videos on our website at http://bit.ly/unscripted-icma-ethics or on YouTube at http://bit.ly/unscripted-playlist.

Ethics Training and Resources

Ethics 101 E-Course. With ICMA's Ethics 101 e-course, you can strengthen your jurisdiction's ethical culture by making sure that staff members have a proper grounding in the organization's values and can deal with ethics issues that arise on the job. Ethical conduct by all employees is essential for an organization to succeed and prosper. *icma.org/ethics-101-e-course*

Coaching Webinar: Ethics in Action—When It's Your Duty to Say "No." Speakers include Nick Finan, Texas City Management Association ethics chair, Texas City, Texas, who in 2016 presented a webinar on ethics, and Bruce Messelt, county administrator, Chisago County, Minnesota, 11 a.m.–12:30 p.m. PT (2–3:30 p.m. ET), and Wednesday, April 10, same times. An alternate will be held April 11, same times. *icma.org/icma-coaching-program-webinars*

Ethics Matter! E-Book



When the question is ethics, ICMA has answers. Questions might be: Can I accept that invitation to a candidate "forum"? Can I "like" that local government vendor on Facebook? Should I report suspected unethical conduct by one of my colleagues? How can I engage staff and employees in building and sustaining an ethical culture? ICMA members and other local government professionals turn to ICMA with questions like these to keep themselves and their employees on the straight and narrow. *bit.ly/Ethics_Ebook*

MARK YOUR CALENDAR

Upcoming Events

icma.org/events

2019 ICMA Regional Conferences

Southeast Regional Conference
February 27–March 1 | Greenville, South Carolina

West Coast Regional Conference
March 20–22 | Reno, Nevada

Mountain Plains Regional Conference
March 27–29 | Omaha, Nebraska

Northeast Regional Conference
April 3–5 | New Brunswick, New Jersey

Midwest Regional Conference
May 8–10 | Evanston, Illinois

Upcoming Coaching Webinars

Retooling Workplace Culture to Thrive in 21st Century
10–11:30 a.m. PT (1–2:30 p.m. ET)
Thursday, May 16

Encouraging Inclusive Communities
9:30–11 a.m. PT (12:30–2 p.m. ET)
Wednesday, June 12

Promoting Trust in a Divisive World
10–11:30 a.m. PT (1–2:30 p.m. ET)
Wednesday, September 11

Grappling with Gnarly Issues, (opioids, homelessness, and more)—How Local Government Can Help
11 a.m.–12:30 p.m. PT (2–3:30 p.m. ET)
Thursday, October 10

Having Difficult Conversations in Your Organization and Beyond
9:30–11 a.m. PT (12:30–2 p.m. ET)
Thursday, November 14

Join ICMA at icma.org/join
Contact Us: membership@icma.org

ICMAORG

@ICMA
#ICMAPROUD

ICMA MEMBERS GROUP

@ICMAORG
#ICMAORG

ICMA VIDEOS

Minding the MONEY

Take Proactive Measures Against Embezzlement

Have you ever had an experience while driving your car when someone drives up next to you and gets your attention, yelling that your brake lights are out? You thank them and wonder how long they've been out, since that's something you don't look at too often.

BY DAVID ROSS

You could have been in a serious car crash if someone behind you wasn't paying attention. You've had your kids in the car at night and are sure glad that nothing happened, and now that you know, can get the lights fixed.

You are relieved nothing happened and are grateful that you can reduce the risk of being in a crash by fixing something that you didn't realize wasn't working correctly. The same type of situation applies to local government management when it comes to accounting matters.

As a former manager, here are numbers I would have never wanted to be associated with: $562,089, $78,650, $1,113,589, and $53.7 million. These numbers represent just four examples of the hundreds of known embezzlement losses for local governments, all from organizations with professional staff, long-time employees, and regular audits.

In 2017, an employee with the city of Kingman, Arizona (29,472 population), pleaded guilty to embezzling $1,113,589. The 60-year old employee stole from her employer for more than eight years and used the city's credit card to pay for her personal expenses, including paying off numerous cash advances at various casinos.

In 2018, a 51-year old employee with the city of Rancho Mirage, California (18,306 population), pleaded guilty to embezzling $78,650 from her employer over a three-year period of time. In her position as a code compliance manager, she conspired with her sister-in-law, whose company allegedly performed nuisance abatement cleanup, and then approved the invoices for work that wasn't done, including draining nuisance pools that might endanger children at houses that didn't even have pools.

In Garwin, Iowa, its clerk allegedly embezzled $562,089 between 1998 and 2014 by paying herself extra using payroll and paying personal credit cards with city money, among other things.

There are hundreds of other cases and the largest one currently known is the city of Dixon, Illinois (15,202 population), when its treasurer embezzled $53.7 million over 20 years.

No manager wants to be associated with an embezzlement of any size or other serious employee misconduct issue because these types of incidents—especially if they have been going on for many years—are the ones that not only can crush employee morale and damage finances but also ruin a local government's reputation.

A Problematic Mindset

Before working on my Ph.D. in local government internal controls, I was a city and county manager who strived every »

day to do a great job for the employees of the organization, the elected officials, and the residents of the community.

I didn't know about employee reporting hotlines at the time and while publicly traded companies use them all the time now, perhaps some local government managers have not been introduced to their value.

About an annual internal control and fraud risk assessment, I remember thinking: Who needs this and why bother because it's all good at my organization. At the time, I really didn't think much about internal controls. I also thought: Our organization must be fine because we've never discovered anything, we have an annual audit, finance staff are top-notch, and I have other things to worry about.

I didn't realize it at the time but that mindset, while human and understandable, probably put me and my organization at significant risk.

Put yourself in the shoes of any manager who might have had to deal with an embezzlement or other serious misconduct incident. First of all, I feel for them! One of the local government's own employees—someone trusted within the organization, who maybe worked there for a decade or more—stole from it.

There are hundreds of reasons how it can happen, but without a critical look at internal controls, you might unintentionally be placing your organization at increased risk for employee misconduct.

Taking Preventive Measures

After examining hundreds of local government embezzlement cases over the past few years, I'm amazed at how they occur in organizations of all sizes. No organization is immune.

Employees in just about every department committed them, and employees' ages ranged from the 20s to 70s. Many of the thefts happened over a period of several years and sometimes decades.

THE TRUTH IS THAT THE RISK IS REAL, AND NO LOCAL GOVERNMENT IS IMMUNE TO FALLING VICTIM TO SERIOUS EMPLOYEE MISCONDUCT, INCLUDING EMBEZZLEMENT.

It is human nature to believe everything must be okay if nothing has ever been discovered. Here are three ways to protect your organization from employee misconduct, including embezzlement:

1. Consider using an independent third party, 24/7 anonymous fraud, waste, and abuse reporting hotline. According to the Association of Certified Fraud Examiners (ACFE), these hotlines are proven to be effective at reducing the duration of, and lost money from, employee fraud cases.

Federal law mandates publicly traded companies have whistleblower programs, but a similar requirement does not currently exist for public sector organizations and so fraud, waste, and abuse hotlines are not nearly as prevalent in local government.

This is unfortunate because the cost for a third-party hotline is reasonable. Some companies use an answering service to take calls while others make sure only certified fraud examiners speak directly with employees.

Some might call these "snitch lines." For the occasional employee who uses them for that purpose, however, you will also realize an incredible benefit when a serious incident is reported and it can be stopped quickly.

Imagine seeing your organization through the eyes of employees. You are still the same manager, just with more knowledge of what is really going on. If something detrimental to the organization or employee morale is happening, you stand a better chance of knowing about it.

If misconduct is happening, it can demoralize employees and an anti-fraud workplace helps keep morale high.

2. Consider conducting an annual internal control and occupational fraud risk assessment. Outside experts can conduct these assessments or you can use staff members to do them.

The purpose of assessments is to improve anti-fraud communication with employees while developing and modifying techniques (controls) to reduce risk of fraud, corruption, and asset misappropriation. Employee education on the benefits of an anti-fraud workplace is important and these assessments educate employees on how to prevent and detect fraud or other workplace misconduct.

If you want to complete a fraud risk assessment using staff members, create a fraud risk assessment team of management employees, brainstorm ways in which fraud and theft can occur, analyze what is currently done to prevent and detect those incidents, and determine what are the greatest threats (either because they are easy for someone to commit or if they occur it would be catastrophic). Then develop preventive and detective policies and procedures to reduce each risk.

It's worth repeating: Fraud in the workplace can damage employee morale, hurt finances, create ineffective teams, and otherwise devastate an organization's reputation. It hurts all employees when it's happening.

3. Consider the use of data analytics to detect fraud that you probably wouldn't have noticed with your naked eye. There are a wide variety of data analytics techniques that can be employed while using existing staff, including horizontal analysis, vertical analysis, ratio analysis, Benford's analysis, data matching, gap testing, and duplicate testing.

Using Excel, finance staff can perform these analyses. Look for missing data in accounting entry fields, verify even-dollar amounts, check for duplicate voucher payments, and match data sets like vendor and employee files.

Benford's Law describes the expectation that in large data sets, you will find the number "1" occurring at a specific frequency more often than the number "2", which occurs more often than "3", and so on. When looking at the frequency of numbers in that data set in a chart, you will see a predictable pattern.

If that pattern shows something other than what

Benford's Law says should be there, that could be an indication that certain numbers were "made up" (from fraudulent invoices, for example). Nothing is ever 100 percent, but any of these analytical techniques could possibly help detect areas that warrant further investigation.

Here are some sobering statistics: According to ACFE's 2018 Report to the Nations, the median embezzlement loss was $130,000 (per incident). Not using proactive data monitoring, not using hotlines, not conducting fraud risk assessments, and not educating employees on fraud prevention and detection were some of the internal control weaknesses identified as being responsible for almost half of all fraud cases.

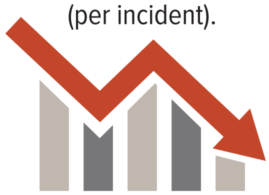
Anonymous hotlines combined with strong internal controls helped detect almost 68 percent of workplace fraud incidents, while external audits only detected about 4 percent of cases.

The longer the fraud scheme goes on, the greater the loss. Payroll fraud cases average 30 months before their discovery. Check-tampering schemes, expense reimbursement schemes, billing schemes, and theft of cash lasted an average of 24 months. (To view the AFCE report, go to https://www.acfe.com/report-to-the-nations/2018.)

ACCORDING TO ACFE'S 2018 REPORT TO THE NATIONS, THE MEDIAN **EMBEZZLEMENT LOSS** WAS

$130,000

(per incident).



The Time to Act Is Now

The truth is that the risk is real, and no local government is immune to falling victim to serious employee misconduct, including embezzlement. Take a moment to evaluate your organization's internal controls and whether leading practice policies and procedures are being used to prevent, deter, and detect workplace misconduct throughout the entire organization.

Consider the procedures briefly discussed in this article: implementing anonymous fraud, waste, and abuse reporting hotlines, performing annual internal control fraud risk assessments, and using data analytics to help prevent and detect fraudulent acts.

When that proverbial car slams into you, it might not sit well with elected officials that you didn't know your brake lights were out. Maybe luck has been on everyone's side, but luck only takes us so far. If you want a list of some of the hundreds of recent local government embezzlement cases, don't hesitate to contact me. PM

David Ross, Ph.D., a former city and county manager and certified fraud examiner, is a senior manager, Matrix Consulting Group, Chandler, Arizona (dross@matrixcg.net).

Generations United | Photo: Eugene Manning

Connections between generations have been at the core of community since the emergence of humankind. Yet, life in most developed countries has shifted from parents, children, grandparents, and other relatives living under one roof—or even in the same neighborhood or town.

Industrialization, mobility, prosperity, and other factors made it possible, even desirable, for young adults to move out and start their own lives and then their own families, sometimes in a nearby geographic area but often many, many miles away.

Older adults who cannot or choose not to remain in their homes find a range of housing options, some of them restricted to people over a certain age and without children.

The organization I work for, Generations United (www.gu.org), and others in the intergenerational space—researchers, advocates, philanthropies, public officials, business leaders, service providers, journalists, among them—raise the issue of intergenerational connections not out of a sense of nostalgia for the extended family or ideology but because the generations are interdependent and need one another to thrive and survive.

THE INTERGENERATIONAL IMPERATIVE

The Context: Life Is Intergenerational

BY IRV KATZ

Generations United | Photo: Sourangshu Gupta

When learning and caring for one another does not occur across generations, people do not fare as well and the additional burdens of learning and caring, particularly among the more vulnerable among us, become costs to society—costs in terms of problems and social needs that now become the responsibility of the public and nonprofit sectors.

In other words, we pay a steep price for generations not being connected and providing at least some of the functions extended families and connected communities once did. Extended families and close communities took in and helped members experiencing rough times; lack of extended family and community leaves those in crisis to depend on government and charities.

Benefits of Connections

Some researchers come at the issue from another vantage point: the effects of intergenerational connections and experiences on children, youth, and older adults. These effects have been found to be positive and beneficial.

There is compelling research on the subject, nationally and internationally. Some of the key conclusions of this research are cited in a 2017 report issued by Generations United and the Eisner Foundation, *I Need You, You Need Me: The Young, The Old, and What We Can Achieve Together* and are listed here with permission. These are among the benefits of intergenerational connections:

For children and youth:

- Social skills. Kids learn to talk and empathize with people they wouldn't otherwise meet.
- Emotional support. Older adults shepherd kids through difficult times and situations.
- School performance. Attendance, behavior, and performance improve. Struggling readers, for example, have made significant gains after being paired with elder tutors.
- Safe and healthy choices. Older adults divert kids from trouble and steer them toward success.[1] »

For older adults:

- Isolation and loneliness. Older adults who were previously cut off from their communities find connection and companionship.
- Mood and self-esteem. As they help kids, older adults are reminded of their competence and achieve a renewed sense of purpose.
- Skills and knowledge. Kids introduce older adults to new technology and cultural phenomena.
- Exercise. To keep up with kids, older adults need to keep moving, which, in turn, boosts their cognitive, mental, and physical health.
- Practical assistance. Young people help older adults with chores and errands.
- Perceptions of young people. Older adults feel more comfortable around kids and more invested in their well-being.

Demographic Reality

So why should intergenerational connectivity matter to local government managers, and why now?

Children and youth and older adults comprise a significant and collectively growing portion of the U.S. population. Children, age 17 and younger, and older adults, age 65 and above, included 122.8 million people or 38 percent of the population in 2016, according to census estimates.

By 2035, their numbers are projected to rise to 154.4 million; and by 2060, to 174.5 million or 43.3 percent of the population.

