



Planning, Sharing and Growing ... *Together*

Regional Land-Use & Infrastructure Planning and Tax Base Sharing

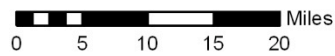
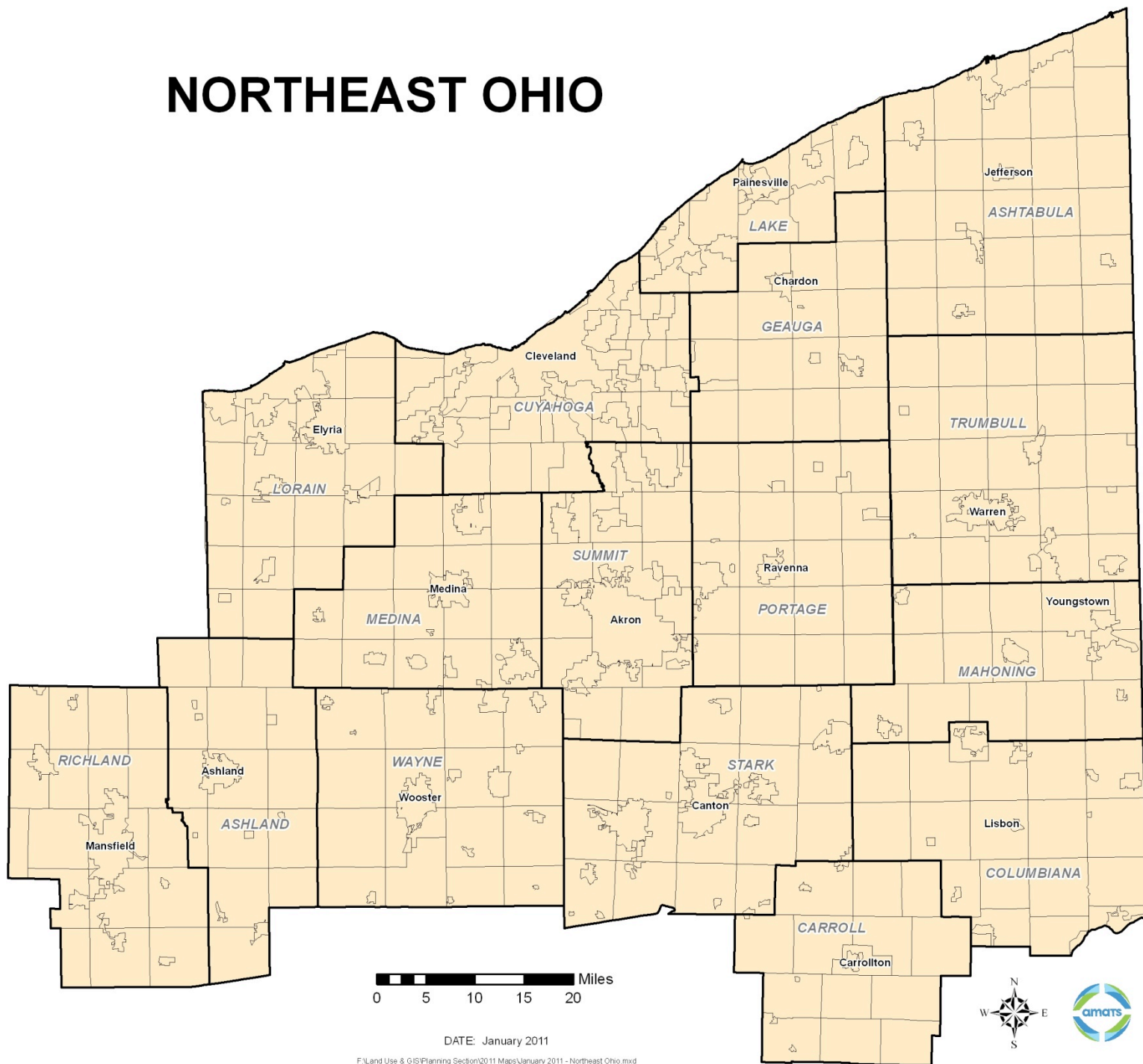
Mayor Michael K. Lyons (Mike)
Village of Richfield

