

THE BROOKINGS INSTITUTION

SAUL/ZILKHA ROOM

THE ROLE OF COUNTIES IN AMERICAN GOVERNMENT:
A COUNTY EXECUTIVE DIALOGUE

GOVERNING FROM THE GROUND UP:
HOW LOCAL GOVERNMENT REALLY WORKS

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PARTICIPANTS:

Welcome and Moderator:

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Panelists:

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County Executive
Prince George's County, Maryland

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County Executive
Monroe County, New York

MARK H. LUTTRELL, JR.
Mayor
Shelby County, Tennessee

BEN McADAMS
Mayor
Salt Lake County, Utah

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P R O C E E D I N G S

MR. KATZ: So good afternoon everyone. My name is Bruce Katz and I'm a Vice President at The Brookings Institution, co-directing this Metropolitan Policy Program. I want to say obviously hello to everyone in the audience today, but also say hi to folks watching via webcast and as we go forward, obviously when we open it up to the people in the audience, raise your hand, state your name, and state the question. But for folks watching via webcast, just basically send in questions via twitter, and with hashtag #MetroRev and then we'll be able to sort of read the map.

So let me just set a couple thoughts here on the context, because we've got four of the best county leaders -- Some are called County Executives, some are called County Mayors -- in the country, four of the best in the country. And I think what it's going to help us do is really sharpen the conversation, not just in general about what counties do, but what county governments do at a time when our economic challenges, our social challenges are really quite large in this country, at a time also, when the federal and state governments aren't quite not acting at a level of scale to sort of help address them.

So a lot of folks who have been to Brookings events before will almost know the litany of the kind of economic challenges we have. We still need to grow about 4.9 million jobs in this country, amazingly, to make up for the public sector jobs we lost during the recession but also to keep pace with population growth and labor market dynamics. We've seen this quantum leap in the number of people living in poverty and near poverty in this country -- about 81 million in 2000 to around 107 million in 2011. We've seen poverty suburbanize into many of our counties, from our cities, not surprisingly infrastructure is aging, both the infrastructure you can see, the infrastructure you can't see, and responsibility for dealing with all these economic and social and

infrastructure challenges is clearly devolving down, but power and resources at times stay sort of stock at the national level or state level. So those who are on the front lines are expected to respond but are not necessarily given all the tools.

So we've got four county leaders here today. I'll quickly tell you who they are, in order to quickly get at the conversation. I'm going to go by length of service, okay, just so before anyone says I played favorites. So Maggie Brooks has been the County Executive of Monroe County which is obviously the home to Rob Chester since 2004, the first woman to lead the county since the county was established in 1821, population, 744,000. Mark Luttrell, County Mayor of Shelby County, that's Memphis, since August of 2010. You may feel like that's actually since 2004, but 940,000 people. Rushern Baker, County Executive, Prince George's County, well known obviously to people in the Washington region since November of 2010 -- a small little county, 890,000 people. And then Ben McAdams is the newbie here, sworn in January of 2013, population of 1.1 million people. So these are pretty substantial places.

So I thought I'd start with Maggie and just have you discuss what are your priorities in the county? You've been in this job for over ten years. What are your priorities and how they match up against the place you represent, the economy you inherit and the new sets of challenges that you're facing?

MS. BROOKS: Sure, well first of all, Monroe County, as you said, has about 744,000 people. We are home to the city of Rochester, which is our urban center, and the city of Rochester has the third highest poverty rate, not just in New York State but in the nation. So we have some challenges there. We have 19 towns and ten villages within our county as well. And it's interesting to me, because people always say, what do you do as county executive and I say I'm in the quality of life business. I mean really, that is what we as county executives are supposed to be doing. In New York

State, counties were created to be the social service arm of state government. In 1935 the state constitution gave the state the ability to pass more programs and services down to the county level so fast forward, 2015, we now provide all kinds of services for the state of New York, everything from public health to public safety to child welfare and Medicaid, and the list goes on and on and on. Priority's very clear I think. Public infrastructure is a huge priority for all of us. Obviously a lot of the money that comes for those projects and those amenities come from the state and federal governments. We've seen a dramatic decrease in public infrastructure as a priority for state and federal governments which means, we have to go out and find a way to subsidize those projects.

In New York State, overcoming mandates is my biggest challenge. I have a billion dollar budget. Eighty-five percent of my budget is mandated by the state and federal governments. That means I have fifteen percent of that budget to pay for everything else -- public safety, public health, veterans' services, senior services, you name it. So it's a big, big challenge, and certainly something that I focus on all the time. I'll just end with this. You know, a lot of times people will say they don't know what county government is but there's not a person in my county that hasn't come in contact with some program or service that we provide so they interface with us, they just don't know that we're there. And so it's quite an interesting paradigm.

MR. KATZ: Mark Luttrell. This is quite a challenge. Different state, very different economic context -- does that ring true as you're listening?

MR. LUTTRELL JR.: You know it's interesting, different, but very much the same. County government, and as I hear her describe some of the priorities in New York, county government is referred to often as the wholesale level of government, in other words, we are the foundational fundamental baseline for government. We cover those things that are the core services -- education, public health, public safety. And if

you'll think about it, just about everything that we deal with can fall under one of those three categories. If you're talking about public safety and fighting crime, education is a big part of fighting crime. If you're talking about economic development, you got to have a health work force. So if you think about those terms in very broad elastic terminology, wholesale level of government has tremendous capability for being visionary, being expansive. And that's where we really kind of get into the differences between New York and Tennessee, Utah and Maryland, is how first of all, the states will allow you to expand all that, but basically the functions are the same everywhere.

MR. KATZ: So tell us a little bit about Maryland.

MR. BAKER II: I think it's pretty much the same way. I think Maggie hit it on the head, and that is the quality of life. So if you look at us in Prince George's County, we're the second largest jurisdiction in the state of Maryland. Everyone in the county, everyone in the state of Maryland lives in the county except for Baltimore city. They're the only ones that don't have a county. I've got 27 municipalities in my county. But everything we cover is quality of life issues, so for us, the number of -- the three main issues we focus on, public safety, education and health. And that pretty much is the same way you would find in a big city or a small city, but we're responsible for that. The challenges I have with a three billion dollar budget it that I'm limited in how I can raise resources. So most of the resources that we deal with in the county come from property taxes, yet we're dealing with this magnitude of issues. And one of the things I did during my -- I'm into my second term going now, but during the first term is, because I give about 1.6 billion dollars to our education system with no responsibility other than to give the money, I can't dictate how they improve education, is I did something different, probably in the state in Maryland or for anyplace else, and that is, I actually went to the legislative body and asked to have more control over our education system. So I'm the only county

executive that appoints a superintendent of our school systems that appoints the school board chair and appoints members of the school board, thereby giving greater control over those quality of life issues that go into it. It doesn't give me any more money. It just gives me more responsibility.