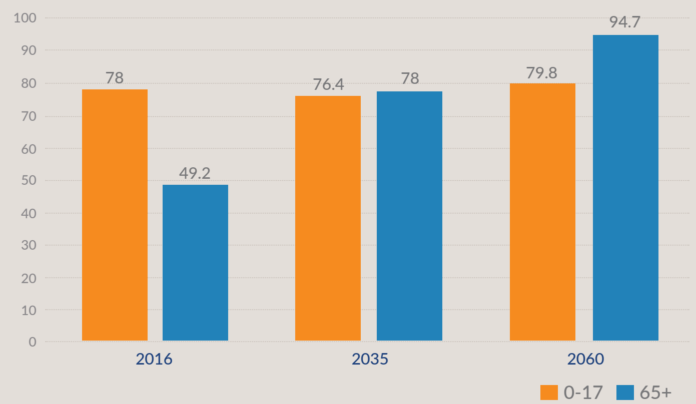
While some youth and older adults are wage-earners, including those who delay retirement, the percentage of the rest of the population—those in their primary earning years—declines from 62 percent in 2016 to 56.7 percent in 2060.

In sheer numbers, the young and the old, including those more likely to be dependent and/or require ongoing care, are projected to rise by an astonishing 50+ million between 2016 and 2060.

The situation is more acute in Japan, where the aging of the population, a low birth rate, and relatively low immigration are expected to overwhelm the country's social security system and availability of caregivers for older adults.

Part of the solution in that country is to increase

Projected Number of Children and Older Adults
(in millions)



Source: U.S. Census Bureau, National Population Projections, 2017

Generations United | Photo: Maxine Gilmeister

intergenerational connections through programs and activites where young and old get to know one another, so that more young people are willing and able to help care for older family members and neighbors. Increasing immigration is also being discussed.

Fostering connections between young and old and those who care for them is fast becoming a social and economic necessity in Japan and the same is increasingly true for the U.S.

Now is the time for communities to prepare for the looming reality that older adults, children, and youth will represent a growing percentage of the people living in the U.S., not those in their peak-earning and tax-paying years. It is either a looming crisis or an opportunity to redefine how we shape the future.

All social and economic groups within the population can benefit from approaching the future development and well-being of an area through an intergenerational lens. That said, the need for public sector attention will be greater in some parts of a given area than in others—areas with fewer economic resources and where residents have fewer opportunities in life.

Focused intergenerational investment and attention in these areas, integrated with other community revitalization efforts, could help reduce social ills and improve the well-being of all.

Mobilizing Communities

There are "age-friendly communities" or "communities for all ages" in many places across the U.S. Some of them cite intergenerational activities with and for youth but are chiefly about the need for more options and opportunities for older adults.[2]

And while there are coalitions for children and youth in many communities, there is no all-hands-on-deck counterpart of the all-ages and age-friendly movement for children and youth that has achieved the kind of near-critical mass that these communities have. Note: UNICEF has launched a Youth-Friendly Communities Initiative, but it is young and has not taken hold in the U.S. in a significant way at this writing.

On the intergenerational community building front, Matthew Kaplan of Penn State University, Mildred Warner of Cornell University, Nancy Henkin, formerly of Temple University, now of Generations United, and others write extensively and compellingly on the subject. For more information on their work, refer to this article's resources list.

Communities for All Ages mobilizations is an approach to intergenerational community building developed by Nancy

Beyond employing an intergenerational lens is action, specific to each community, and that requires planning.

Henkin while head of the Intergenerational Center at Temple University. It is an approach that Generations United and Dr. Henkin continue to promote.

Here are elements that either occur alone, in groupings, or as a total community strategy in communities aspiring to be intergenerational:

Intergenerational shared sites. Settings that house programs and activities for older adults and for children and youth with planned and informal interaction between the two. This concept goes beyond children trooping through older adult housing at holiday time and instead embraces, for example, a child care center housed in an independent living complex in which older adults and children interact regularly.

Attention to grandfamilies. Programs, services, and advocacy intended to help grandparents (and other relatives) with the challenges of raising grandchildren, one of the key issues being that relative caregivers seldom access the same benefits and supports as unrelated foster parents.

Intergenerational housing. Bridge Meadows in Portland, Oregon, is a flagship for this fledgling movement. The concept is housing that is inclusive of older adults and households with children, including grandfamilies and those headed by older adults, with accessibility for all (i.e., universal design), and design that encourages interaction between young and old.

Intergenerational community events. Community convenings or rallies to educate and excite people about the value and practices of intergenerational action, for example a "future fair" demonstrating intergenerational programs and activities that young and old can enjoy together.

Intergenerational community building. Structured mobilization of young and old for young and old and the community, typically starting with a community assessment and leading to a plan of action and implementation of action strategies.

Intergenerational planning. Generations United and the American Planning Association are developing this concept, responsive to the demographic imperative this article cites.

The kind of planning envisioned seeks to weave population cohorts, particularly young and old and connections among them, into planning by local authorities, potentially leading to an enhanced standard of practice for community planning going forward.

Viewing communities through an intergenerational lens is not an option; it is a necessity and not in some far-off future, but right now. Beyond employing a lens is action, specific to each community, and that requires planning.

City and county managers are ideally suited to be adopters of approaching community as an intergenerational entity, where connecting generations leverages the best we can achieve for people and the communities where they live. PM

HOW TO UNITE YOUNG AND OLD IN BIG CITIES: Lessons from San Diego County

No American metropolitan area has done more to unite the generations than San Diego County, where the local government considers age integration a core community value.

The county employs five "intergenerational coordinators": one in the department of aging services, one in the department of child welfare, and one in each of three geographical regions. The coordinators work together, with their colleagues throughout county government, and with leaders in the nonprofit and business sectors to create opportunities for the young and the old to serve one another and the broader community.

The county library department, for example, recently asked the coordinators for help designing intergenerational programs at its branches, and the county parks department wants guidance on uniting the patrons of one of its teen centers with the elder patrons of a nearby community center. The coordinators are helping both departments create surveys to assess what sort of programs might succeed; later, they'll help launch, advertise, and implement the programs.

The coordinators also oversee two "intergenerational councils," one in the northern part of the county and one in the eastern, that give officials from the public and private sectors a chance to strategize together. The councils meet every other month.

Source: *I Need You, You Need Me: The Young, the Old, and What We Can Achieve Together*, a 2017 background paper published by Generations United (www.gu.org) and The Eisner Foundation (www.eisnerfoundation.org). This paper is available at http://www.gu.org/RESOURCES/PublicationLibrary/INeedYouYouNeedMe.aspx.

[1]https://legacyproject.org/guides/intergenbenefits.html.

[2]More information on local community efforts can be found at https://www.aarp.org/livable-communities/network-age-friendly-communities/info-2014/an-introduction.html and https://www.aecf.org/resources/communities-for-all-ages-planning-across-generations.

Irv Katz is a senior fellow, Generations United, Washington, D.C. (ikatz@gu.org; www.gu.org).

Resources

American Planning Association (R.A. Ghazaleh, Esther Greenhouse, George Homsy, Mildred Warner), *Using Smart Growth and Universal Design to Link the Needs of Children and the Aging Population*, https://www.planning.org/publications/document/9148235.

Brown, Corita; Henkin, Nancy, *Building Communities for All Ages: Lessons Learned from an Intergenerational Community-building Initiative*, https://onlinelibrary.wiley.com/doi/pdf/10.1002/casp.2172.

Brown, Corita; Henkin, Nancy, *Communities for All Ages. Intergenerational Community Building: Resource Guide, (Journal of Intergenerational Relationships)*, https://www.tandfonline.com/doi/abs/10.1080/15350770.2015.1058317?journalCode=wjir20.

Generations United, The Eisner Foundation, *I Need You, You Need Me: The Young, The Old, and What We Can Achieve Together*, https://www.gu.org/resources/i-need-you-you-need-me-the-young-the-old-and-what-we-can-achieve-together.

Generations United, MetLife Foundation, *Creating an Age-Advantaged Community: A Toolkit for Building Intergenerational Communities that Recognize, Engage and Support All Ages*, https://www.gu.org/resources/creating-an-age-advantaged-community.

Generations United, MetLife Foundation, *Best Intergenerational Communities Awards*, https://www.gu.org/what-we-do/programs/best-intergenerational-communities-awards.

Kaplan, Matthew; Sanchez, Mariano; Hoffman, Jaco, *Intergenerational Pathways to a Sustainable Society*, https://www.springer.com/us/book/9783319470177.

Warner, M.E. (2017), "Multigenerational Planning: Theory and Practice," http://cms.mildredwarner.org/p/282.

BY SCOTT LAZENBY

RETHINKING COUNCIL CHAMBERS DESIGN

ARRANGEMENT MATTERS

When I was in graduate school, I served as editor of the school's journal. Donald Stone, a pillar of the public administration scholarly world, contributed an article titled "On the Arrangement of Chairs."

It was only partly tongue-in-cheek; he drew on his 20 years of experience helping organize the executive branch of the national government in showing how the placement of chairs can influence the effectiveness of different kinds of meetings.

Over the past 40 years, I've had several opportunities to be involved in the design or redesign of council chambers. Each time, we faced similar challenges: How can we arrange the room so that the elected officials, staff, and audience can all see each other and also see presentation materials?

Can we raise the council dais enough so that members of the audience can see the councilmembers, but not so much that the council does not (symbolically) set themselves above their constituents?

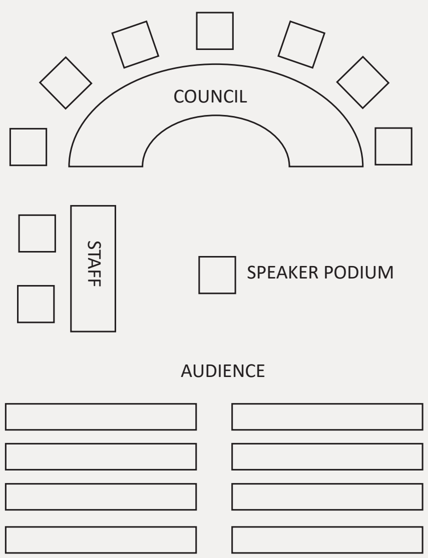
A Flawed Concept

I've come to the conclusion that the basic premise of the council chambers design is flawed. The previous paragraph used the word "audience" twice, and you, as reader, probably thought nothing of it.

Webster's defines audience as "a group of listeners or spectators," as in live theater. And in fact, that's typically the way council chambers are designed (see Figure 1).

But what is the council's role—to serve as entertainment for an audience or to be

FIGURE 1. **The Basic Layout of Council Chambers**



a governing board? If it's the latter, why do almost no other governing boards arrange their meeting space the way councils do?

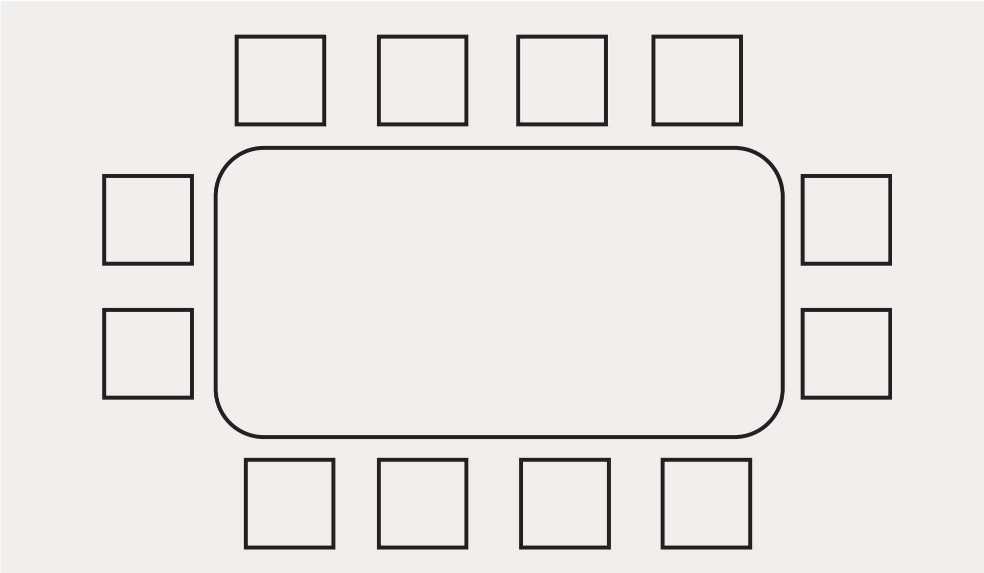
At the national level, members of the legislature face the leadership; the public can observe from a gallery. State governing bodies are typically arranged the same way. In the British parliament, members of opposing parties face each other, with the distance between the opposing benches being two swords' length.

Governing boards of corporations and nonprofits typically organize themselves as shown in Figure 2. In this scheme, key staff (e.g., chief executive officer, chief financial officer) sit at the table with the board members. Support staff and members of the public—if the meeting is open to the public—typically sit in chairs against the walls of the boardroom.

With the exception of city councils and county boards, a majority of the governing boards of the 90,000 local governments in the United States meet this way, too.[1] They are made up primarily of special districts, including rural fire districts or mosquito control boards, and it is rare for them to have much of an audience.

If this is an efficient way for private sector governing boards to conduct their business, why do local government councils use a live theater arrangement? The strongest argument might be that the »

FIGURE 2. Chair Arrangement of a Private Sector Boardroom



community is the government closest to the people, and many residents are interested in the work of their elected representatives.

They are more likely to attend a meeting, especially if there is a public hearing on a hot topic and they have an opportunity to actively participate in the meeting.

The traditional arrangement also predates sound systems and video coverage, and we may be stuck with it more out of tradition than logic, in the same way that our modern online council packets can look pretty much the same as they did 80 years ago when everything was produced with a typewriter.

There are, however, arguments against this traditional arrangement:

With live streaming video, there is less of a need to be in the room to observe the proceedings. Some communities even take public input from the virtual audience, in real time, as the meeting progresses.

The typical arrangement, in which the council plays to the audience, encourages grandstanding by councilmembers and heckling from the crowd.

Setting staff off to the side works against the fact that the council and staff are (or should be) on the same team.

Councilmembers don't face each other, which makes it more difficult to have a group conversation.

As to the last point, I have never seen staff members use the council dais for a meeting, even when all conference rooms are full. It is, in fact, a terrible arrangement for a productive meeting.

Keep in mind that, except for public hearings or the obligatory "resident comments" section of the agenda, the audience is there to observe rather than to participate. Allowing residents to observe their elected representatives at work is important. It's a key part of openness in government.

The typical room arrangement goes beyond this, because it encourages continuous council and audience interaction, in the same way that a live theater troupe interacts with its audience.

Councils have enough challenges in serving as effective governing boards. They don't get to pick their fellow board members, who may not necessarily have strong skills in teamwork, strategic thinking, or for that matter, interpersonal communication.