Maxine Goodman Levin College of Urban Affairs

January 27, 2011



NORTHEAST OHIO



DATE: January 2011



Context, Hx & Knowledge Assets:

- **Northeast Ohio, a polycentric urban area.** Mayor Cities, Counties, municipalities, townships, school districts, utilities, park districts, etc.
- **“A bold goal”** to understand regionalism, November 2006
- **Regional Economic Revenue Study,** April 2007 – April 2008
- **Regional Prosperity Initiative** January 2009 - Present
 - Tax Base Sharing
 - Strategic Regional Planning
- **This discussion is about an eco-system that consists of geography, boundaries of place and thought, the processes of policy making, the economy and taxes.**

Why Do Coordinated Regional Planning?

- ❑ We are in competition with other regions and parts of the world that are functioning collaboratively and they have a competitive advantage over us because of their regional approaches.**
- ❑ Strategic coordination of resources on a regional basis gives us greater capacity to achieve sustainable growth that does not sacrifice quality of life.**
- ❑ We don't know what opportunities are passing us by because of our inability to engage in strategic regional planning. (Prepares us to take advantage of opportunities.)**

What Does Regional Planning Look Like?

- Think beyond our jurisdictional and conceptual boundaries.**
- Reconcile traditionally conflicting views of the world:**
 - **urban/rural**
 - **public/private sector**
 - **economic development/environmental protection**
 - **bottom up or top down planning (false choice)**
- Establish deeper communication and understanding**
- Build a common vision of our future and develop a strategy to use our assets to meet the challenges of our region.**

How to do Coordinated Regional Planning?

- ❑ **Build a Community of Leaders** – convene leaders to build trust, establish a learning environment across jurisdictional and conceptual boundaries and connect the dots on land-use planning and infrastructure design.
- ❑ **Build a common base of knowledge** – a learning environment needs to be fact based, not merely anecdotal. We need to develop common protocols to gather and exchange information and build a common base of knowledge.
- ❑ **Change our institutional culture** – we operate in silos of territorial and subject matter jurisdiction, and we tend to remain in those fenced in areas. We need to give the talented professionals in our planning institutions the permission to venture into the spaces between our jurisdictional boundaries and take initiative to advance our shared values. Our work needs to be value driven, not institutionally driven.
- ❑ **Allocation of Resources Strategically** – need to be strategic in the allocation of public resources is greater now than it has ever been. Coordinated strategic planning directly impacts our competitiveness as a region.

What is New Growth Tax Base Sharing

- ❑ A “pool” is established whereby a percentage of all new growth tax base is collected and disbursed based on set criteria. New growth is adjusted for inflation.
- ❑ The pool is a percentage of new growth in commercial & industrial (C&I) property tax base (60% retained/40% pooled); and a percentage of city and village income tax base (80% retained/20% pooled).
- ❑ A “base year” is established against which all new growth will be measured for each jurisdiction.
- ❑ The pool is then distributed through a set formula based on population and tax capacity.
- ❑ Over time, jurisdictions can go from being net recipients to net contributors, or being net contributors to net recipients, depending on their relative growth.

Connection Between New Growth Tax Base Sharing & Economic Development?

- ❑ **At the heart of new growth tax base sharing is the idea of shifting the paradigm of thought for local governments and local governmental leaders from a goal of government survival (government funding) to the broader goal of regional economic development**
- ❑ **When we change the paradigm, we reduce the friction between local governments and we can more effectively use our regional resources to facilitate economic development**
- ❑ **New growth tax base sharing acts as a glue to bind the interests of our communities together and will contribute to the cooperative environment needed to do strategic regional planning :**
 - ❑ **Improve use of public funds and stabilize communities.**
 - ❑ **Enhance economic development**



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Questions and Discussion

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