MR. KATZ: Right, right. Does this ring true for Utah?

MR. MCADAMS: Yeah, absolutely. So Salt Lake County has -- many people ask why I'm called Mayor, and first of all, we have a population that's roughly the size of -- in unincorporated Salt Lake County that's about the size of Salt Lake City, so in many ways, I am a mayor that does the snow removal and trash pickup and police and fire and all of that, but some of the things that we see happening in Salt Lake County as the world around us has changed, and the global economy that we interface with and the challenges we face, externally have evolved dramatically over the last ten to twenty years, we also see on the ground changes, where who we are and the characteristics that make up our community, from what once was an urban core with bedroom communities to now the urbanization of our suburbs, a population that very recently was quite homogenous is now incredibly diverse and Salt Lake City in the near future will be a majority minority city and we see that in growing diversity. And with that comes incredible opportunities for us, but we also need to adapt in the way that we do things. And one of the challenges to maybe that adaptation, is we also -- these changes on the ground and changes externally and globally, we also find ourselves in a world of limited resources, where before we could fund our healthcare and our economic development and our transportation and our education system through independent silos. Today those revenues don't exist at the state level or the federal level like they used to. So we think we can innovate. We think we can make do, but we're going to have to do double or triple bottom line return for these investments. We need to make sure that our

transportation infrastructures and economic development need, connecting our work force to our jobs, that we're looking at health goals in our economic development and in our transportation infrastructure. And quite frankly, we're often limited in what, by federal formula that comes down to us and state formulas that say, these revenue streams are silo'd to do single projects. And we need them to serve two or three functions.

MR. KATZ: So here's a jump ball question, because I think a lot of times, when we have mayors here, or governors here, or frankly a lot of foreign dignitaries, and the question is, so what's the one thing you're most proud of? I mean it could be you've inherited a system completely dysfunctional, completely inefficient, and you brought accountability and metrics, or it could be major infrastructure project, which was just sitting there on the book but nothing since. So how do you think about, and obviously this gets translated, because we're all politicians, so you run for office, or run for reelection? You know, it could even be how your constituencies think about, what's that one, let's say two to be fair, innovation or initiative that you undertook, and frankly, it was yours to own, that you feel like -- got it done, and gave me the platform to move on to some of these other -- because you're governing a broad region here. Who wants to start?

MS. BROOKS: I'll start.

MR. LUTTRELL JR.: Well I -- when you say, what's the one thing, I can think of so many because it's been such a fun job. County government is indeed fun. Let me just mention too --

MR. KATZ: Perfect.

MR. LUTTRELL JR.: I've always prided myself in trying to be a politician that works at about the 5,000 foot level. It's good to be visionary but it's also I think good to be efficient and responsive and out there. Diminishing resources, obviously, so how

can we continue to be creative knowing that we have the limited resources? And in a way, that's a cleansing process. It forces us to really kind of sharpen the pencil and really look at what is important. I mean what does the public expect government to do? And with the limited resources, that should be our priority. What are the basic functions of government? So I've taken a great deal of pride in the fact that we have as a result of having limited resources, been able to continue to be progressive. And I looked at our particular case, most of my career has been in the law enforcement field and when I became mayor, I was introduced to health care in a very dramatic way. I had the health department and it was in woefully bad shape and rode it over the years as budgets had been cut, health was one area where it was cut and we were a health department that was primarily driven not by any type of strategic plan at the local level but it was being driven by the grants that we get. In other words, as we could get grants, then that became our priority. So we started focusing on, okay, let's do a community side assessment and see how we can kind of bring this thing back to (inaudible) and focus on the healthcare issue. So long story short, I would say that the shrinking resources caused us to think in an innovative way, understanding that we still had a responsibility to be progressive. To go out there and say that we just can't afford it anymore is not responsive. What I think the public wants to see is, they certainly want to see an efficient government but they also want to see the very basic functions of government functioning efficiently. And that's been a challenge and a lot of fun.

MR. KATZ: Sure.

MS. BROOKS: We, since 2004, we've had a model in Monroe County. There's only one special interest group that matters and that's the taxpayer. And I think every day when you show up for work, it sounds very simple and cliché, but that's really what our job is, to live within our means. And the limited resources -- absolutely, with

less reimbursement or less support coming from the state and federal governments, it is a challenge. I'll go back to the example I used at the beginning. We have two primary ways of raising revenue in counties and in county government in New York State, and that's property taxes and sales tax. There are nine programs, state programs in New York State that consume 213 percent of my levy every year. So I automatically start with a deficit, a huge deficit, to just pay for nine programs. And what's not included in that are all the things that we've mentioned -- public safety, public infrastructure, quality of life, to use a broader term. And that's a real challenge, and a real responsibility for county leaders I believe to preserve those critical services while maintaining our commitment and our obligation and really our mandate to pay for those other programs. They are important programs, but we've created unfortunately at different levels of government, unsustainable models of service delivery. And the counties very much around this country are the incubators for coming up with innovative and creative ways to change the way we deliver those services, still honor the mandate but also pay for everything else. And I think you know, the biggest challenge for all of us is flexibility. You give us control of our dollars. We're going to show you how to run efficient governments. And I think that's true in many many states.

MR. KATZ: We're going to get to that question in a second, but just focus on accomplishments and then I want to come back.

MR. MCADAMS: So Salt Lake County was the first government in the world to do a social impact bond for early education. Second social impact bond in the country, but the first one on early education. And we had an opportunity, it was soon after I was elected, we were looking at an evidence based program that had support from the United Way of Salt Lake and voices for Utah children and evidence based program that said, if we take kids with a certain demographic who are filing through our school

system and give them a high quality preschool learning opportunity, that we will see benefits to those kids, starting with savings that they won't need special ed, so an immediate avoidance of cost to juvenile justice to a whole litany of cost avoidances and benefits down the road. And we said well we can bank against those cost avoidances to have an intervention -- to fund the intervention today. So we did a partnership with Goldman Sachs and JB Pritzker, where they came in and funded our preschool program and then we have a contractual arrangement where we will repay out of our savings the cost of those benefits if it's an evidence based -- if the evidence shows that the program succeeded. So it was innovative in the financing mechanism, but I think what was also innovative is, I think we walked the walk. We talk about wanting less rules and regulations from federal and state government, having -- giving us the ability to innovate. Well in this case we know we want to see kids reading at grade level in the third grade. But we didn't prescribe how the non-profits are going to get there, what recipe they need to follow, because I'm a corporate finance attorney by background. Nothing in my education or experience qualifies me to dictate the successful recipe for an early education program. So we didn't. We said what we want to see is kids in this demographic reading at grade level in the third grade, and then we left it up to the non-profit market so to speak, to innovate and figure out how to best deliver that outcome.