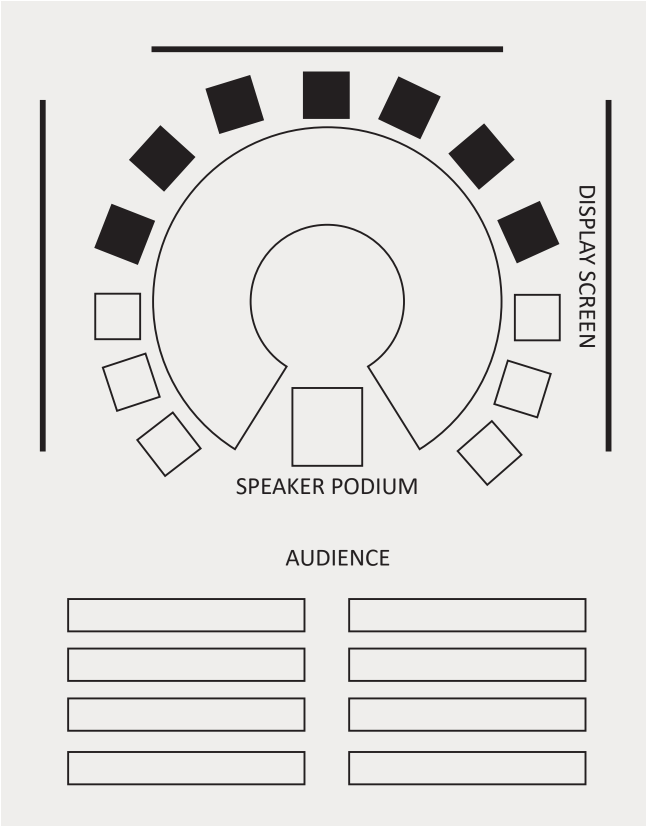
They have a finite amount of time to get their work done, and can get easily bogged down in administrative details, ceremonial and feel-good activities, and trivia. Using a room arrangement that emphasizes their role as entertainers rather than board members doesn't help.

Considering Different Setups

What if council chambers were arranged as shown in Figure 3? In this drawing, the shaded seats represent the governing body and the unshaded seats represent staff members. As a local government manager, I would put the city attorney and clerk on one side, as key advisers on meeting procedures and processes.

I would join presenting staff on the other side as part of the team providing program analy-

FIGURE 3. **Optional Arrangement A**



sis and recommendations. This strategy could be determined by individual preferences.

Here are the advantages to the Figure 3 arrangement:

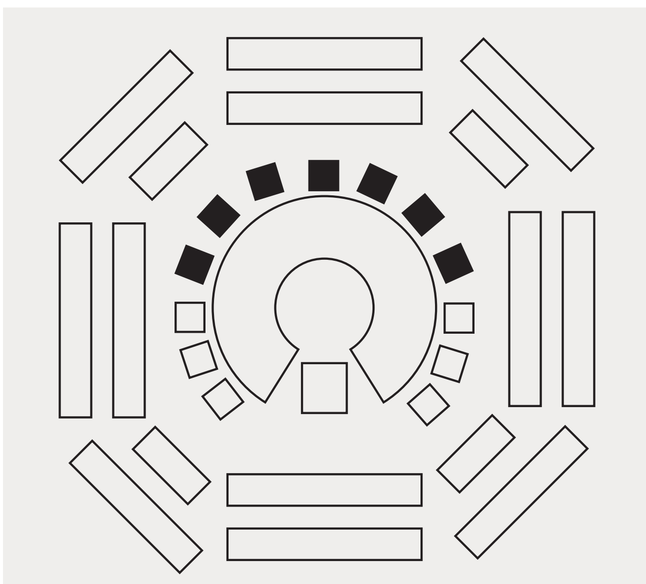
1. A (mostly) round table is more conducive to council discussion.
2. Having staff physically at the table reinforces the idea that the staff and the councilmembers are on the same team. The dais can, however, be designed to make a visual distinction between elected officials, staff, and presenters, which is appropriate since it is the governing board that votes and makes the ultimate decisions.
3. When residents are invited to address the council, they move into the circle with the council, which is less intimidating and more welcoming. It symbolizes that the council is inviting the speaker into their circle.
4. Members of the public, when not participating, can observe the proceedings, but the council's focus is on being a governing board, not playing to an audience.
5. Large display screens provide easy viewing from any seat.
6. The arrangement would work well for advisory boards, including hearing bodies, as well as for small staff meetings (i.e., comfortable chairs, good technology).

In Lake Oswego, we've experimented with this arrangement, and the councilmembers and staff like it so much we'll make it permanent in our new city hall.

For the community that really dares to be different, there may be an even better arrangement. Oregon State University recently built a new, large classroom building. As much as it wanted to avoid it, the university had to include a 600-seat lecture hall.

Instead of theater seating, where the students in the nosebleed section are far from the professor, they designed it with a raised stage in the middle, surrounded by seats. This meant the farthest student was only eight rows from the speaker, and by having students facing each other across the stage, it made them feel more engaged. Large screens on the walls helped with presentations.

FIGURE 4. **Optional Arrangement B**



What about a council chambers arranged like what is shown in Figure 4? When I proposed it to Lake Oswego's council, they didn't like the idea of people sitting behind them, possibly out of concern for personal safety, or maybe because they didn't want anyone noticing if they checked their cellphone. I do, however, think it would be worth trying.

Either of these two proposed arrangements would be conducive to all business meetings and informal work sessions of the council, including those that include formal public hearings. They are not conducive to town hall meetings or public forums where the chief objective is public involvement.

This, however, might actually be an advantage in that it provides a clear delineation of the objective of the two kinds of meetings. The "three minutes at the mic" that occurs during council business meetings may be required by law, but it is one of the worst possible ways to achieve effective resident engagement.

There are far better environments and processes for engagement; for example, meeting in a more open, less-formal space like a community center or school, and having councilmembers serve as hosts, moderators, and listeners in small-group roundtable discussions—is a topic for future consideration. **PM**

[1] *2012 Census of Governments, https://www.census.gov/content/dam/Census/library/publications/2013/econ/g12-cg-org.pdf*

Scott Lazenby is city manager, Lake Oswego, Oregon (slazenby@lakeoswego.city). He is the source of the council chambers layouts shown in this article.

A CHINATO FOR North Miami

EMBRACING UNIQUE ECONOMIC DEVELOPMENT THINKING

BY LARRY SPRING, JR.

I wasn't a stranger to big projects, but the idea that awaited me as I started work as city manager of North Miami, Florida, was unlike anything else I'd been involved in. Building a Chinatown? In North Miami?

I had worked on the development of the new Miami Marlins stadium (retractable roof and all) in my previous post, so I had a good sense for the complexity of projects in urban areas. But that was the city of Miami.

I'd just become manager of North Miami, a suburban community of some 60,000 in the much larger Miami metro area of more than 5 million. Councilman Alix Desulme, who had been approached by local business leaders, had done some initial research. He was passionate and persistent; I listened.

He had an idea to revitalize a 90-acre corridor in his district. My predecessor and now deputy manager Arthur Sorey, had made a significant time investment, flying to China, to get the basics of what is now a Chinatown community redevelopment project.

And slowly, what seemed like a crazy concept, started to materialize as an exciting and viable project. It morphed from an intriguing possibility all the way to a detailed, realistic urban city revitalization plan, complete with zoning, infrastructure, tax incentive, community engagement, and international components.

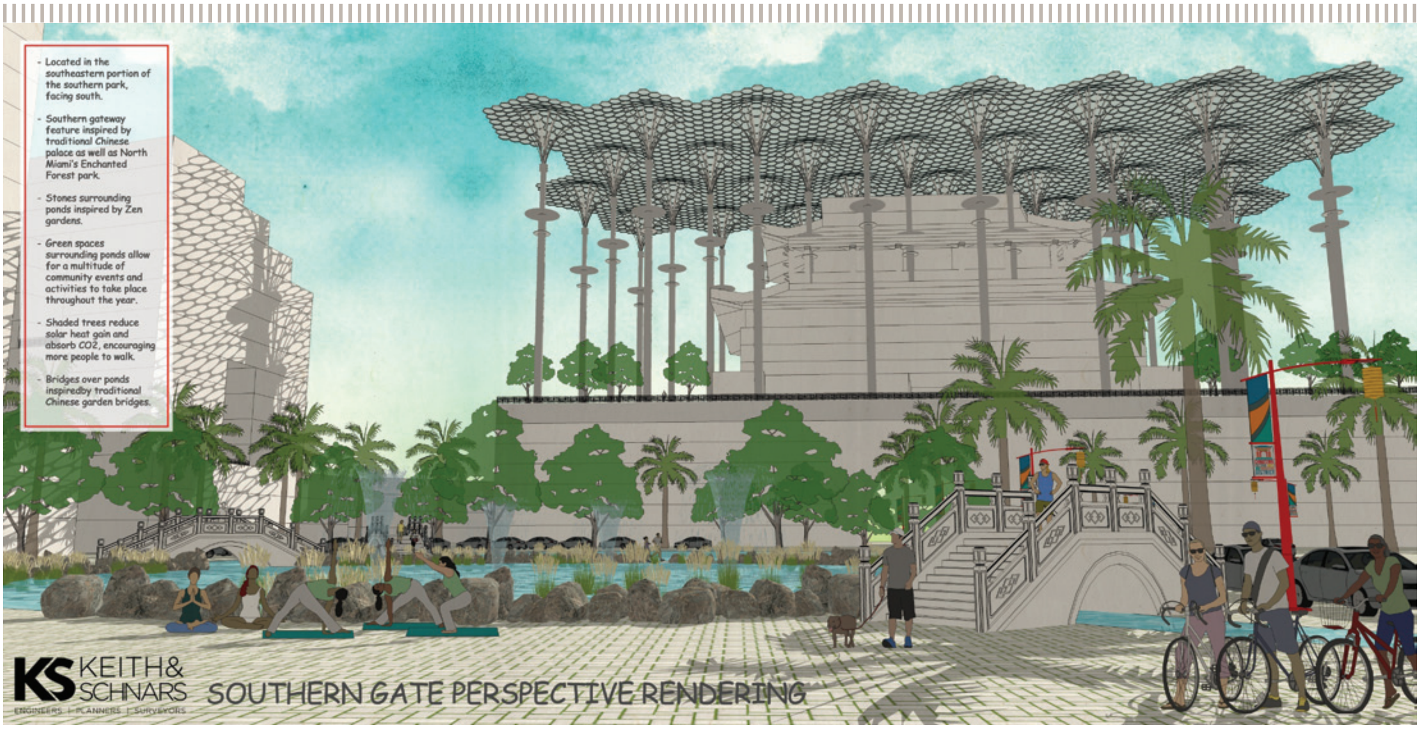
North Miami is the first community in Florida to designate a Chinatown district and the first with a master plan. Our signature gateway arch, which will celebrate the innovation of New China, will see a groundbreaking later this year.

"I must credit the administration," Desulme would later say. "All of us were surprised how fast everything kind of evolved and unrolled."

A Non-Organic Concept

Before I came to my current job, I knew there had been discussions of creating a cultural district in greater Miami as many other cities have done—be it a Little Italy, a Fisherman's Pier, or other.

The idea of a Chinatown in South Florida was not new but for various reasons, it just never got off the ground. This, despite the fact that China is Miami's third-largest trading partner with \$6.7 billion of import and export transactions in 2016 alone. »



And while the Miami metro area is today culturally vibrant with large Hispanic and Caribbean populations, migration from China was blocked by anti-Chinese federal immigration laws until the 1940s, a period overlapping Miami's heady post-World War II surge.

The patterns set in those decades ripple into today. The most recent U.S. Census data shows that North Miami's Asian population is just 1.7 percent, and the Chinese demographic is just 0.6 percent. (By way of comparison, San Francisco, San Jose, Los Angeles, and New York have Chinese-American populations ranging from three to 10 percent of their communities). Indeed, while North Miami's population is majority foreign-born, nearly 48 percent is of Haitian ancestry.

So, although there was a pent-up desire to create a Chinatown, its creation would not be organic, as the Chinatowns of New York and San Francisco were. It would have to be planned to maximize elements mutually interesting to investors and the community, leveraging our advantages.

As an international visitor destination, with world-class and growing seaport, we knew greater Miami had a lot to work with, but there would also be many obstacles.

For communities considering this kind of undertaking, here are some of the lessons we learned in moving this project forward.

WE ARE CONVINCED THAT OUR CHINATOWN WILL BE THE RED CARPET TO NORTH MIAMI AND A NEW INTRODUCTION TO THE ENTIRE CITY AND ITS ATTRACTIONS, INCLUDING WATERFRONT PROPERTY.

Find a Credible Partner

While North Miami may have lacked any sizable Chinese or Asian population, it did have one fantastic resource that we soon discovered would be key to advancing the project: Florida International University (FIU), which maintains one of its campuses along Biscayne Bay.

FIU operates the Chaplin School of Hospitality and Tourism Management and has had the well-regarded Marriott Tianjin China Program in operation since 2006, not far from China's capital, Beijing.

When our team made the initial trip to China, we benefitted from a carefully planned series of meetings with potential investors. The FIU connection gave our effort credibility, not only with the people we met, but with our own residents who feared their elected leaders were on some kind of irresponsible junket.

I can't overemphasize how this academic partnership mattered at the beginning and how it continues to nurture each step in the development. "The Miami brand name is very strong in China," says Dr. Michael Cheng, the interim dean of FIU's hospitality school.

"I see a lot more Chinese students who will transfer to Miami to complete their graduate work. They just needed a place, to have a reason, to come here," he says.

Although the FIU program had been operating for a decade before our Chinatown initiative began in earnest, we didn't understand its full import until later. "We knew, but we really didn't harness the potential that was laying there, dormant," said city Planning, Zoning, and Development Director Tanya Wilson-Sejour. "We never translated it into economic development."

On the first trip, we had brochures in Mandarin, complete with our city logo. We had introductions. The university president was a participant. "They were looking in awe," said Sorey, describing the welcome our delegation received from packed rooms on the first visit to China.

The Need to Inform

Parallel to the credibility issue for this project was the need to inform the community about the vision, to anticipate questions, and most of all, to persuade. The goal was to avoid the fear that the project would simply be a giant gentrification project aimed at displacing residents and business owners.

This is true of any project, particularly one that will require continued commitment. Here, the designation of the mile-long, 16-block area as the "Chinatown Cultural Arts and Innovation District" project drew some political opposition and even some initial ridicule.

While not unexpected, we needed to quickly communicate the vision and establish trust and buy-in so we conducted a variety of online and paper surveys, built an interactive website, and held four public workshops, including a "Charrette-style" workshop, an intense planning meeting involving all stakeholders focused on design solutions.

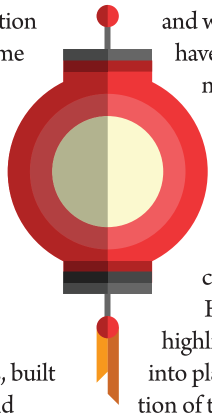
This multilayered approach to public engagement intentionally included honoring existing cultural diversity, identifying viable business opportunities for existing commercial operations, and integrating the project into neighboring communities. This included intentional outreach to include residents and property owners in areas adjacent to the proposed district.

Guiding Principles

The result was a set of these guiding principles that would attract broad support from stakeholders:

- *First tier:* Reinvention, quality of life, innovation, vibrancy, and vibe.
- *Second tier:* Inspirational design, aesthetics, ecologic commitment, and more.
- *Vision:* Replacing blight with a livable urban community.

The master plan, developed by engineering firm Keith and Schnars, blew my socks off. It is changing a blighted area centered around a six-lane roadway strip with a modest median into a culturally themed, mixed-use residential and business district.



It will be walkable, filled with usable green spaces, and water features, plus have easy access to a multimodal, regional transportation system, as it is directly off Interstate 95. In short, it's a game changer.

Here are some of the highlights of the plan put into place after the designation of the district—the city's legislative action—was made in February 2016.

Council revised zoning to allow larger residential buildings. We are increasing the maximum building height for one part of the district to 20 stories.

Government will take a larger role in stormwater mitigation. This will allow investors to build higher and closer to property boundaries with appropriate easements. We believe this will make it easier to achieve sustainability goals. Overall, capital investment will top $52 million.

Tax incentives include both a rebate system through Miami's community redevelopment agency and a pre-existing free trade zone. Even more, about half of the district also lies within a new Opportunity Zone. This gives new investors the chance to save hundreds of millions of dollars in capital gains tax.

Along with incentives, we intend to use parking variances

IF WE SUCCEED—AND WE ARE DETERMINED TO—IT WILL TURN A PORTION OF OUR CITY INTO A DESTINATION OF ITS OWN.

to promote affordable housing along with adaptation to the forecast growth of autonomous vehicles.

We have inventoried every single lot in the district, folio by folio, owner by owner, with contact and relevant zoning and value information, making it that much easier for potential investors thinking of developing some 4.8 million square feet of gross leasable space. We've already provided tours for three investment groups.

Even better, we are convinced that our Chinatown will be the red carpet to North Miami and a new introduction to the entire city and its attractions, including waterfront property.

Not a Typical Chinatown

Another critical idea in taking an out-of-the box concept to completion is to be willing and able to "shift the paradigm," as Wilson-Sejour says. We are not trying to duplicate non-organic Chinatowns in Washington, D.C. or Atlanta.

Instead, we recognized that today's China has already achieved technology parity with the U.S. and that investors want any new development to not only reflect that reality but to promote it. We also learned from urban planners in China that sustainability was critical.

They have seen the urban problems that too-rapid growth has created and want new development to be a model of green planning. As a result, there is more green space, more activated alleyways, more water infrastructure "that also becomes an art form," Wilson-Sejour says.

Next Steps

Although this project targets a specific area, we're also aware that real partnerships can broaden the appeal and support for a bold project like our Chinatown. We are, for example, helping the effort to establish nonstop air service to China, from which many businesses and intuitions will benefit.

We are also working to build federal and state relationships for the project, particularly for such regional issues as transportation.

In closing, the success of any project like this one is building sustained political will. As local government managers leading teams of professionals, it falls to us to directly engage each new group of elected officials.

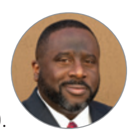
For a project like this one, it means being responsive, flexible, and willing to incorporate new ideas and visions of the project as it evolves, while being ready to educate and inform.

"It's only crazy until it's done," Councilman Desulme says, crediting good interactions with the managers. "They are the experts," he says, but it's the elected officials' job to create the political will. We put our money where our mouth is."

The payoff? Being part of a project with fantastic potential. If we succeed—and we are determined to—it will turn a portion of our city into a destination of its own, alongside Miami's beautiful beaches and vibrant nightlife, while raising the quality of life for everyone.

I hope to welcome you, or as we say in Mandarin, huānyíng! PM

Larry Spring, Jr., is city manager, North Miami, Florida (lspring@northmiamifl.gov).



Healing Council Divisions

Communication Tools to Keep Your **Trust Foundation** Strong

By Mike Conduff, ICMA-CM

It was clear from the individual interviews of the councilmembers conducted prior to their annual planning session that not much of substance for the town was going to be accomplished unless the council tended to its personal relationships.

This formerly cohesive group had been damaged by some community division and social media posts. Feelings had been hurt and grudges were being held. As a result, even spending two days together talking about the future of the community they all loved was going to be an act of discipline, not one of devotion, for this council.

As the facilitator, I was hearing all sides to the tales and felt that the emotional injuries could be healed if these excellent elected officials were willing to engage in a series of one-on-one conversations. The key was to be able to find a mechanism and a process to do so in a way that honored all parties and the state's open-meeting statutes.

The Division Spiral

We have all been there. Our group of quality elected officials, in a sincere effort to stay engaged with residents, gets drawn into an exchange on Facebook, NextDoor, or their own website.

And because the issue is by its nature difficult, no matter how well intentioned the post, the wording gets misinterpreted, misconstrued, or misused and the spiral of division begins.

Soon, staff members are put in the position of providing data or information that one side or the other believes will bolster their position, and then they are accused of playing favorites. In order to protect staff, defensive barriers can be erected in the manager's office and even routine correspondence and interaction get scrutinized.

Executive sessions are held, aggressive natures are released, egos get bruised, and cooperation falters. The commitment to "disagree without being disagreeable" gets ignored and the spiral accelerates downward. Trust has been injured, and time alone will not heal these wounds.

Fortunately, boards, commissions, and councils that have a commitment to good governance recognize that differences are healthy and that even with the best of intentions, misstatements and even mistakes do occur.

A Path Forward

In the case above, we decided to use personality profiling to give the group some foundational common language around communication styles and preferences. Next, we had the group practice the STATE communication tools that authors Kerry Patterson, Joseph Grenny, Ron McMillan, and Al Switzler explained in their work and book, *Crucial Conversations: Tools for Talking When Stakes Are High.* STATE stands for:

S – Share your facts.
T – Tell your story.
A – Ask for the other's paths.
T – Talk tentatively.
E – Encourage testing.

In pairs, we asked councilmembers to share their own facts about the incident with each other. "Here is what happened from my perspective." They then told

Mike Conduff, ICMA-CM,
is president and CEO, The Elim Group, Denton, Texas (mike.conduff@theelimgroup.com)

their own story about how they interpreted these facts and the incident.

"It appeared to me that you were. . . ." Then the transition: Ask the other party for his or her facts and story and do so with a tentative invitation, "I could be wrong, so I would love to hear what you have to say." And last, explore a path to closure: "What would happen if. . . ."

» **EXECUTIVE SESSIONS ARE HELD, AGGRESSIVE NATURES ARE RELEASED, EGOS GET BRUISED, AND COOPERATION FALTERS.**

My role as facilitator was to keep the environment safe for the communicating pairs and to help them explore ways to move forward. It went something like this: "May I share with you how deeply hurt I was when you posted that on Facebook? It appeared to me that you were intentionally undermining all the work we have done together on that issue just to make yourself look good. I would love to hear your side of it though, because I recognize I may have misinterpreted the post."

"Thanks for being willing to share your perspective with me. It was not my intention to undermine you or the council. In fact, I thought I was helping us by trying to correct some misinformation. In retrospect, I can see why you feel as you do. I, on the other hand, felt personally attacked by you in the executive session. Using that tone of voice to me in front of our colleagues was at best dismissive and even demeaning. Now, based on your personality profile, I can see that perhaps you were just trying to come to closure. Still I felt that. . . ."

Because these were safe one-on-one conversations, with a facilitator to help keep the tone positive and productive, these tools allowed every councilmember to feel heard and valued. Having them as part of the retreat maintained compliance with all statutes, and the good will generated more than made up for the time investment. The resulting collective sigh of relief enabled everyone to dream big and work hard.

Value of Healing Tools

If, like the community above, you have governing body members who are struggling in their communication and so have experienced injured or ruptured relationships you might want to explore using some of these healing tools in your jurisdiction.

While at first you might consider using a trained facilitator, like all skills, these can be learned by staff. While it may take some practice and some coaching, the more you or a colleague use them the better you get at using them.

Ideally, of course, your group becomes adept at the process and begins to use these tools on its own so that all members can keep the trust foundation strong. PM

100th ANNIVERSARY 1919-2019

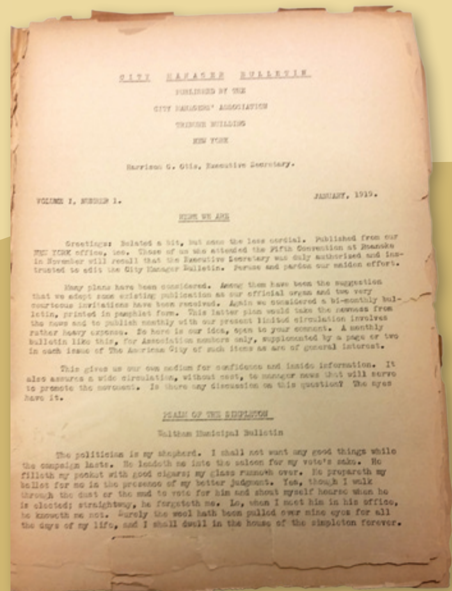
PM 1919 – 2019

The foundation for *Public Management (PM)* magazine and even other ICMA publications over the years, was set by PM's early 1919 issues. Known as the *City Manager Bulletin* then, the January 1919 issue was published in New York City's Tribune Building, had seven pages, was typewritten, and included a story titled the "City Manager's 10 Commandments."

Issues of the day could be found in managers' statements like this one: "Harry Freeman of Kalamazoo advises that he finds morning conferences of administrative officials very valuable. City distribution of milk, city planning, budget exhibition, and a municipal bulletin are on the slate for 1919."

Another statement found among the first pages: "ICMA members and ex-managers who have been in the Service are looking about for opportunities to return to the field."

The February 1919 copy included a list of city manager salaries, which would later become content for ICMA's *Municipal Year Book*. Some of the 1918 salaries shown: Niagara Falls, New York ($5,000); Glendale, Arizona ($2,400); Cadillac, Michigan ($2,200); and Hickory, North Carolina ($1,500).


CITY MANAGER BULLETIN

PUBLISHED BY THE

CITY MANAGERS' ASSOCIATION

TRIBUNE BUILDING

NEW YORK

Harrison G. Otis, Executive Secretary.

VOLUME I, NUMBER 1. JANUARY, 1919.

HERE WE ARE

Greetings: Belated a bit, but none the less cordial. Published from our NEW YORK office, too. Those of us who attended the Fifth Convention at Roanoke in November will recall that the Executive Secretary was duly authorized and instrusted to edit the City Manager Bulletin. Peruse and pardon our maiden effort.

Many plans have been considered. Among them have been the suggestion that we adopt some existing publication as our official organ and two very courteous invitations have been received. Again we considered a bi-monthly bulletin, printed in pamphlet form. This latter plan would take the newness from the news and to publish monthly with our present limited circulation involves rather heavy expense. So here is our idea, open to your comment. A monthly bulletin like this, for Association members only, supplemented by a page or two in each issue of The American City of such items as are of general interest.

This gives us our own medium for confidence and inside information. It also assures a wide circulation, without cost, to manager news that will serve to promote the movement. Is there any discussion on this question? The ayes have it.

PSALM OF THE SIMPLETON

Waltham Municipal Bulletin

The politician is my shepherd. I shall not want any good things while the campaign lasts. He leadeth me into the saloon for my vote's sake. He filleth my pocket with good cigars; my glass runneth over. He prepareth my ballot for me in the presence of my better judgment. Yea, though I walk through the dust or the mud to vote for him and shout myself hoarse when he is elected; straightway, he forgeteth me. Lo, when I meet him in his office, he knoweth me not. Surely the wool hath been pulled over mine eyes for all the days of my life, and I shall dwell in the house of the simpleton forever.

Celebrating 100 years

Manage This

How to Promote Inclusivity Through **Better Job Descriptions**

By Kendra Smith

Seeking to become more proactive and inclusive, many local jurisdictions are endeavoring to go "beyond compliance" and create substantive programs that recruit, hire, and retain underrepresented populations into their ranks.

Job descriptions are an important component of these approaches. Here are tips for using job descriptions to promote inclusivity that are taken from ICMA's new report, "Beyond Compliance: Recruitment and Retention of Underrepresented Populations to Achieve Higher Positions in Local Government" (ICMA.org/beyond-compliance).

1. Create clear job descriptions that are position-specific. A well-written description clearly identifies the responsibilities of the job, details the skills required to meet those responsibilities, and sets expectations for performance.

In contrast, poorly conceptualized and written job descriptions can be exclusionary, unclearly state the nature of the position, spur unqualified applicants to apply, and deter qualified applicants from applying.

Avoid such job description pitfalls as not expressing a commitment to diversity, equity, and inclusion; not connecting position responsibilities to organization objectives; or overemphasizing the minutia that comes with any job.

2. Avoid coded language in job descriptions. Even though the job description does not explicitly state a male or female is sought for a position, the choice of certain words can signal an invitation to one group to apply and a deterrence to another.

According to the *Journal of Personality and Social Psychology,* for instance, in male-dominated positions, such words as *competitive, enforcement, fearless,* and *leader* may be used, while words like *understand, transparent, catalyst, supportive, and interpersonal* may be used in female-dominated areas.

Organizations, however, no longer need to guess whether they are placing biased language in their job descriptions. There are software platforms available to analyze job descriptions for bias and gendered language.

3. Audit the organization's job descriptions immediately and regularly. According to the Society for Human Resource Management, organizations should

conduct an audit of their job descriptions every few years to ensure that they accurately reflect the work to be done. An industrial psychologist can help with this work.

Among other things, industrial psychologists are trained to assess critical competencies needed for jobs, design unbiased screening tools based on the actual needs of the job, and audit organizational hiring processes to identify potential legal risks.

If hiring an industrial psychologist is not possible, a feasible next step is assembling an interorganizational task force made up of people with expertise in human resources (HR), law, diversity, equity and inclusion, and leadership.

4. Examine your screening requirements to ensure inclusivity. Tests rarely provide a whole picture of a candidate's traits. A critical eye can determine whether tests are needed or if they are merely evaluating skills the candidate will learn on the job.

Tests also should be examined to ensure that there aren't discriminatory measures in place that can exclude potential applicants. Robust recruitment and hiring processes, including well-written job descriptions, validated exams or assessments, and diverse panels are likely to weed out unqualified candidates.