MR. BAKER II: For us, I think the thing that I'm most proud of in the first year was, you know, Prince George's County is a fairly wealthy county. But we have pockets of poverty. And so one of the things we did early on was we looked at, we did a demographic study of the whole county. We looked at challenges in those areas, and we identified six areas throughout the county which had the most challenges, whether it was high unemployment, high dropout rates, high crime, lack of opportunities, lack of housing, and we identified those six areas, and then we shaped the government around it. How

do we respond like we're given limited resources? How do we respond better to these six areas to build it up? So how do we provide better education, which is one of the reasons we got the schools under our control, so we could do it from a holistic approach. And so it's an experiment, because one, you have to convince nine members of the council, to say, not think individually about your district but to think about the county as a whole and then target that limited resources on those six areas, because if you bring them up, then the whole county will come up. And so, it's called Transforming Neighbors Initiative and that's where we focus. So over the last four years, the three years that we've had this in place, in those six areas of the county, we've seen crime decrease, we've seen improvements in our school retention rates. We've also focused on health care in those six areas to bring them up and delivering services, so to us, that's the way I think the model of government, is almost taking what Ben is doing and adding every other part to it, so you add health, education, you know, employment, workforce development -- all of those in these underserved areas.

MR. KATZ: So I'm hearing some sort of common themes here. First of all, no one's crying in their milk, which is interesting, because you know, you could come here and basically say, you know, we've got high expectations from our citizenry. When they're traveling roads, they're not looking and saying oh, that's a county road, or that's a state road, or that's -- I mean, you know, our citizens are not, you know, federalists in the sense of understanding who's in charge of what. But you're close, so they tend to look to you to sort of deliver. At the same time, it sounds like resources are coming down in a lot of compartments at times with a lot of prescriptions and sometimes it's not even resources, just mandates are coming down, and somehow, you're left to try to figure out how to pull this together and deliver efficiently and effectively, right? And sometimes you're now looking to do it with financing mechanisms that really are coming out from the

private and civic sector. So I have to believe that as you're going through this exercise, you're beginning to come up in your mind, well it would be interesting if our higher levels of government, A, would either act like we act, or B, could give us the kind of flexibility that we really require to just do our jobs better. I mean, how much kind of conversation does that have or are you just so focused on getting stuff done that the mechanism for having this conversation about more flexibility in exchange for more accountability isn't quite there?

MR. BAKER II: I think for me at least, I look at the state government and what we say is they're cutting, so those cuts always roll down, so if you're cutting education, you're cutting transportation. It rolls down to the local level. And what we say is, nobody is interested in raising taxes, so why don't you prioritize like we did. What we did, we said, education, public safety and health, are the areas where we're going to focus on. And then, expanding our commercial tax base, expanding the economy, and so when I look at the state, we want them to do the same thing. If you give us the resources in those three areas and let us make the changes we need to make at the local level, that would be helpful. And that's making it a priority.

MR. KATZ: Right, right.

MS. BROOKS: You know, I think one of the best things we can do and I think we've all probably been frustrated when you try and direct any other level of government to do the things that you want them to do, but I think counties are in a unique position to lead by example. I know Monroe County has more shared service agreements than any other county in the state. We've become a model for simple things like, you know, a centralized 9-1-1 system. It sounds simple but it took many years to get there. You know, a lot of the things that we do in public safety are shared services, promoting evidence based services and programs. Nurse family partnership is a federal

program that we have tried to take to scale in Monroe County because it works and ultimately we'll save money. We piloted -- Medicaid is a huge burden in New York State and counties -- we're only one of two states where the counties actually pay 25 percent of the bill. My billion dollar budget that I mentioned -- 181 million a year goes to Medicaid. That's our share, our local share. And so we led by example and created a fraud waste and abuse program that not only saved money for the county but also for the state. So we're willing to say look, give us some flexibility, give us some control over. Give us a waiver for some of the rules and regulations and we can save money for ourselves but save money for you as well, and I think that's really what we need to be preaching as county governments, is how can we show you by doing, that if you let us pilot, that if you let us become the incubators, we will save money for the various levels of government. And I think it's a huge challenge, but certainly an opportunity as well.

MR. KATZ: Very different approach to the conversation, as a starting point.

MS. BROOKS: And I'll just say one other thing. You know, its very -- and I said this, we were all together at Harvard Kennedy School of Government and I said this and a couple of people looked at me in a strange way but, you know, in the public sector, innovation is investigated. In the private sector, it's celebrated.

MR. KATZ: It's true.

MS. BROOKS: And everything --

MR. KATZ: Keep that. (laughter)

MS. BROOKS: It's true because it's non-traditional. And when government does something non-traditional, everybody automatically goes, oh, it can't be -- can't be right, it can't be legal, it can't be good. And so, you know, I wish that would change. That would be very helpful if we could actually innovate.

MR. LUTTRELL JR.: Bruce, you've hit on what I think probably is one of the more fundamental impediments that we have, local government with federal government. It's the mandates that continue to come down and the lack of flexibility that we have had at the local level to really kind of drive our own train reflect back on the comment that I made about our health care delivery, public health care system, was driven more by the grants that we could get than anything else. So if there was one bridge that needed to be built between local government and the federal government, it would be that understanding that given the time and given the space to be a little bit more innovative, rather than mandating how the money is to be spent, but giving us the money and letting us be creative in how we develop a strategy against it would be one of the greater accomplishments that we could have. I appreciate really some work that we have done with Brookings, along these lines, where you all have worked with us in Shelby County in developing an economic development strategy and time and again, you would come back to us and say, okay, bring it to us, bring it to us. Bring us your ideas. Let us help you develop a strategy around your ideas. And it's been a refreshing process that we've been so trained, Pavlovian trained to have local level, to have that reversed, it allowed us to start thinking creatively. To bring those initiatives forward is truly truly great. I've often said all the political stuff that the politicians don't really have all the answers. Government is not necessarily the one to solve the problems best. If we can just get into the creative genius of our community and through that process, we could work our way through a lot of issues that right now we're not given the faith to do that.