Through these steps, HR can improve hiring practices, ground standards in fact, and hire qualified candidates.

To gain more insight into equitable hiring, specifically around gender and inclusion, attend the ICMA University webinar "Interest, Confidence, Risk, Reward: Getting More Women into Local Government Management Positions" on March 26, 2019. To register, visit icma.org/events.

This webinar is available to ICMA members for free as a member benefit. To read more about recruiting and retaining underrepresented populations, download "Beyond Compliance" at icma.org/beyond-compliance. PM

Kendra Smith, *Ph.D., is director, community engagement, University of Houston College of Medicine, Houston, Texas (klsmith14@uh.edu).*

Exiting Your Position

By Marcia Raines, ICMA-CM, *and* Ryder Todd Smith

Address **IT Concerns** Before You Leave

Local government managers leave their positions for a plethora of reasons, ranging from newly elected officials to retirement to it just being time to move on. Whatever the reason, they can make sure they take all of the right steps to ensure that IT concerns are put to rest.

1. Ensure access to your contact list.

Today, not many people memorize phone numbers. Most of the contacts you have may be stored on a device controlled by your employer.

The moment your access is cut off, you may also lose all your contacts. Secure the contacts by exporting them to a personal account or into an Excel file that you can take with you.

2. Check work email used to login to personal resource accounts.

If you've been using your work email to login into personal resources (e.g., LinkedIn, Facebook) you'll want to keep in the future, go through all your personal resource accounts and change the email from your work to personal. This way, you'll still receive important notifications and updates and maintain access after you leave.

3. Update your LinkedIn profile.

One great way to have your contacts and network know where and how to contact you is to update your LinkedIn profile. That way your network will be able to see your updated job title and will contact you through your personal devices or ask for the best way to contact you.

4. Check access to your various professional memberships.

You may not have access to your professional memberships once your position changes, so it's always a good idea to check and update those profiles and logins if possible.

5. Ensure any personal files or images that you have accidentally received on your work laptop are removed (again, personal and not local government-related records).

Those images and files that you accidentally received on your work laptop? They have got to go.

Make sure you've removed *all* personal items from your devices prior to returning them to the IT or human resources department. Check with your local government's attorney on what is permissible.

6. Clear out your passwords.

Often, as we use our computers, we agree to store our passwords in our browser to keep ourselves logged into accounts. These passwords remain stored in your profile or browser.

To be safe, clear this cache so that your devices are not lurking around with access to travel files or information on other accounts that are personal to you.

7. Secure any letters of support or recognition for your work.

Achievements and awards are important endorsements to keep handy, especially for future interviews and reputation management.

Often these may be stored in digital files or in your email inbox at your work email. Secure those on a platform that you will have access to after you walk out the door.

8. Make sure you line up a good personal email address, and, if you are using AOL or Yahoo, swap that out for outlook.com or a Gmail address.

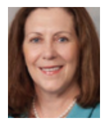
These days, everyone is using Outlook or Gmail for their email addresses.

Switching yours is not only a good way to stay up-to-date and relevant, but a great way to sync your contacts and calendars, share documents, and have everything you need all in one application. People might judge you negatively for using an AOL email address that could be considered passé. Don't give them that option, especially when the price of using the other solutions is free.

9. Give yourself enough time to check each of these points off your list.

Make time in your schedule prior to leaving to check (and possibly double-check) that each of these tips have been crossed off your list. If you are unsure how to go about any of these, do not hesitate to ask for help. Your organization's IT department should be able to help you in any way necessary.

You have spent a career building your connections, so don't let them disappear due to lack of foresight in planning for transition. Spending a little time before you transition will make the aftermath smoother and more pleasant, whether your plans entail social connections or promoting your new organization. PM



Marcia Raines, ICMA-CM, *is a retired city manager and founder of Public Sector Services, San Francisco, California (mraines.pss@gmail.com).*

Ryder Todd Smith *is president, Tripepi Smith, Irvine, California (ryder@tripepismith.com).*


Government Finance Officers Association
GFOA's 113th Annual Conference
May 19-22, 2019
LOS ANGELES
CONVENTION CENTER
California
Go to www.gfoa.org
to register today!
Earn more than 20 CPE credits
#GFOA2019
Session Details Available

Satisfying Surveys

By Kel Wang | How Much Will a **Community Survey** Really Help?

Does your local government conduct resident surveys? Have you ever used surveys for evidence in decision making?

If you answered "no" to these questions, keep reading to find out how a survey can improve your community and the services it provides.

A survey is a type of opinion poll that asks residents for their perspectives on such issues as quality of life, level of satisfaction with local government, or service importance, and it can be an important tool for informing local decisions.

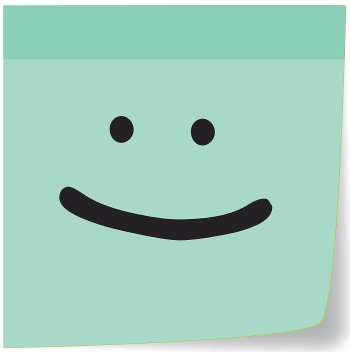
Satisfaction versus Perception

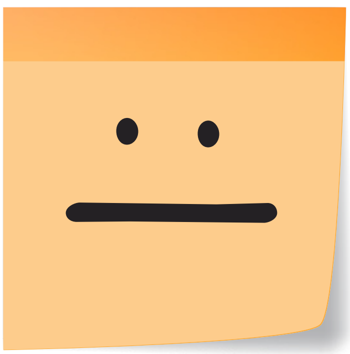
Individual opinions can be categorized into two types: satisfaction and perception. Satisfaction surveys are based on usage and experience, while perception surveys are based on observation and feeling.

Before getting into these two types in detail, it is important to understand the variety of local activities. Generally speaking, a community conducts two sets of activities: operational activities, which are routine services like garbage collection, road maintenance, or bus services, and transformation projects used to achieve long-term prosperity.

Examples of transformation might include revitalizing downtown or building a light-rail or subway system.

With these activities in mind, here are definitions of the two types: Satisfaction surveys provide a measurement of usage and experience held by residents regarding the services provided. Perception surveys provide an indicator or observation held by residents regarding the progress towards achieving long-term strategy or a governing body's strategic plan.





Both of these types of surveys present different sets of information and should be treated differently.

Connecting Surveys to Decision Making

The results from satisfaction surveys highlight people's experience in accessing local services and uncover opportunities for service improvement. Knowing the satisfaction rating of the public transit service, for example, and the factors driving the rating—on time, frequency, hours of operation, service coverage, safety, or cost—can help the service area to better prioritize and deliver cost-effective services.

Perception surveys, on the other hand, inform different decisions related to opinions. One of the corporate outcomes under the strategic plan of the city of Edmonton, Alberta, Canada, for example, is community connectedness. Connectedness is about residents' personal well-being and feeling part of the community.

In order to collect opinion-based feedback, using a perception survey is instrumental for this purpose. For the connectedness example, residents were asked: "Considering all aspects of your community life, please indicate the degree to which you agree or disagree with the following statement - I feel connected to my community?"

This question was designed to be broad in nature and to help surface »

Kel Wang *is corporate performance lead, Edmonton, Alberta, Canada (kel.wang@edmonton.ca), and thanks Ange Kress, communications adviser, Edmonton, for her help in making this article as easy to understand as possible. Author retains article copyright.*

the issues relevant to community overall. The question is subjective—it is about the feeling of respondents.

For Edmonton, the results of using perception surveys in this way have helped the council identify an opportunity and take corresponding actions. Since the beginning of the 2017–2021 council term, a council-led initiative called Community Hubs was created in collaboration with community stakeholders, including school boards and community leagues.

Perception surveys help officials identify an opportunity and take corresponding actions.

This initiative is intended to create an accessible gathering place for residents to strengthen people's sense of place and ultimately, a sense of connectedness. The initiative focuses on identifying and developing amenities and facilities through partnership.

The proposed approach was presented to councilmembers in June 2018, and the feedback was overwhelmingly positive from the community.

Four Steps to Improving a Survey

Satisfaction and perception surveys ask different questions to collect diverse opinions. Both are essential for understanding resident feedback from the local point of view and for making good decisions.

Here are steps to help you manage both survey types:

1. Define your survey objective. Be clear about your objectives. Are they service improvements or transformational changes? Choose one objective per survey and stick to it. Combining two objectives into one survey may result in a lengthy survey, as well as reduce respondents' patience, both of which will affect the quality of responses.

2. Draft a questionnaire that is conducive for decision making. Properly design the questionnaire to create an effective path for decision making. For the satisfaction survey, it is important to ensure the respondents have accessed the service before they answer the satisfaction question.

Second, carefully draft the follow-up questions to capture satisfaction drivers. For the perception survey, create a context for the question by sharing the definitions. Share the definition of connectedness, for example, before asking the perception question.

3. Decide on the appropriate data-collection method (telephone versus online). The data-collection method impacts survey cost and data quality; therefore, it is one of the critical decisions in the survey process.

Online and telephone-based surveys are the two most common methods. Online surveys have a cost advantage; however, the sample is not representative to the local population that impacts the quality of data and analysis. Telephone-based surveys have lower response rate, which could lead to costly data collection.

In Edmonton, perception surveys use both telephone-based and online data collection. Telephone surveys use a small but sufficiently sized sample to maintain data quality. Both results are analyzed and presented in the survey report. Interesting enough, they are largely consistent.

4. Conduct a demographic analysis. Last, but not least, demographic analysis is important to a resident-centered approach. Demographic analysis refers to analyzing survey responses by demographic categories, including age, gender, education, income, duration of residence, and other factors.

Knowing the persona of high- and low-rating respondents will help develop more targeted actions and address their needs at a granular level—initiatives to boost ratings for low-income or senior-service users or collaboration with settlement services for new immigrants.

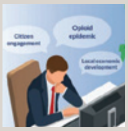
These factors are by no means the only approach or steps to collecting data and to enabling decision making. As local governments move forward with evidence or data-driven decision making, upgrading your current survey approach might be a convenient and quick way to achieve this goal. PM

@icma.org

LOCAL GOV LIFE PODCAST

Tips and best practices in Innovative Tools to Fight Against the Opioid Crisis.

https://icma.org/podcast/innovative-tools-fight-against-opioid-crisis



GIS

Esri's guide explains how to generate cost savings, demonstrate return on investment, and engage people using GIS.

https://icma.org/guide-smart-communities

CANNABIS INFORMATION

ICMA's report "Local Impacts of Commercial Cannabis" was published in October 2018.

https://icma.org/documents/commercial-cannabis-report

To advertise, contact Tilman Gerald, The Townsend Group, Inc., **202/367-2497**, or **tgerald@townsend-group.com**

ICMA

LGR

LOCAL GOVERNMENT REVIEW

Putting Research Into Practice

SPECIAL SECTION OF *PM* MAGAZINE, MARCH 2019

Meeting Service Needs with Tight Resources 2

Developing Local Cannabis Regulation 7

Building Public Trust: What Local Government Organizations Are Doing to Achieve It 12

BY AUSTIN ALDAG, YUNJI KIM, AND MILDRED WARNER

MEETING SERVICE NEEDS WITH TIGHT RESOURCES

Local Governments Employ a Range of Tools to Address Challenges

Local governments are challenged by fiscal stress to become both more efficient and effective while responding to growing community needs. Economic restructuring since the Great Recession, changing demographics (e.g., child poverty and aging society), environmental pressures (e.g., climate change), and state policy (e.g., mandates, preemptions, and declining aid) put local governments in a bind.

The 2017 ASD

ICMA's **2017 Alternative Service Delivery (ASD) survey** explores local government responses to flat or declining resources. Here are some key findings.

- Over half of local governments are under either medium or significant fiscal stress.
- Deferring expenditure and seeking new revenues are common responses to fiscal stress.
- Municipalities in 2017 are less likely to study the feasibility of privatization or to conduct systematic evaluation of private contracts than in 2012.
- Alternative service delivery has limited ability to address fiscal stress; community development is key.

How do they meet growing service needs with flat or declining resources? In too many states, the state is downloading its own fiscal stress onto local governments.[1] What is a local government manager to do?

Local governments employ a range of tools to address these challenges. By linking new revenue sources, new forms of service delivery, and community development, they can address fiscal stress and still meet community needs.[2]

ICMA's 2017 Alternative Service Delivery (ASD) survey[3] explores local responses in terms of service delivery methods, revenue sources, and community development. It finds local government managers use these three tools to craft a pragmatic response to changing needs and fiscal stress (see Figure 1).

SURVEY RESPONDENTS AND METHODOLOGY

Since 1982, ICMA has measured the use of alternative service delivery mechanisms by local governments. The survey measures the delivery method of commonly provided public services, obstacles and drivers of for-profit contracting (privatization), and intergovernmental cooperation as well as evaluation practices.

The 2017 ASD survey was administered by mail to the chief administrative officers in all communities with a population of more than 2,500 and to all functioning

FIGURE 1 || Professional Managerial Responses to Fiscal Stress

Source: Austin Aldag

counties. An online portal was also provided, and 16 percent of respondents responded online. The overall response rate for the survey was 17 percent, with 1,969 municipalities and 374 counties responding.

Geographically, there is representation from all 50 states, with Illinois having the most local governments responding (199) and Hawaii having the least (1).[4] The council-manager form of government yielded the highest response rate among all government types (22 percent).

The survey also checked the fiscal blood pressure of local governments and found more than half report moderate (42 percent) or high (14 percent) fiscal stress, while 34 percent of survey respondents report low fiscal stress, and only 10 percent indicate they have no stress.

What are the options to maintain services in times of tightening resources? Historically, localities have turned to private and intermunicipal contracting to reduce costs.

Results from the 2017 survey raise several cautions about the cost savings from these approaches. Savvy public managers are looking at new revenue sources as well, to the extent their state rules allow. Let's take a look inside the data.

TRACKING SERVICE DELIVERY METHODS

The 2017 ASD survey tracked the delivery methods of commonly provided services across the six areas of public works/transportation, public utilities, public safety, health and social services, parks and recreation, and community development.

For each service, respondents indicated whether it is currently provided in their jurisdiction, and if so how: through public employees entirely; public employees in part; another government or authority; private sector/for-profit and nonprofit; franchises/concessions; subsidies; and volunteers.

Most services are provided by public employees entirely (41 percent), while the most common alternative is intermunicipal contracting (28 percent), followed closely by for-profit contacting (20 percent). Nonprofit contracting is less common at 10 percent. See the survey summary online for a full breakdown by service across all delivery methods.

If we look back over time, we find that private, for-profit contracting last peaked in 1997 and has dropped or flatlined since then. Intermunicipal contracting has grown since the late 1990s and is now the most common alternative service delivery. On average, 28 percent of the services measured on the ASD survey are provided by intermunicipal contracting. This is up from 24 percent in 2012.[5]

Local governments contract with their neighbors to save money (78 percent) and achieve economies of scale (68 percent). But cost savings is not the only goal,[6] and research finds cost savings are achieved only about half the time.[7]

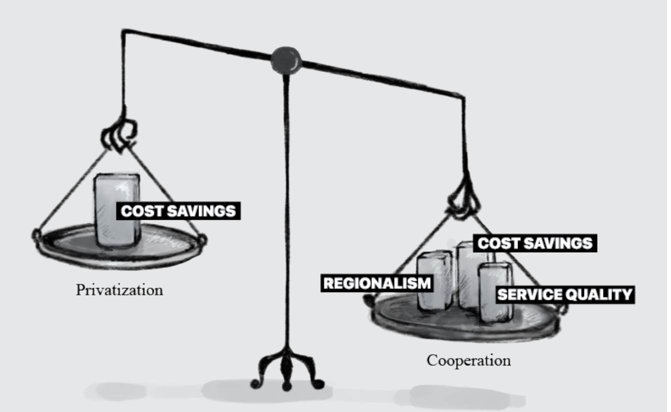
Local governments also report using intergovernmental contracting to promote collaborative intergovernmental relations (55 percent), high-quality service delivery (53 percent), and regional integration (44 percent) of service delivery. For some localities, intermunicipal contracting is the only option due to the lack of private providers (8 percent).

For-profit contracting is the next most common alternative at 20 percent and is driven primarily by the desire to reduce costs (83 percent) or address external fiscal pressures (49 percent). We believe cooperation is a more common service delivery alternative because it addresses a broader set of goals that are important to local government: cost savings, service quality, and regional coordination. Hence cooperation, when compared to privatization, helps tip the scale in alternative service delivery (see Figure 2).

NEW TRENDS IN PRIVATE CONTRACTING

Does private contracting deliver cost savings? It is hard to tell. The preponderance of the academic literature finds no statistical support for cost savings.[8] This is due in part to problems with lack of competition, high internal costs of contracting, and concern over erosion in service quality with private delivery. If communities are to find cost savings, they must be sure to monitor their contracts closely.

FIGURE 2 || Benefits of Cooperation Tip the Scale



Graphic by Nghi VM Nguyễn, Cornell University Fiscal Stress Project.

Evaluation of private contracts drops. A key concern raised by the 2017 survey, however, is that only 25 percent of local governments systematically evaluate private service delivery. This represents a 12-percentage point drop in local governments reporting that they conduct evaluations of private contracts since the 2012 survey.

In both 2002 and 2007, almost half of survey respondents reported evaluating private contracts. Declines in evaluations raise several concerns regarding service quality, access, and costs. Contracts require monitoring to ensure cost savings. See Figure 3 for trends of local governments' response to, *"Does your local government use any techniques to systematically evaluate its private service delivery?"* since 2002.

Exploring privatization also declines. The drop-in evaluation of private agreements may explain, in part, why studying the feasibility of new privatization also declined in 2017. The 2017 survey finds a 15-percentage point drop in the number of governments reporting studying the feasibility of adopting private service delivery in the last five years.

Just 33 percent of respondents reported studying privatization in 2017, down from 48 percent in 2012. In an environment of increasing fiscal stress, we might have expected greater exploration of private alternatives.

Why the drop-in exploration of private contracting? It is not clear. Only 20 percent of respondents indicated they encountered obstacles in adopting private service delivery. The obstacles are primarily due to opposition from local government line employees (46 percent), elected officials (43 percent), citizens (35 percent), and restrictive labor agreements (33 percent).

Could it be that managers are becoming more cautious contractors? Between fiscal pressures from above, management issues within contracts, and pressures from residents and employees, local governments must strategically manage their service delivery portfolio.

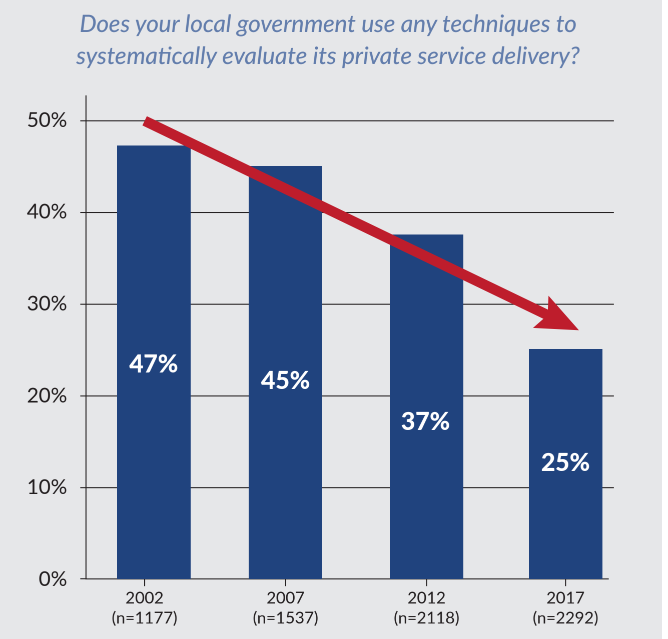
In this uncertain contracting environment, managers appear to proceed with caution, and the 2017 survey shows that managers are more likely to explore the feasibility of privatization (47 percent) and more likely to evaluate for-profit contracts (36 percent). The literature notes that such pragmatic management is key to balancing service needs, contract management in an environment of limited resources.[9]

PRIVATIZATION REVERSALS

Around the world, increased attention is being given to privatization reversals. This is often called "re-municipalization" in Europe, and "in-sourcing" in the private sector. This has garnered special attention in water services in particular, with the notable re-municipalization of Paris water after 100 years of private delivery.

The ICMA survey asked if municipalities have brought a previously contracted service back in-house in the past

FIGURE 3 || Fewer Governments Evaluate Private Contracts



Note: Y axis shows the percentage of survey respondents that answered yes to, "Does your local government use any techniques to systematically evaluate its private service delivery?"

X axis shows the year of the survey and the number of survey respondents.

Source: Austin Aldag

five years. In 2017, 14 percent of respondents report they have. This is down from 18 percent in 2012. The primary reasons are dissatisfaction with service quality (54 percent), lack of cost savings (46 percent), and improvements in local government efficiency (34 percent).

While the media often portrays such reversals as politically motivated, the 2017 survey data do not support this claim. Only 21 percent of municipalities report strong political support as a reason for bringing services back in-house. U.S. municipalities are pragmatic stewards. They both contract out and bring previously contracted services back in-house to address quality and efficiency concerns.[10]

Pragmatic local governments managers seek to maintain services and continue to serve residents. To do so, they must balance resident demands with fiscal constraints and internal (union and department head pressure), along with external pressures to explore alternatives. If fiscal stress deepens, their ability to continue to provide quality services is at risk. Alternative service delivery is no panacea.[11]

REVENUE STRATEGIES

What are other local government responses to fiscal stress? We see that they defer expenditures on capital projects (59 percent) and maintenance (44 percent) or reduce their fund balance (40 percent). They also seek new revenue sources, such as increasing user fees (55 percent), adopting new user fees (36 percent), and increasing taxes (43 percent).

Raising taxes, however, is becoming more difficult in the face of state-imposed tax and expenditure limitations (TELs) and resident pressure to keep taxes low. Indeed, a study of the severity of state TELs finds TELs "starve counties and squeeze cities." [12] The study also found counties are more constrained than cities due to their more limited range of revenue options. Counties cannot charge user fees for most services they provide.

Local governments are least likely to reduce or eliminate services (23 percent and 12 percent, respectively). When they cut, it is at the margin, reducing staff (46 percent) and personnel benefits (31 percent).

Some argue fiscal stress will become commonplace. If so, we need to identify new alternatives for service delivery and finance. Public private partnership (P3) financing for infrastructure, reported by just 11 percent of respondents, appears to have limited scope for local governments.

Development review fees (42 percent), exactions (29 percent), and tax increment financing (27 percent) are more common, but these can only be used if the community has development pressures.[13]

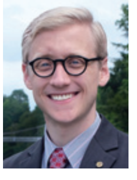
COMMUNITY DEVELOPMENT RESPONSES

In 2012, ICMA added a new set of services to the ASD survey that measure community development activities. The 2017 survey shows that economic development, comprehensive planning, and land use are core local government services, as common as public safety and street repair.

While these core functions are provided directly by public employees, job training, youth employment, and affordable housing are among the top community development services provided through intermunicipal cooperation. Local governments recognize that community development is a key strategy to meet fiscal stress and address community needs.

As we look to the future, local governments need to balance increased service demands with limited revenues. In a global world of mobile capital, local government is fixed in place and focused on community wellbeing. Community development is our core function.

As professional managers explore responses to fiscal stress, they recognize efficiency is not the only goal. Meeting community needs with innovative revenue and service delivery approaches requires a balance that pragmatic managers understand.


AUSTIN ALDAG is a Ph.D. student, Department of City and Regional Planning, Cornell University.
ama296@cornell.edu


YUNJI KIM is an assistant professor, Department of Planning and Landscape Architecture, University of Wisconsin-Madison and an extension specialist in the Local Government Center at University of Wisconsin-Extension.
ykim535@wisc.edu


MILDRED WARNER, PH.D., is a professor, Department of City and Regional Planning, Cornell University.
mew15@cornell.edu

ENDNOTES

1 Kim, Yunji and Mildred E. Warner. "Shrinking Local Autonomy: Corporate Coalitions and the Subnational State." *Cambridge Journal of Regions, Economy and Society* 11, no. 3 (2018): 427-221. DOI: 10.1093/cjres/rsy020.

2 Aldag, Austin, Natassia Bravo, Mark Cassidy, Alfie Rayner, and Zach Small. "Linking Fiscal Stress and Social Equity: A Municipal Toolbox." Issue Brief, (2017). Ithaca, New York: Cornell University. http://cms.mildredwarner.org/p/280.

3 The survey was supported in part by funding from the Agricultural and Food Research Initiative of the United States Department of Agriculture (USDA), National Institute of Food and Agriculture (NIFA) (grant number 2017-67023-26226).

4 This survey response pattern mirrors the number of general-purpose local governments (i.e. counties, cities, towns, villages) by state per the 2012 Census of Governments. Illinois has 2,831 units of local government and Hawaii has four.

5 Homsy, George C. and Mildred E. Warner. "Intermunicipal Cooperation: The Growing Reform." In *The Municipal Yearbook* 2014, ed. ICMA, 53–65. Washington, D.C.: International City/County Management Association.

6 Aldag, Austin M. and Mildred E. Warner. "Cooperation, not cost savings: explaining duration of shared service agreements." *Local Government Studies* 44, no. 3 (2018): 350–370.

7 Holzer, M., and John C. Fry, J. *Shared services and municipal consolidation: A critical analysis.* 2011. Public Technology Institute.

8 Bel, Germà, Xavier Fageda, and Mildred E. Warner. "Is Private Production of Public Services Cheaper than Public Production? A meta-regression analysis of solid waste and water services." *Journal of Policy Analysis and Management* 29, no. 3 (2010): 553–577.

9 Kim, Yunji and Mildred E. Warner. "Pragmatic Municipalism: Local Government Service Delivery in the Great Recession." *Public Administration: An International Quarterly* 94 no. 3 (2016): 789–805.

10 Warner, Mildred E. and Amir Hefetz. (2012), "In-Sourcing and Outsourcing: The Dynamics of Privatization among U.S. Municipalities 2002–2007." *Journal of the American Planning Association* 78 no. 3 (2012): 313–327.

11 Kim, Yunji. "Can alternative service delivery save cities after the Great Recession? Barriers to privatisation and cooperation." *Local Government Studies* 44 no. 1 (2018): 44–63.

12 Wen, Christine, Yuanshuo Xu, Yunji Kim, and Mildred E. Warner. "Starving Counties, Squeezing Cities: Tax and Expenditure Limits in the U.S.," *Journal of Economic Policy Reform* (2018) DOI: 10.1080/17487870.2018.1509711.

13 Kim, Yunji. "Limits of Property Taxes and Charges: City Revenue Structures After the Great Recession." *Urban Affairs Review* (2017) DOI: 10.1177/1078087417697199.

LGR
LOCAL GOVERNMENT REVIEW
Putting Research Into Practice

MARCH 2019 SPECIAL SECTION

Managing Editor
Cory Fleming
lgrfeedback@icma.org

Creative Services
Erika White, Designer

In the tradition of *The Municipal Year Book*, ***LGR: Local Government Review***—a special section of Public Management (PM)—presents key research findings and expert insights about local government issues and trends. ***LGR*** is published as new research findings and analyses become available.

ICMA's intent is to contribute to the profession's collective understanding of practices, policies, and trends that have a significant impact on local governments, now and with an eye toward the future.

LGR: Local Government Review is offered to ICMA members as a benefit of membership. Non-ICMA members will be able to purchase e-copies of this special section from ICMA's online bookstore for $8.95 as of November 27, 2017. Enter e-44080 into the bookstore's search field.

BY LAURA GODDEERIS AND WILL FRICKE

DEVELOPING LOCAL CANNABIS REGULATION

A Massive Shift in Cannabis Policy at the State Level Is Forcing Local Governments to Confront This Newly Legal Commercial Activity

The landscape of perspectives and policies on cannabis has grown increasingly green over the past two decades. In 2003, 34 percent of Americans supported legalization of recreational cannabis, while 64 percent opposed it.

Sixteen years later, the numbers have completely reversed, with 62 percent of American supportive of legal cannabis and 34 percent opposed.[1] This shift in public opinion has led to a similar shift in public policy.

While cannabis is still a Schedule I controlled substance with “no currently accepted medicinal use and a high potential for abuse” according to the U.S. Drug Enforcement Administration, 70 percent of Americans live in the now 33 states, the District of Columbia, and territories that have enacted legislation broadly permitting the medical use of cannabis. A third of those allow adult recreational use.

Another 13 states authorize medical cannabis in more limited situations, leaving just four states (Kansas, Nebraska, South Dakota, and Idaho) that do not permit medical or recreational cannabis activity under any circumstances.[2] With a massive shift in cannabis policy at the state level, an increasing number of local governments find themselves forced to take their own positions.

To assist local governments in approaching this issue, ICMA recently released *Local Impacts of Commercial Cannabis*, a report on cannabis’ potential economic development, public health, public safety, and environmental implications.

In developing this report, ICMA interviewed chief administrative officers and staff from 14 local governments that have taken steps to facilitate newly legal commercial cannabis activity within their communities. Here, we summarize key lessons learned from their processes, motivations, expected and unexpected challenges, and early impacts as the industry has taken root.

Full case studies and additional findings are available in the *Local Impacts of Commercial Cannabis* report available for free download at icma.org/documents/commercial-cannabis-report.

LESSON 1: A complicated web of conditions at federal, state, regional, and local levels influences local policy development and implementation.