MR. KATZ: Then let me ask you this question, as following on this, because it seems like, and some of this is a capacity question, really, because so much of when we talk about cities today, and we talk about mayors of cities. We don't really talk about as much about the formal powers of government at time. We talk almost about

the informal power to convene stakeholders and get others to basically resolve problems in a collaborative way. So as you were doing your pay for success effort, and did that really happen within the county government or are you basically pulling together non-profits, private business leaders and if it's a sort of a co-joint effort?

MR. MCADAMS: Yeah, so it was actually led by the United Way of Salt Lake who did a lot of the landscaping work in pulling this deal together and I'm on the Board of the United Way in Salt Lake. And we took the proposal for the social impact bond to our state legislature who voted it down. And it was at that point --

MR. KATZ: That was subtle.

MR. MCADAMS: Yeah, right. It was at that point that I said, look, we are, as county government, are financially interested in the success of this program. We want to see our kids, our at risk kids, if they're performing at grade level, they're not hitting my balance sheet, so at that point is when we said we're going to step in but I think that's an interesting evolution. It was an interesting evolution on our part that we didn't start -- there were some who said, why give it to a different -- we gave it to the Granite School District. It's a school district in the county. Why don't you start in the parochialism of government, why don't we just start in the Salt Lake County Preschool program? Let's not give it to somebody else. Let's keep it in house and we didn't have the evidence and the data and let's take a program that's working and expand it, but it was a break I think in my mind of the difference between, we are financially interested in an outcome and willing to pay for it. It doesn't mean we're the best provider of the service, and so we went to the data that provided the service. So I look at that relationship that we now have as the payer, for a program in the Granite School District, that the old world would say, we'll let them raise taxes and provide their program. And we entered into this new structure, as maybe a model for the relationship between local government and the

federal government. They're not disinterested in some of the things we're doing. They're financially interested in a robust and successful transportation network and health communities and let's -- we want -- maybe that revenue keeps flowing to the extent that it's still available, but don't tell us how. Tell us maybe what you want to see but don't be so prescriptive that we can't innovate and do it in the best way that reflects the values on the ground.

MR. KATZ: There's an interesting proposal in the President's budget. Who knows what happens with anything in the next two years in Washington, but they would join up the home program, the community level block grant program, some of the HHS block grant programs, and basically allow places to come forward and say, do you have a better idea how you would essentially design finance and deliver the objectives of these disparate programs, that would align with your particular place and particular setup. It sounds like we're getting to that kind of desired structure.

MR. MCADAMS: I came from a meeting earlier this morning with the federal agency, the one named, but it's one of those meetings that I wish I could bottle up and keep it forever, because they said, we see that you're doing some really innovative things with this federal revenue stream. Can you tell us where we get in the way, how we can help you to support, to derive some outcomes and goals that you want to see and then get the regulations out of the way that are inhibiting you from achieving those goals? That was the first conversation of many that I think need to happen.

MR. KATZ: Right, right. You have some twitter questions, because I don't -- I mean, the one thing about twitter sphere is you need to respond. And usually (finger click) like that. This is an interesting question from a colleague in San Diego. San Diego has been part of the Global Cities Exchange, this effort to help cities and metropolitan areas design and deliver globally competitive strategies. So how are you

seeing inter-governmental relationships between cities and counties change? Some of you all have cities within the county.

MR. MCADAMS: Right.

MR. KATZ: Sometimes the city, like Denver or Philly, is the county.

MS. BROOKS: I think the relationship, you know, obviously the challenges within the urban centers have increased and a lot of those challenges have now gone beyond the city limits and are in the suburban areas. We have a major poverty, anti-poverty initiative taking place in our community and we're bringing together the stakeholders from United Way from education, labor, all the stakeholders in the community, private sector, government is at the table. And one of the most eye opening things right at the outset was that poverty is no longer just a city problem, and it's more of a global community problem, and we need to approach it that way. And I think the challenges are forced -- it's kind of a forced marriage in some cases. The challenges are bringing us together around historic issues that we may not have come together on and so there's collaboration is now the new buzzword I think in a lot of counties. We don't talk about natural government anymore. We talk about collaboration and partnership and those kinds of things which I think is actually, adds a lot of depth to our ability to move the conversation forward. But I think, at least from where I sit in Monroe County, we have a great relationship with our city. Now we don't have the education, the city has the educational challenges. The county really doesn't interface other than providing social service support for the school district. We don't have any direct control or finance responsibility. But we work very closely with our city on issues like poverty, community development, the majority of industrial development agency assistance dollars that we provide as a county go to the city of Rochester to create jobs and support companies. So I think there's a lot more blended and shared responsibility than we've ever seen before.

MR. BAKER II: We do the same thing. I mean, we've got so many, with 27 of them there, some are big and some are very very small, but around two really quality of life issues, one is public safety, because many of the municipalities have their own police force, they may be six officers or they may be 25, but working with them on shared information that hadn't happened in the past around public safety. And then the other is economic development. So working with them, because you have some cities that are very sophisticated and others that aren't. And working with them on how we get a county vision for how we develop, especially next to the biggest city there is, and that's Washington, D.C., you know, how do you do economic development around these perimeter areas and really work with these cities and towns to really get the quality of life that they want?

MR. LUTTRELL JR.: One of the distinctions I think in county government is that, you can take my county as an example, we have 940,000 residents in Shelby County, yet among those 940,000 we have rural, suburban and urban. And so you've got all three dynamics, which you really don't see that in the cities. You see that in counties. And in the course of my first campaign, as I was working the urban versus the suburban and the rural areas, I started listening to all these priorities coming from all these different constituencies and I said how am I going to blend these together into some type of a comprehensive plan for the county. And it can be done, it's just a matter of kind of getting into the weeds and looking for those common denominators. Education is an example. We have seven education systems in Shelby County. Each municipality has their own education system. Yet county governments is the primary funder, we're the centralized funder. So how can we work with all of those education systems to make sure each one of them is a priority in moving forward.

MR. MCADAMS: I think Rushern hit on a really great point about, we

talk about the role of counties and I look at our -- we have 1.1 million people with 17 cities -- 17 jurisdictions, 16 cities in the county and population's roughly equally distributed between those but Salt Lake City is the largest. It has a population of about 180,000. That's 15 percent of our metro area. It's not by any, even close to a majority. So I think we have a classic collective action problem. We all care about having a strong regional development, economic development initiative or you know, shout out to San Diego, a healthy community, a Live Well San Diego initiative. But if you're a city of 25,000, you don't have the resources and the expertise, the staff, to really develop that global export strategy. And I think there's a role for county government to come in and be the convener of these conversations, in looking for that mission, that top line mission of whether it's economic development or health, or a transportation network, to say, here's -- we put the staff and the expertise into developing this vision with buy in from the mayors that we convene in this metro area, and then we each go out and work in a collaborative fashion to achieve those economic development goals or whatever.