State-level policy is the linchpin, dictating whether a local government must establish its own cannabis policies to augment, differentiate from, or implement the state rules. Via one or more measures, state laws typically dictate such issues as the types of activities permitted, licensing and regulation authority, user restrictions, tax structures, and timing of implementation.

These issues should trigger local conversations about the role that the state government will play in licensing

> **“It’s one of the most complex public policy issues I’ve faced as a local government manager given the political and societal demographics.”**
>
> *—Matthew Bronson, city manager, Grover Beach, California*

and regulating local businesses, the source of revenue for the local government (i.e., state revenue sharing and local taxes and fees), and the extent to which the local government controls the zoning regarding time, place, and manner of commercial cannabis activities.

It is important to note that there may be activities, especially related to cultivation for personal use, over which local governments have little to no control under state law.

Local results on statewide legalization measures may also entitle or prohibit specific actions. In Oregon, for example, cities located in counties voting less than 55 percent in favor of Ballot Measure 91, were (for a window of time) able to enact a local ban on commercial cannabis without referring it to their voters.

This policy applied to cities in 27 of Oregon’s 36 counties. Medford, the seat of Jackson County, Oregon, was eligible to enact a ban but declined to do so on all commercial activity. The city of 80,000 residents collected a total of approximately $665,000 between June 1, 2017, and May 30, 2018, from a combination of state revenue sharing and a local 3 percent sales tax on cannabis sales.[3]

Local governments weighing a ban on commercial cannabis activity should be aware of state revenue sharing policies, and whether a ban would make them ineligible to receive cannabis revenue sharing.

Local governments often used community voting records on the statewide legalization measures as barometers of public opinion. In Kirkland, Washington, where 66 percent of local voters supported Initiative 502 (compared to 56 percent statewide), leaders took this as a signal to begin crafting local regulations to implement the will of a clear majority of residents.

Where voters were more evenly split and had a history of reversing decisions on legal cannabis, as in Fort Collins, Colorado, the city knew to anticipate a fair degree of resistance as it proceeded in implementing Amendment 64.

State and local laws attempt to regulate inter- and intra-state cannabis commerce, but industry interest and externalities transcend political borders. Local governments should be aware of how their neighbors are approaching the issue and consider the interrelatedness of these decisions. In Carpinteria, California, while local officials worked to develop regulations while under a temporary moratorium, cannabis cultivation continued to expand just across the street on unincorporated Santa Barbara County land. For the city of Durango, Colorado, this meant not only coordinating with La Plata County in planning for commercial cannabis activity, but also anticipating impacts on the market given its close proximity to the borders of three additional states with more restrictive laws.

State and local governments enacting legal cannabis policies do so in conflict with its federal status, accepting certain challenges and risks. The industry, for example, is effectively excluded from the federal banking system and forced to operate on an all-cash basis.

This particularly challenged Durango when operators came to pay property taxes at city hall, which initially wasn’t a completely closed (i.e., secure) facility. The businesses delivered their taxes in the form of bundles of cash, forcing the city to implement both interim and permanent security practices to protect the safety of its employees.

Some local governments feel the potential risk of intensified federal enforcement in conflict with local regulations is reason enough to avoid introducing the industry to the local economy. What happens if businesses are suddenly forced to close en masse or if local governments are penalized for accepting revenue from cannabis? As the total number of legal medical and recreational states continue to increase, however, others are hedging their bets that the federal government will continue to focus on other priorities.

Even so, City Manager Matthew Bronson, Grover Beach, California, acknowledged that a major change in federal enforcement could have a “chilling effect” now that businesses in his community have come online.

LESSON 2: Cannabis regulation requires leadership, coordination, and communication across the entire local government administration.

A constantly shifting playing field will necessarily put local governments in a reactive position at times, but clarity around the motivation for establishing local cannabis regulations will help leaders navigate what is likely to be a long and complex process.

Even in more divided communities, managers often talked about implementing the overall will of voters. Their

Lessons in Action: Cannabis in Coastal Counties, *by Julie Zimmerman*

The coastal counties of California are home to some of the most productive agricultural land in the world: the vineyards of Sonoma, the broccoli and strawberry fields of Santa Barbara and San Luis Obispo, and the Salinas Valley of Monterey, known as the Salad Bowl of the World. So, with the state's 1996 legalization of medical and 2016 legalization of recreational cannabis, it was only natural that the counties along California's coast would also start or expand cannabis as a crop.

Counties, however, like Sonoma, Santa Barbara, San Luis Obispo, Monterey, and Santa Cruz now face a new set of challenges and opportunities that the cultivation of raspberries and nursery plants doesn't present. The five counties have some significant differences.

Monterey County, for instance, is 10 times the size of neighboring Santa Cruz County. Some counties allow outdoor growing while others restrict it to indoor greenhouses. Some have been wrestling with cannabis cultivation for decades, while others are new to the game.

They share an agricultural history and tradition, and they are all grappling with similar issues and challenges that can include:

- What's the best way to convince previously illegal growers to come into compliance despite all the paperwork needed to obtain a license?
- What tax rate maximizes revenues while encouraging consumers to select legal cannabis instead of buying cheaper cannabis that's been illegally grown?
- How do counties protect traditional agricultural uses and avoid a speculative bubble while the industry determines the level of demand?
- What is the best way to get a perishable agricultural product to market quickly while protecting public health, safety, and the environment?

Monterey County's Program

For its part, Monterey County set up a cannabis program that coordinates the work of 10 departments: treasurer/tax collector, district attorney, health department, agricultural commissioner, assessor, auditor, sheriff's office, county counsel, resource management agency, and county administrator's office. The board of supervisors decided it wanted the county to be a leader in cannabis, and the county hired Management Partners to facilitate the creation of a cannabis strategic plan.

After much discussion and reflection, Monterey County established a mission for its cannabis program: "To provide a local framework for successful leadership and management of commercial cannabis through coordination and collaboration with multiple county departments, state agencies, and local governments to address taxation, regulation, policy, enforcement, education, and protection of the health, environment, and safety of our communities." It identified four goals, with accompanying strategies:

- Support economic development while being mindful of other local industries.
- Protect public health, safety, and the environment.
- Ensure effective, equitable compliance and enforcement that is self-funded.
- Generate revenue that supports the program and public services.

The county also created an implementation plan to provide accountability and increase the likelihood that the strategies will be executed. It includes a schedule that covers the three years of the plan, with most of the strategies spanning multiple departments.

That holistic approach governs its response to questions that arise about land use, enforcement, public safety, keeping up with the regular regulatory and legislative updates, and trying to figure out what revenue is realistic while understanding the county's role in the supply chain.

Collaborative Outreach

Just as counties have needed to pull together people across their organizations to respond to the challenges and opportunities created by cannabis, officials understand that collaboration with colleagues in peer counties along the coast helps everyone.

This inspired the Coastal Cannabis Program Forum, which had an inaugural introductory gathering in September 2018 and plans to convene biannually to work through a specific agenda of issues. There's also hope that the in-person forums will encourage relationships and informal exchanges of information, as well as the occasional urgent plea for help.

"We all share the same sense of opportunity as well as the same misery sometimes," says Joann Iwamoto, Monterey County cannabis program manager. "No matter where you go, we all have the same issues with the permit process, taxes, enforcement. This is a new industry so it's very much a start-up, but it's also highly regulated, so we all have similarities in what we are trying to deal with."

processes emphasized figuring out *how* to do that, rather than on whether they should.

Another common theme among local motivations was reducing the black market. Sean McGlynn, city manager of Santa Rosa, California, stressed the importance of its council providing clear intention of their focus on the issue: “bring certainty to a very uncertain landscape.”

This philosophy challenged and empowered staff to work internally and with the industry to build trust and a path to compliance. Only through this approach could the city maximize opportunities to tax the industry, impose standards to protect public health and safety, and ensure maximum compatibility with community character.

Other local governments had even more specific and tangible goals. Grover Beach zeroed in on an economic development objective for opening its doors to the industry, estimating that the industry could eventually generate tax revenue equal to nearly 20 percent of the general fund budget.

The city tailored regulations to capitalize on demand for its industrial land by requiring cannabis businesses to make public improvements to their properties. It also continues to adapt its taxing scheme, recently lowering the local tax rate to avoid driving the industry back underground.

Because legal cannabis activities touch a wide range of local government departments and functions, leaders described pulling teams together early and often to provide differing perspectives. While elected officials and chief administrators were often the primary public faces during decision-making processes, staff from planning and public safety also played important roles in policy development, implementation, and evaluation.

Clerks, code enforcement, assessment, public health, economic development, and other departments also played vital roles in preparing local governments and their communities for legal cannabis and ensuring a smooth transition. Regular meetings of interdepartmental task forces—Fort Collins’ meets about every six weeks—or working groups can ensure staff remain aware of and responsive to emergent issues.

LESSON 3. Deliberate, transparent community engagement is worth the effort.

“Start early and walk a slow path,” offered Modesto, California, City Manager Joe Lopez to colleagues on this topic. While changes at the state level may necessitate swift decision making on key questions about commercial cannabis (e.g., the decision to opt in or opt out), in general, local governments should anticipate an extensive and involved process to work through community concerns.

Leaders described using a wide range of such engagement strategies and tools as workshops, surveys, maps, and both formal and informal meetings over the course of months or even years to develop their regulations, with some chronicling the entire process on the government’s website for public reference.[4]

Though intensive, these steps were viewed retrospectively as essential, providing opportunities for education, dialogue, and relationship-building between the community, the industry, and the local government.

In Kirkland, Washington, where the local vote on statewide legalization passed at a rate of 66 percent in favor, city leaders were surprised at the level of organized opposition to cannabis as they began the process of developing their regulations. What was easy to support in theory was more complicated, it turned out, in practice.

As a result, the city council, city manager's office, and the planning director spent significant time listening to the community and trying to understand the fears expressed about issues like crime, youth access, and traffic. These concerns informed specifics of the local regulations eventually imposed, including the extension of buffering requirements along school walk routes to further reduce youth exposure to cannabis retailers.

Administrative and planning staff of Santa Rosa spent two years engaging with the community in neighborhood, subcommittee, and council meetings as the city developed a series of interim regulations. Though time-consuming, when the city's comprehensive commercial cannabis ordinance finally came up for its formal public hearing, it passed with little resistance.

Santa Rosa also intentionally designed a permitting process promoting transparency, requiring public notices and hearings rather than administrative approvals for cannabis businesses seeking to locate within the city.

LESSON 4. As the industry emerges from underground, expect to regularly monitor key indicators and adjust regulations.

It is important for local governments to be aware of the constantly shifting environment in a young commercial cannabis industry. The costs of regulation versus revenues brought in, public safety and public health statistics, planning or code violations, complaints, new applications, and other indicators can help give administrators, elected officials, and the public a sense of what changes, if any, need to be made to regulations.

And beyond engagement in the initial development process, local governments can foster community trust by building into their regulations sunset provisions, temporary caps, or other features providing assurance that the policy will be reviewed and updated as warranted.

While Kirkland acknowledged the ample lead-in time afforded by Washington's state legislation, many local governments instituted temporary moratoriums on activities later permitted while they took time to work through community input and regulation development processes. They cautioned against opening doors that would be difficult or impossible to later close, like letting in a type of business activity later determined to be out of character with the community.

The city and borough of Juneau, Alaska, used a moratorium period to develop its initial regulations, then continued with additional policies specific to such issues as cannabis extractions, odor control, and commercial cultivation locations as they watched the market unfold. Now, more than a year into implementation, Juneau may consider restricting future cultivation locations (as the market appears to have reached equilibrium) and possibly allowing on-site consumption like its breweries and distilleries.

The commercial cannabis regulations in Grover Beach began with strict measures that were gradually relaxed to what was deemed appropriate as the city was able to get a sense of the local market. The strength and professionalism of retail cannabis dispensary license applicants prompted the city to increase the number of available licenses and relax the required setbacks from sensitive uses.

The long-term local impacts—both positive and negative—of a regulated cannabis industry remain to be seen as so many variables continue to change. "It's too soon to tell," was a common refrain among local government leaders in communities choosing to opt in early, but these examples still provide useful indications and model processes for those just beginning to think about regulating cannabis. ICMA gratefully acknowledges the city of Half Moon Bay, California, for its support of this initial research.

LAURA GODDEERIS, AICP, is director of survey research, ICMA, Washington, D.C.
lgoddeeris@icma.org

WILL FRICKE is an assistant program manager, ICMA, Washington, D.C.
wfricke@icma.org

JULIE ZIMMERMAN is chief knowledge officer, Management Partners, Cincinnati, Ohio.
jzimmerman@managementpartners.com

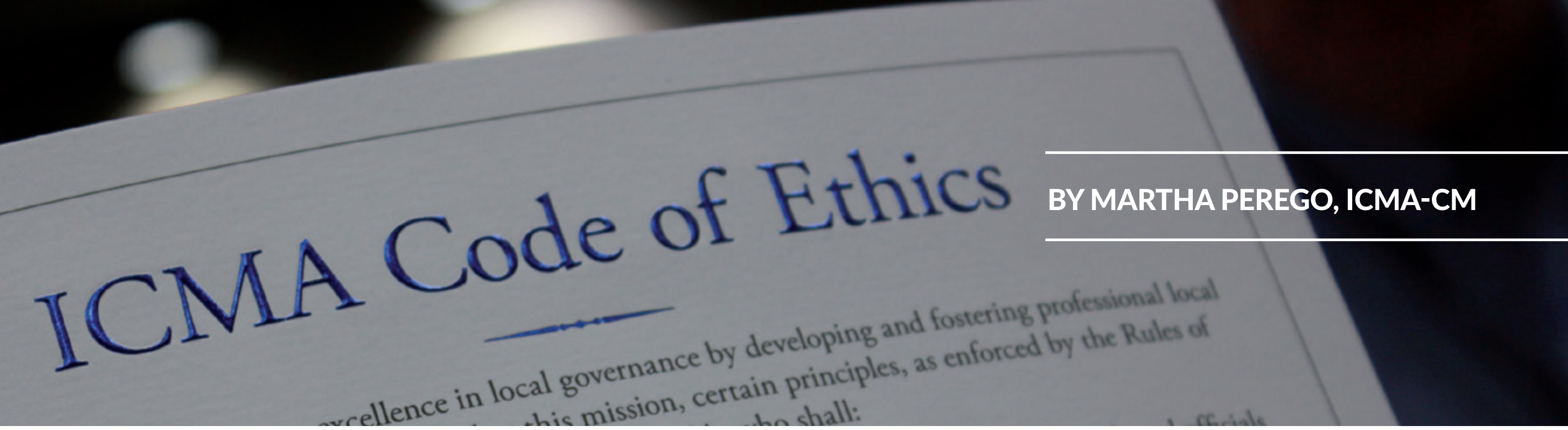
ENDNOTES

1 Hartig, Hannah and Geiger, Abigail, "About six-in-ten Americans support marijuana legalization," Pew Research Center, October 8, 2018. https://pewrsr.ch/2EgWSw6.