MR. KATZ: It sounds like, because responsibilities are coming down, but the scale may be wrong. I mean, we may have, in some ways, particularly in places that have so much local control at the village level, let alone at the municipality level, we need a resort between the fed, states, city, county, metro, but also within these metro areas. We need to think about the scale at which some of these efforts are at.

MR. MCADAMS: Somebody's that big enough to think at that scale --

MR. KATZ: Right.

MR. MCADAMS: Not so small that all they care about is chasing the next strip mall.

MS. BROOKS: And I think the counties can be the conveners, and I agree with that, but we're also the bank. I know when you talk about consolidation of

service, it's often times the counties that step up and pay for it.

MR. KATZ: Right.

MS. BROOKS: And I think there's an imbalance in that.

MR. KATZ: Right, right.

MS. BROOKS: Because you know, we can all agree on the priorities, but we don't agree on who pays for it, and I know that's a big conversation in New York State. I wanted just to mention kind of an interesting structure that we have in New York State around economic development and it came from the governor's office and it -- he created these regional economic development councils, which is a very non-traditional structure, and it's a blessing and a curse at times. But what he did was appoint two chairs of each council in each region, that are from the private sector, and the council is made up of all the stakeholders in the community. And for the first time ever, we are sharing the vision. We've created a joint vision that includes everybody. It's not just government saying this is what our priorities are. It's now everyone. And I say it's a blessing and a curse because as elected officials, our phone rings when we don't get it right. So we sometimes get a little nervous about that but it's actually been an interesting exercise to see, to make sure people understand government's role in all of that as it currently exists, but then how do we bring other stakeholders in to be co-governors in a lot of ways, and so it will be interesting to see five years from now --

MR. KATZ: Absolutely.

MS. BROOKS: How we measure success of that project.

MR. KATZ: No, the bottom up economic development in New York State, which is sort of co-owned by government, corporate and civic, looks like it could be a model that could be basically replicated, adapted, tailored across the country.

MR. BAKER II: I think for us at least in terms of economic development,

that's why working with, convinced that working with the cities and municipalities is so important, is that -- because you come up at the county level, especially with us, we are a large county, we're 500 square miles -- but our economic hub is near Washington, D.C., so we need to make sure that what their visioning at the local level, at the very city, town level, is in concert with what we vision as the county as a whole growing and where we're going to put the resources. Because as Maggie said, you know, most of the money is coming from the county. It's not even coming from the state. It's actually coming from the county to do an economic development project. So we announced a project we're doing right on the D.C. border in a very small town in an arts district. We got together with that small town and with our economic development folks and we crafted a vision for what that looks like to attract economic development that will spur from the district to Prince George's County up to University of Maryland. But making sure we're on one accord. Because you have 27 municipalities developing their own economic development scheme and doing it in various different ways, it's chaos.

MR. KATZ: It's very American. I want to open up for questions but I just had one other question and then I'll open it up. Taxes -- I'm not talking about the rate of taxation, but you all are dependent on property tax to a great extent, right? How does that affect your land use strategy? Because whenever we talk about sales taxes, and local government, what you really end up is the chase for the mall or auto view or whatever, right? But it depends on property tax. How does that effect how you think about land development, perhaps less sprawl, more reinvestment, more efficient, but how does that play out locally? Or are you looking for a different mix, which is made to be quite difficult politically?

MR. MCADAMS: No I would say we look at -- we have the ratio of our cost to revenue, right? And that's what drives our budget and our bottom line, and for me

it says, look, if we can increase density, if we can have more transit oriented developments, then what we're going to do is we're going to alter that ratio. We're going to have -- we're going to keep our costs fixed to some extent, and we're going to increase our revenue by bringing in value within the region. I think it's a smart economic development strategy but it also, I think begs a county or regional government that's actively in the front seat, if not the driver seat on economic development. Because if we're in the back seat, being approached to help attract the next grocery store, or the next car dealership, which a lot of times we have done in the past, I'm agnostic as to whether an auto dealership's on the south side of the street or the north side of the street. But our cities are not. And so it takes us some discipline under some political pressure from mayors who want us to participate in moving the auto dealership to the other side of the street. It takes discipline and leadership and I think having a vision and kind of a formula that we're going to follow with economic development.

MR. BAKER II: I think for us, I mean, the county was built on residential housing, right? So pretty much until the 1990's, you know that's how we expanded and got revenues for education and everything else. And that issue did more and more housing until the housing market collapsed. And then we realized that 70 percent of our revenue was coming from residential housing and less than 30 percent was coming from commercial tax base. So what we've tried to do over the last four years is to strike a balance where we're increasing the commercial tax base, which would give us greater revenues from businesses coming in here, retail, and less dependence on residential. So it's changed, and I mean, probably the benefit that we have is most of our municipalities don't have their own zoning authority. If they did I'd be in real trouble. So don't do that in case anybody's listening. Don't pass the bill. But it does mean that how we think about our revenues because it's our primary source of revenues and in order for me to pay for

the things that we need paid for, I can't depend on residential. I've got to improve the economic development and the commercial tax base and hope that I stay ahead of what the state is going to cut and send back to us.

MR. KATZ: Right. So I've got right over here, in the sweater, yep.

MR. ALTMAN: I'm Fred Altman, and my question is, you all represent the population. They see you, but you seem to have very limited influences on your federal representatives in terms of getting what you need. I don't understand why you can't develop more influence.

MR. LUTTRELL JR.: It's interesting; we were talking about just that point in the green room. I think the cities have done a little bit better lobbying job than counties have done over the last few years. I like to think that we're starting to catch up as you see more outward migration from the urban areas into the suburban areas, little areas. With that comes political clout. But the cities have been the centers. They've been our economic centers. They've been our education centers. It's really been the centers, and counties have just not kept up. My county, as an example -- it used to be the big city of Memphis and then you had six villages. Well now, over the course of 25 years, we've seen three of those seven municipalities in Shelby County now are the largest cities in the state, so you're seeing a decentralization of the cities in a sense, which then gives us a little bit more clout in the counties. Also, I don't know that really, particularly at the Washington level, that there's a full comprehension of the role of counties. You know, we sometimes worry about the public perception of counties, but I don't know that Washington and the federal government and the array of federal departments that we have in our Congress really appreciate and understand the role of county government. One of the reasons I appreciate this conversation today is that it's giving us an opportunity, one of the rare opportunities we've had nationally to really focus on the role

of county government. I've got to put in a plug for why many of us are in Washington this week -- the National Association of Counties, has I think, really embraced this particular need and concern as we continue to try to push our relevance beyond what it has been. But you're right -- short answer.