2 National Council of State Legislatures, "State Medical Marijuana Laws," November 8, 2018. http://bit.ly/2G2gk1D.

3 Morgan, Nick, "Medford Weighs Ways to Spend Pot Taxes," *The Mail Tribune*, July 28, 2018. http://bit.ly/2QzQjdV.

4 See, for example, the cities of Battle Creek, Michigan (http://bit.ly/2KWaVry) and Half Moon Bay, California (http://bit.ly/2RCuUya).



BY MARTHA PEREGO, ICMA-CM

BUILDING PUBLIC TRUST:

What Local Government Organizations Are Doing to Achieve It

Findings from ICMA's 2018 Ethics in Local Government Survey

Trust in local government remains at a high level. According to the results from Gallup's 2018 annual Governance poll, 72 percent of American adults say they have a "great deal" or a "fair amount" of trust in their local government (see Figure 1). Gallup characterizes this as a trend that has varied little over the past two decades.

This should be welcome news for the thousands of leaders, managers, and staff who work with elected officials to deliver essential services and improve the quality of life for their residents. Trust is an essential component for success in any relationship. For those in the public sector, it is *the* essential ingredient for delivering on the promise of a successful, equitable, and effective democracy.

To what do we owe this rating? As with any complex issue, a variety of factors come into play. Legal standards, along with enforcement, play a critical role. Financial disclosure laws at the state level bring transparency, which may even deter personal business relationships between public officials and entities doing business with local governments. Those relationships present either a conflict of interest in fact or appearance, both of which can erode the public's confidence in decisions made by local governments and their officials.

Some laws like California's Political Reform Act go as far as to prohibit decisionmakers, whether elected or appointed, from having any financial interest in an official transaction. Recusal is not an option; the transaction itself is illegal.

In an effort to dispel a "pay-to-play" perception, all states have legislation regulating the gifts that elected and appointed officials can receive. They vary widely, however, on such critical components as defining what constitutes a gift, source of the gift, single dollar value, annual dollar limits from a single source, and disclosure.

Ethics laws lay a critical foundation, and until they are far more stringent and uniform, are insufficient to improve the ethical climate. The gap between conduct that meets the legal test, yet is cringeworthy, is huge. Success depends on a more holistic, authentic approach to building an ethical culture within an organization.

ICMA members, with their commitment to the profession's Code of Ethics, can influence public trust by their very actions and conduct day in and day out. Yet how do they ensure that the organizations they lead and work in function at those highest levels of ethics? Leadership sets the tone, although creating an ethical culture requires more than just an ethical leader.

ICMA promotes a comprehensive strategy that encompasses setting organizational standards by a code of conduct supported by good policies; incorporating those standards into who is hired, retained, and promoted; providing rigorous real-world training on organizational

FIGURE 1 || U.S. Confidence in Local and State Government, 1972–2018

Source: Gallup, "Americans Still More Trusting of Local Than State Government," by Justin McCarthy, October 8, 2018, https://news.gallup.com/poll/243563/americans-trusting-local-state-government.aspx.

standards and ethics; and providing safe, secure opportunities for people to seek advice and report potential wrongdoing.

In 2018, ICMA partnered with Sacramento State University in the "Ethics in Local Government Survey" to learn more about the current status of ethics standards, policies, and training in local government. The survey was distributed to ICMA member chief administrative officers to answer on behalf of their local governments, which may operate under a council-manager, mayor-council, or another form of government.

The survey was made available to 3,093 ICMA members affiliated with municipalities, counties, councils of governments, and special districts in the United States. A total of 838 members completed the survey, yielding a response rate of 27.1 percent. This article discusses the 2018 survey's findings.

FIGURE 2 || Frequency Where Code of Conduct Issues Are Not Addressed

Issue	Not Addressed
Values statement	31.70%
Social media policy	30.20%
Internet usage policy	9.00%
Acceptance of gifts or favors	4.70%
Political activity	10.60%
Use of public resources	5.60%
Conflicts of interest	4.80%
Nepotism	9.30%
Appropriate conduct in the workplace	5.90%
Outside employment	8.10%
Decision making in the public interest	24.80%

Source: 2018 Ethics in Local Government Survey, ICMA.

ORGANIZATIONAL CODE OF ETHICS

Some 63 percent of respondents developed their own code of ethics. Setting the values that drive the conduct of everyone in an organization is a critical first step to building an ethical culture. Absent a uniform standard, people are relying on the standards set by their professional association, regulations that may be adopted by the state, or their own assessment of what is okay.

This presents an enormous risk to the organization. It is not that people are lacking in values or are nefarious by nature. The reality is that many ethical mistakes happen because people don't understand the organizational norms or expectations.

In developing their code, 70 percent of the organizations relied on staff for the effort. If the purpose of a code is to influence behavior then having input, engagement, and ownership by everyone is important. Here is

It's complex work. As one survey respondent noted: "I have a high threshold for ethics and this survey made me realize that I need to do a better job of communicating ethical standards to our employees."

a process used by one local government that responded to the survey:

> *"The township formed an ethics committee composed of staff at all levels. Over the course of a year, committee members conducted research and consulted with each department to get a better understanding of the ethical climate and concern. They also engaged the law director and consulted with representatives from the state ethics commission.*
>
> *"Committee members surveyed all employees prior to presenting their draft policy to the township's management team and ultimately to the governing body. After the policy was adopted by the governing body, committee members met with each staff member to introduce the policy and provide training.*
>
> *"Ethics committee members continue to serve as a resource for employees and maintain and publish a frequently-asked-questions list that is updated as needed. Assessing the outcome, they concluded: 'We believe that the employees were far more receptive to the policy due to the involvement of their peers.'"*

Organizations that did not take this approach used an attorney, relied upon a state model ordinance, or used a combination of resources to get the job done.

Respondents were asked whether the ICMA Code of Ethics or the American Society for Public Administration (ASPA) code was used as a reference in their efforts to set an organization standard or required employees to comply with it. Results showed that 56 percent refer to the ICMA code in their work.

One respondent from a Colorado community noted: "We have the ICMA Code of Ethics on the wall in each department head's office citywide. We adopt the full ICMA Code of Ethics for all city employees in addition to Colorado statutory ethical rules."

Asked whether employees are required to adhere to the ICMA Code of Ethics, only 2 percent responded in the affirmative. This is to be expected considering that there are such requirements and obligations under the Code as political neutrality that would not be reasonably required of all staff. About 6 percent of respondents used the ASPA code as a reference point in their efforts.

ETHICAL STANDARDS ADDRESSED IN AN ORGANIZATION'S CODE

The survey identified 11 areas that pose ethics quandaries or landmines for local government staff and elected officials. The areas are setting values or norms, social media policy, internet usage policy, acceptance of gifts or favors, political activity, use of public resources, conflicts of interest, nepotism, appropriate conduct in the workplace, outside employment, and decision making in the public interest.

It asked whether and how organizations addressed setting appropriate standards to tackle these issues. The good news is that local government organizations deal with these issues at significantly high rates.

As to whether organizations address these issues in a code of conduct or by policy, the results were split. Perhaps it is clearer to report on the frequency where these issues are not addressed at all (see Figure 2). The key point from Figure 2 is the fact that a third of survey respondents haven't addressed the use of social media as it relates to work.

TRAINING ON THE CODE

Regular training on an organization's code sends the message from leadership that ethical conduct and an ethical approach to work matters. Done well, it provides practical guidance to assist elected officials, staff, and volunteers who represent the organization on boards and commission to make wise decisions.

Again, the good news is that 80 percent of the organizations responding do provide training, and it is largely mandatory. Who is required to take the training varies: elected officials (65 percent), managers (78 percent), all staff (88 percent) and board and commissions (66 percent). The median length of the training is two hours.

As part of the strategy to keep staff informed and committed to the internal code, 62 percent require new employees to sign the code on hire. Seven percent take the extra step to require all employees to sign the code annually.

RECRUITING ETHICAL TALENT

Given the significant investment local governments have in their workforce, assessing the ethical competency of applicants should be as critical as evaluating skills and abilities. Perhaps American philanthropist Warren Buffett said it best: “In looking for people to hire, look for three qualities: integrity, intelligence, and energy. If they don’t have the first, the other two will kill you.”

Based on the survey results, this is an area requiring additional focus and effort. More than half (52 percent) of the responding local governments do not incorporate ethics in the employee recruitment and selection process.

For those that do, presenting ethical scenarios in the oral interview was by far the most common method to assess the ethical competency or awareness of an applicant (74 percent). Providing situational questions to be included in a written exam was the least selected method (25 percent).

Other approaches related to an effort to recruit ethical staff included providing the applicants with a copy of the organization’s code and including it in the job announcement.

ADVICE AND ENFORCEMENT

Depending on how the position is resourced, an ethics officer in an organization can offer advice to officials and staff on ethical dilemmas, manage compliance-related issues, and provide training or oversee the training program. In the private sector, compliance officers are a given.

The vast majority of responding local governments (86 percent) do not have an ethics or compliance officer. Where the position exists, in over half the organizations responding the position reports to the chief administrative officer.

The results dispel to some extent what might be a common assumption that it is the large, complex organizations who need and can afford this luxury. The position is most frequently found in organizations serving communities with populations between 10,000 and 100,000.

Using an entity-wide ethics office, commission, or board is similarly not a common approach. Only 13 percent of organizations responding indicated that they resource these approaches.

An ethics board can serve in a similar capacity. Although given the deliberative nature of a body of individuals, a board might not be as nimble in providing real-time ethics advice.

WHISTLEBLOWING, REPORTING MECHANISMS, AND INVESTIGATIONS

How do local government organizations learn about ethics issues? More than half, 55 percent, have an established process for reporting ethical issues. For those that have a formal process, the overwhelming majority (85 percent) allow complaints to be made anonymously or off the record.

This is a critical process because for the individual taking the step to report an ethics issue there is a risk, be it real or perceived. They may be concerned about employment security and relationships with coworkers. For the organization, it is imperative to create a secure, safe reporting pathway so that managers learn about issues and can address them.

Responding to the array of ways that an issue could be reported, 52 percent use a form submitted to human resources; 20 percent have an internally managed hotline; and 13 percent use an externally managed hotline.

Addressing the issue when reported is the reactive approach. On the proactive side, the survey asked whether identifying and resolving ethical issues is a routine part of the local government’s organizational management. Some 53 percent of respondents said that it is. Their tactics and strategies for doing so is a question for a future survey.

REINFORCING THE VALUES

Good organizations recognize and reward talented employees for their work ethic and achievements. Certainly, one aspect of exemplary performance is adherence to the principle of doing “the right thing the right way.” This is conduct that achieves the desired outcome consistent within the organization’s ethical standards.

Organizations were asked if they recognized staff for “ethical behavior” with an award, personal message, or formal announcement. More than two- thirds of respondents don’t do this on a formal basis. This is yet another area to explore in future research, as perhaps this is a factor already embedded in employee recognition programs or perhaps not.

TAKEAWAY

Developing and supporting ethical professionals on their journey to create and lead ethical organizations has been an integral part of ICMA’s mission since the Code of Ethics was written 95 years ago. This survey is one step on the path to assisting the community of professionals who share this mission.

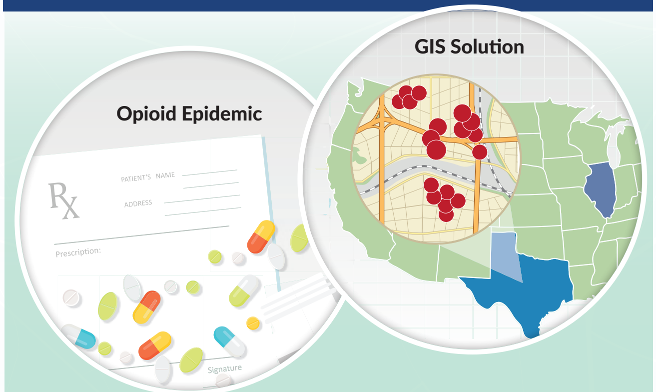
MARTHA PEREGO, ICMA-CM, is ethics director, ICMA, Washington, D.C.
mperego@icma.org

GIS: HELPING GOVERNMENTS BUILD SMART COMMUNITIES

Prioritizing Community Engagement

Community engagement requires meeting constituents where they are. GIS technology offers innovative solutions that make it easier for community members to participate. There are apps that make it possible to direct citizens to voter polls with the shortest lines or for residents to provide feedback on strategic plans online.

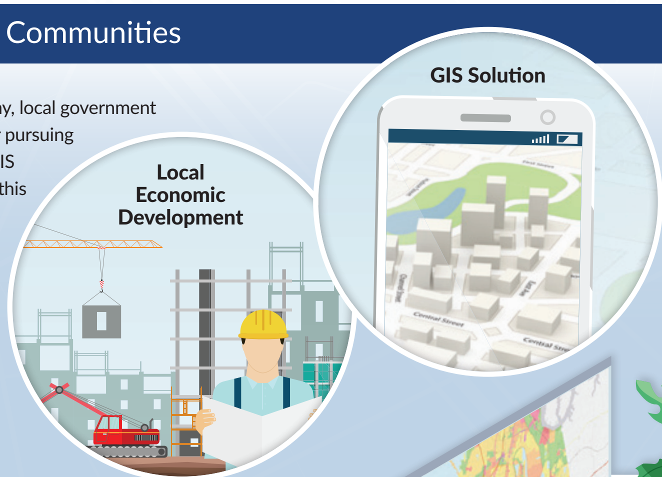
Tackling Social Inequities



In the **public health field**, the opioid epidemic has resulted in the overdoses of thousands of people across the country. Using GIS technology, local government can track the location of Rx disposal stations, collect overdose data for locating treatment centers, and monitor Narcan distribution programs.

Promoting Prosperous Communities

In our rapidly changing global economy, local government leaders must adopt new strategies for pursuing their **economic development** goals. GIS technology helps leaders understand this new marketplace and what it takes to grow the economy.



ICMA | esri THE SCIENCE OF WHERE

What Is the APENDIUM?

IAAO has undertaken a major initiative to capture and articulate a Body of Knowledge (BOK), a compendium that captures, in one place, a description of the expertise required to effectively work within the assessment profession. This document provides the framework for that compendium by describing the key areas of knowledge in which assessors must establish competency, and identifying the broad categories of skills required by professionals working in each Knowledge Area. This BOK Framework document was developed by a team of subject matter experts, drawing on an average of 30+ years of assessment experience.

ONLY AVAILABLE ON AMAZON.COM

amazon

IAAO PUBLICATIONS