MR. KATZ: So it sounds like, because when we were up at the Kennedy School there, the county judge from the county around Dallas, basically said, when the Ebola crisis hit, the White House called the Mayor and basically said, we need to start coordinating between the national government and the city, and the Mayor basically said, that's not my job. That's the county's job.

MR. BAKER II: Right.

MR. KATZ: And so it's almost like we have new mayors, new county leaders, new congressmen, go up to the Kennedy School, maybe we should just have the entire federal government basically take a week and begin to understand the different levels of federal. Because I mean we're talking -- you have very clear sets of responsibilities in our system.

MR. BAKER II: Or when, as we said in the green room when I was talking about when the federal government shut down.

MR. KATZ: Right.

MR. BAKER II: You know the response from the federal government and the White House was to talk to the District of Columbia. Well most of the workers in federal government actually live in the counties, so we in the county were disproportionately hurt by the shutdown more so than the District of Columbia. And yet, calling the White House or calling federal government to get them to understand when these problems hit, that they're really hitting the places where people almost used to live, but they actually live there now and economic development takes place, so getting the

federal government to understand how important it is for them to talk to us, the same way that they talk to the big cities is important.

MR. KATZ: Is it any different at the state level? I mean, or is the --

MR. LUTTRELL JR.: I think we have the same problem at the state level.

MR. KATZ: Okay.

MR. LUTTRELL JR.: But in a way I think we create our own problems, because you've got -- you're a county Mayor, I'm a county Mayor, you're a county executive. We go by different names. County government is structured differently in the 3500 plus counties across the U.S. and very few of them are similar in structure.

MR. KATZ: Right.

MR. LUTTRELL JR.: Now our focus is pretty central.

MR. KATZ: Right.

MR. LUTTRELL JR.: We all stay focused on the very core issues, but when it comes to how you're structured, it gets very confusing. I'm a County Mayor and people scratch their heads and say, what is a county mayor? I say it's kind of like a county executive. Then they understand what you're talking about. If we get beyond the titles --

MR. MCADAMS: Yeah.

MR. LUTTRELL JR.: And start looking at the function, then it's a little bit more understandable, but that's part of our problem.

MR. KATZ: On looking at some other question, I want to talk about one of the biggest, and way what you're all describing, are sort of demographic dynamics, economic dynamics, which have radically changed, in general the role of the metropolitan areas, but the specific role of the counties that surround the major central cities, whether

they're within the county or outside of the county. So the suburbanization of poverty -- I mean, since the sixties, we have essentially as a country, we could all argue whether it's succeeded or failed, had a very clear focus on alleviating poverty within our inner cities and central cities, because that's where poverty was concentrated. Poverty has now gone suburban.

MR. BAKER II: Exactly.

MR. KATZ: Perhaps not at the same rate at the county as in the central city, but within some -- you talked about these six neighborhoods.

MR. BAKER II: Right.

MR. KATZ: I would think that the poverty rate in many of those communities is very very high.

MR. BAKER II: Right, near, across the border, with the District of Columbia.

MR. KATZ: Right.

MR. BAKER II: So in our case, there's not even a city within the state. It's a city state. So when you look at the urbanization of Prince George's County, it's really the migrate -- and I'm one of them, who moved out of the city into the suburbs, but the problems and issues associated with that are now at the county, but yet when you look at, especially at the federal level, you look at program, or even at the non-profit, which is a big issue for us, if you look at the non-profit and they think about solving critical education issues, education disparities, they don't think about the county. They all think about D.C. or they all think about Baltimore city or Philadelphia, but they won't think that there are the same issues affecting us at the county level. They were looking for resources and ideas to solve.

MR. KATZ: So do you have the tools and the rules to deal with the

suburbanization of poverty or do we need a much more radical change in how, not just as you're saying, government policies and resources are organized, but also, private and civic responses.

MS. BROOKS: We spend a lot of money keeping people in poverty, and I think, you know, as we have gotten into this anti-poverty initiative in Rochester and Monroe County, I think people are coming to the realization that a lot of the money that's being spent on poverty, to fight poverty, however you want to frame that, comes from the counties. I mean, we're in that business. We're the social service provider. And so you know, in our own little way, we have to be a part of that conversation. We have to be promoting the evidence based things that are actually working. We have to be promoting a not one size fits all policy when it comes to people who walk through our social service door every single day. We hand them a menu and they say, well, I only need these three things. Well, we're going to give you all ten, and so I mean, when it comes to policy, we have a place at the table. We certainly are paying for a lot of that. And we are seeing it now in some of the suburban areas, not the centralized poverty. I think that still exists very much in the urban centers, but as we have these conversations and as we focus on this more and more, I think people will realize that counties have a place in that conversation. We're critical to it. I don't think you can solve the problem without having the counties at the table.

MR. MCADAMS: I think we have the tools. I think some additional flexibility would be helpful. But I look at kind of what's happened in a way as, we have the suburbanization of poverty and what that means in many cases in Salt Lake is that it means that the city, the bedroom community city that used to just plow snow off the streets and pick up garbage, now has an enormous refugee population that we welcome into our community and we're happy to have them, but they may not be equipped to

handle those challenges or poverty challenges of a rapidly diversifying population, that there aren't those tools at the city level other than the urbanized capital city that has those tools and has dealt with those challenges for 50 years. Now that it's in the bedroom communities and their cities, they're grappling with challenges that they may not have the tools to address, and so I would say fortunately in our case, a lot of those social services that have been brought to bear in the urban core have been at the county level and we just need to recognize that the reality under our feet has changed and we need to retool. And I think that that's a fortunate occurrence right now, that those social services in particular are at the right level of government. Let's recognize that the problem's evolved and let's change the way we address those, both from the federal and state silos that are coming at us that may not be entirely relevant today but it's -- and then county government I think, reinventing itself.

MS. BROOKS: A lot of the health conversations take place at the state level in New York State, and at the federal level, when in fact, the counties are in charge of public health. When you want to talk about fighting poverty and impacting the level of poverty in a community, you can't ignore public health. And so, you know, and often times, it's just not viewed as a county responsibility. But that's what we do. That's one of those core pieces that people don't say -- oh, public health, that's Monroe County.

MR. KATZ: Right.

MS. BROOKS: They just don't put the two together. So that's again one of our challenges, to educate on yes, that falls under county jurisdiction.

MR. KATZ: This side of the room. Back left.

MS. MITCHELL: Hi, I'm Eureka Mitchell from Brookings Metro and I am a long time resident of Prince George's County, so this is for you, Mr. Baker. I'm just wondering what do you want your legacy to be when you leave office?

MR. KATZ: You paid for that one? (laughter)

MR. BAKER II: That was a tough one. You know, I think for me, it's improving the quality of life all over the county. As I said, you know, the initiative of focusing on the six areas of the county that we can turn around, you know, those six areas, then Prince George's County will really take off. But you can't turn around any of those six areas without getting a hold of and having the tools to deal with that as a hole. One is education; the other is healthcare, public safety, but really focusing on that. So I think changing the quality of life in the county is sort of everyone realizes what a great place this is to live and to work, and so, and growing the commercial tax base. Thank you for the question.

MR. KATZ: So I've got a question and it's for you, but I want everyone to answer this question, not from the perspective of being the county executive of Prince George's but from your -- (laughter)

MS. BROOKS: Yes.

MR. KATZ: So how does Prince George's County, and this is from Mayor Eugene Graham, Seat Pleasant, Maryland. How does Prince George's County see itself as a contributor to the region's economy and what sets your county apart in the Washington, D.C. Metro and then I would ask each of the other panelists to think about, you know, what's the DNA of your economy that really makes you distinctive in the national economy?

MR. BAKER II: I think for us, we've got one of those, you know, if I was a real estate agent, I'd just say location. I mean for us in the county, you know, we couldn't buy a better location. We're right next to the nation's capital. We've got the most undeveloped and underdeveloped land in the nation's capital and we have a very highly educated work force. So retooling and getting businesses and companies to come to the

county sets us up. You could not -- you know we're doing something, if you haven't had a chance to go to National Harbor, plug, got to National Harbor in the county. It's great. It's off the water, and we're building a really destination resort there. But it's the location, the quality of the education of the folks that are in the county that sets us apart, and having the available land, which most places don't have --

MR. KATZ: Sure.

MR. BAKER II: Around an urban center.

MR. KATZ: How do you sell Monroe?

MS. BROOKS: Monroe County is interesting. We're part of a nine county region, obviously. We have by far the largest county within that nine county region. You know, we're the home of Kodak, Xerox and Bausch and Lomb. And 20 years ago, Kodak had 65,000 people working for them. Now take those three companies that I just mentioned -- they have fewer than 11,000 people employed in Rochester and Monroe County. So what have we done? We had to look at ourselves a different way. We have 19 colleges and universities. So very much, optics, healthcare, high tech -- those are our core industries. We have Wegmans' headquarters there. Any of you that have shopped at Wegmans -- they're our second largest employer. And so alternative energy, food and beverage, those are core industries. So it's really been a long process of reinventing who we are, refocusing on those core industries and those capacities that we can build on highly skilled work force. RIT, the University of Rochester, I mean, we're very fortunate. And it's taken some time. But Monroe County is the focal point of that, mainly because we are the largest, and size matters in that conversation. But it's important, because a lot of the people that live within Monroe County work in some of those outlying areas as well, so a major manufacturing company or a big facility in another county benefits the entire region. And it's been tough to look at it that way, I will

tell you. We've all kind of been pulled along, kicking and screaming, this whole concept of regional, but I think now its survival more than anything else, and people understand that.

MR. LUTTRELL JR.: Shelby County's the largest county in Tennessee but it's also the largest county in the tri-state region, MSA, and of course we would love to keep, would love to grow our economy in Shelby County and keep it in Tennessee but the reality of it is, in regionalism, DeSoto County, Mississippi and Crittenden County, Arkansas are also going to be really benefitting from the logistical support that Memphis can provide. So I think it's important that we try to think regionally, in so many ways and be thankful and certainly applaud what neighboring counties, neighboring states are achieving. But then continue to focus on what we'd like to be doing for Tennessee, because I'm not getting any sales tax out of DeSoto County, Mississippi. But regionalism I think is vitally important, just the whole idea of out migration, the fact that our metropolitan areas are getting more vast as our communities change, that if we're going to succeed, it's got to be through collaboration. We're doing it in transportation, with our metropolitan planning organizations, our MPO's. We're I think a good model for regional transportation issues. But also, from an economic development standpoint, once again, Brookings, with the help of Brookings, we're working on a very comprehensive regional economic development plan. Education -- we're trying to align our education goals in the tri-state area as well, all of it with the idea that if we can grow the region, of course, Memphis is going to be the central part of the region. Memphis is going to benefit, but it is a balancing act, because you do have a lot of very parochial sentiments as it relates to your central community.

MR. KATZ: Sure.

MR. LUTTRELL JR.: And that's a battle that we have to fight.

MR. MCADAMS: Well I would say first of all, one of the wonderful things about being a Mayor in Salt Lake is, our region really sells itself. We have low cost energy, low taxes, educated work force, one of the youngest work forces in the nation. We have, you know, 30 minutes from a ski resort. I can leave during lunch and be up on the slope skiing, not that I do, but you can. As Mayor, I don't but many people do, or hiking or --

MR. KATZ: You may want to repeat that for the webcast.

MS. BROOKS: It's being tweeted.

MR. MCADAMS: No, an international airport with, if it's a Delta hub, you can get to anywhere in the country usually with a direct flight, so we start from a great starting point. I think one of the roles of counties is, there's a gap between the state level government that is business recruitment and chasing businesses to relocate. Local government that often times is chasing shopping centers and auto dealerships, but what I see the role of our metro area government is, is creating places where economies thrive, a place where millennials want to live and work, so you can attract and retain that key work force and where businesses want to locate because of the quality of life, because of the great amenities of the metro region and a place where innovation and ideas will thrive. And I think that's the role of county government, is really creating this incubator of where innovation will thrive.

MS. BROOKS: Can I just answer it from a barrier perspective? I think some of the barriers to regionalism, certainly education; you have a lot of urban school districts that are failing. People will not live in your urban center because of the school districts. You know, you have the cost that comes with poverty and Medicaid, the programs that we support when you have an urban center, when you're surrounded by counties that don't have that urban center, people will choose to go there, because the

taxes will be lower. That's the reality. Less costs means lower taxes, and so I think those are some of the barriers. But I know in our area the school district and the quality of schools has been a real challenge to get people. It's the deciding factor for where people are going to live, for most people.

MR. KATZ: Question over here, yep.

SPEAKER: Thank you. I'm a student at Carnegie-Mellon and you guys have been talking a lot about collaboration and working with state and local and on the county level. A lot of those times it works really great. Sometimes there are also conflicts though. Most recently, regarding tax policy, I know that Pittsburgh mayor had a bit of a contentious relationship with the executive committee regarding Allegheny County. What kinds of advice or tips on collaboration do you guys have to offer for other regions in the county who are struggling with issues of tax policy or agency or trying to create a better place for their communities?

MS. BROOKS: I think one of the challenges is that the tension is always around resources. I know in Monroe County, we collect the sales tax. We share it. We share with all of our municipalities, our towns, our villages, our school districts, our city, and once you start sharing and sharing the wealth, it's hard to ever change that dynamic of distribution of resources. And whenever you try, and let's face it, 20 years ago when our sales tax sharing formula was implemented, it was because the city needed help. Well now the counties are struggling a little bit more. And so to go back and change that, it's almost an impossible conversation. So I think if we could somehow put politics and tension aside when we talk about resources and how we can maybe align resources with need, because that does change, we might be able to collaborate. That's where collaboration becomes a challenge, at least in my part of the world, is when we are talking about how money is distributed and how we'd like to change that to maybe meet a

changing need. It's difficult -- you can't take it away.

MR. LUTTRELL JR.: There's so many different tax issues that we deal with. We deal with the TIFTS -- Tax Incremental Finance Tourism Development Zones -- foreign investment zones, all of these are variations of taxes that we have to deal with and of course, in urban areas, you'll have urban level taxation versus rural area taxation. And it's a juggling act in so many ways because, talk about an education deficiency when it comes to taxation, explaining the taxation and how taxes work is one of the more complicated challenging functions that I have. I mean, taxes are a necessity, but certain taxes for certain purposes and how those taxes will top other taxes is one of the challenges that I wrestle with constantly. And it's not going to get any easier as we get more creative in how we try to finance things because one thing the public doesn't like is raising taxes, so how can we take the tax systems that we have and manipulate them and structure them in such a way that we can get the maximum benefit out of it, and yet explain it to the public? It's not easy. So I can't directly answer your question with a simple answer, other than to say I think that's the challenge that faces us.

MS. BROOKS: And I'll just interject, I mean, it speaks to the very basic problem that we're eventually all going to face. We don't have enough money to pay for things. And we've created these unsustainable models of service delivery and we have to think differently. We have to change those, because it's not going to get any better and collaboration falls apart when you're fighting about money, so that will always take place if we don't transform, change, the way we do business.

MR. BAKER II: I think for us it's not even like the municipalities within Prince George's County, it's really, you talk about, we have rural areas of our county too. We're suburban, urban and rural. But the big fight becomes the urban centers of the state, so you have Prince George's County, Montgomery County, and I would throw in

Anne Arundel County that are really in the Washington region, yet our fight is with the rural parts of the state over highway user funds, you know, and whether in fact you make a choice as to okay, we've got to grow our tax base, which means we got to bring companies in here that hire people. Well, where's the best way, place, for the state to actually grow? We believe it's in these Washington region areas, so that's where you should spend the resources. But if you're in the rural areas, you're saying, well, we should spend the resources here, because we need to get to those areas that actually work. And so it becomes a dynamic there on how you work together to come up with a policy that benefits the region as a whole, and that just means the Washington region and some of the suburban regions, or even the southern part of this area, which is Charles County, St. Mary's County and those folks, which are all coming to D.C. for work. You know, how do we actually work on resources that get everybody what they want and that's collaboration.

MR. MCADAMS: I would say, I started in, before I ran for Mayor, I was in the State Senate, and I'm a Democrat in Utah, and so it's either a collaborate or die. So I think when I was elected Mayor, collaboration was in my DNA and collaborating with the Mayor is so much easier than the bipartisan collaboration that I had to do in the State Senate. I also think that collaboration is more of an art than a science. There's programmatic and structural way that you can set it up to collaborate but you also have to come with a spirit of collaboration. And so I have to very carefully pick my battles. What am I willing to fight for and not budge, and what can I just say, look, you care about that more than I do, so go right ahead. So we look at focusing on our limited county resources in a way where we can multiply them. So we have a community that came to us and wanted for the county to make an investment in their community and it was in the heart of a 30 year old strip mall that is now big box stores that are boarded up and we all

know that that's what happens after 30 years of a strip mall, and they wanted to bulldoze it and put in a new strip mall. And they wanted the county tax increment to do that. And I said, we're not going to do that, but I got a \$5000 planning grant for you to re-envision what this looks like and we want to get you to yes. Now you can go ahead and do your strip mall without our revenue and I'm not going to fight you on it. But if you want me to put it in, well let me give you some funding to re-envision what you want this to look like and then we're all in with the investment. We've spent now a year re-envisioning this property and we're going to probably move forward in a more collaborative.

MR. KATZ: It sounds what I take from this, yes, I take from this are really several things. First, counties matter, right? You matter because you have certain powers to begin with but you also matter because your scale may be the right scale to address certain structural challenges or opportunities that the country and our metros have. The second, I like this notion of lead by example, where you are collaborating, you are innovating, and it then gives you, I think, more agency to go to the national or state governments or frankly, the private and civic sectors and basically say, we need a different kind of compact now. We've grown up, we're adults. We have the ability to really achieve some critical objectives. And the last piece I would say, is probably, you ain't seen nothing yet, because if you look at the fiscal writing on the wall, this level of government is going in one direction with regard to a whole range of activities that they used to spend a lot of resources on, either because of partisan gridlock or because of the shift to safety net programs -- Medicaid, Medicare, Social Security. More of this is going to rain down on states, and frankly, what that just means, it's coming down to cities and counties. So whatever innovation you all are doing today, it's going to be 10X within a decade. So that's what I take from this conversation. I mean this is a sort of, watch this space, because counties are going to be really, in many respects, they already are on the

front lines of dynamic change, and now you're going to be even more the vanguard of policy innovation and progress. That's it from The Brookings Institution. Thank you to this panel. (Applause)

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CERTIFICATE OF NOTARY PUBLIC

I, Carleton J. Anderson, III do hereby certify that the forgoing electronic file when originally transmitted was reduced to text at my direction; that said transcript is a true record of the proceedings therein referenced; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were taken; and, furthermore, that I am neither a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

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