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9-3-2007

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Kelly LeRoux
kleroux@ku.edu

Recommended Citation
LeRoux, Kelly, "Councils of Government and Nonprofit Community Conferences" (2007). *Working Group on Interlocal Services Cooperation.* Paper 35.
http://digitalcommons.wayne.edu/interlocal_coop/35

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Councils of Government and Nonprofit Community Conferences: The Effects of Regional Network Membership on Interlocal Service Delivery

Councils of Government and their Nonprofit Counterparts:
Does Regional Network Membership Increase Interlocal Service Delivery?

Abstract

Recent theoretical work related to metropolitan governance and regionalism has emphasized the importance of networks in fostering collaboration among local governments (Feiock, 2007; Thurmaier and Wood, 2002; Savitch and Vogel, 2000; Frederickson, 1999). Yet, empirical research has failed to examine the effect of network participation on cooperation. Does local government participation in regional networks increase the likelihood of interlocal service delivery? Multivariate analysis is used to predict the influence of participation in regional networks on interlocal service delivery in the Detroit Metropolitan area. Two types of network participation are tested: membership in the region's Council of Government (COG), and membership in a smaller, nonprofit "community conference." Findings indicate that membership in the latter increases the likelihood of interlocal service delivery in four of the six public services examined, after controlling for a range of economic and demographic characteristics of the jurisdiction. Membership in the region's COG, however, has no effect on interlocal service delivery. This finding has several important implications for metropolitan governance. Networks matter, but they are not all equally effective in promoting cooperation; variations in network size and structure produce differences in cooperation outcomes. Findings further suggest a need to look closer at institutional alternatives to councils of government.

Councils of Government and their Nonprofit Counterparts:
Does Regional Network Membership Increase Interlocal Service Delivery?

Recent theoretical work related to metropolitan governance and regionalism has emphasized the importance of networks in fostering collaboration among local governments (Feiock, 2007; Thurmaier and Wood, 2002; Savitch and Vogel, 2000; Frederickson, 1999). Participation by governing officials in various types of regional networks is thought to be particularly critical for enabling voluntary cooperative agreements among jurisdictions, cooperation of the sort represented by interlocal contracting. With a majority of cities and counties in the U.S party to at least one, (Advisory Commission on Intergovernmental Relations, 1985) interlocal service agreements represent one of the most preferred mechanisms for achieving coordination in fragmented metropolitan areas.

Previous empirical research as has sought to explain interlocal service delivery through a variety of contextual factors including economic characteristics of the jurisdiction such as fiscal stress (LeRoux and Carr, 2007; Krueger and McGuire, 2005; Wood, 2004; Morgan and Hirlinger, 1991; Stein, 1990, Sonenblum, Kirlin and Ries, 1977), characteristics of political institutions such as form of government (Krueger and McGuire, 2005; Brown and Potoski; 2003; Morgan and Hirlinger, 1991), demographic characteristics of the community such as race and age (LeRoux and Carr, 2007; Morgan and Hirlinger, 1991), and cost-characteristics of the service including their degree of capital intensity and labor-intensity (Brown and Potoski, 2003; Post, 2002). This research has yielded much mixed evidence about the factors influencing cooperation, with the exception of economic factors, which have proven relatively stable in predicting the choice of local officials to provide services through cooperative arrangements.

Although economic factors are thus acknowledged to account for some of the variation in public officials' decision to cooperate on service delivery, much of the recent literature indicates that arriving at such an agreement is unlikely without the aid of networks to foster trust among officials and minimize the transaction costs associated with cooperation. Feiock (2007) for example, argues that establishment of interlocal agreements is predicated on the existence of both information-bridging "weak tie" networks as well as tightly clustered "strong tie" networks that enhance that credibility of commitments among local government officials. Similarly, Thurmaier and Wood's (2002) qualitative analysis of the Kansas City metropolitan area suggests that dense patterns of overlapping social networks among elected officials, city managers, and functional specialists are responsible for the formation and sustenance of interlocal agreements. Regional planning agencies such as councils of government, are commonly pointed to as the types of networks thought to facilitate interlocal service cooperation (Thurmaier and Wood, 2002; Lackey, Freshwater and Rupasingha, 2002; Stephens and Wikstrom, 2000; Frederickson, 1999).

Despite the frequent pronouncement that network participation by local public officials increases prospects for interlocal cooperation, previous research has failed to subject this assumption to an empirical test. This analysis draws upon theories of institutional collective action and networks to test a model of interlocal service delivery that accounts for the role of regional networks in fostering this method of cooperation. Two types of regional networks are examined: Membership in regional councils of government (COG), and membership in nonprofit COG-like alternatives known as "community conferences." The seven-county Detroit metropolitan region provides the context for the analysis. Probit analysis is used to estimate the likelihood of interlocal service delivery throughout the region in six categories of public

services: Police, fire protection, public works, parks and recreation, public works, environmental management and economic development. Interlocal service delivery is thought to be a function of participation in regional networks, and may also be influenced by a range of economic and demographic characteristics of the jurisdiction, which are included as control variables.

This analysis is based on an assumption that participation in regional networks is one factor that may enhance prospects for interlocal service delivery. Thus, the purpose of this analysis is not to explore contextual factors promoting interlocal service delivery, but to attend directly to question of whether participation in regional networks makes a difference in fostering interlocal service delivery. Given the extensive discussion of economic, demographic, and institutional factors that promote interlocal service delivery found elsewhere (LeRoux and Carr, 2007; Krueger and McGuire, 2005; Wood, 2004; Post, 2002; Rawlings, 2003; Morgan and Hirlinger, 1991), this paper offers only a brief rationale and explanation of these factors. This study aims primarily to understand the influence of regional networks on interlocal service delivery, while controlling for the aforementioned factors.

While this analysis is limited to a single metropolitan area, it represents an important first step in bridging the gap in what is known about the effectiveness of regional networks in promoting cooperative outcomes. Moreover, the Detroit metropolitan region is home to a number of smaller COG-like nonprofit institutions, providing a unique opportunity to examine whether alternative forms of regional planning networks are effective vehicles for increasing cooperation in metro areas.

Institutional Collective Action and Networks

Both institutional collective action and network theory suggest that local governments affiliated through a regional planning agency will be more likely to cooperate through interlocal

service delivery. Derived from Olson's (1965) well-known logic of collective action, Feiock proposes a theory of institutional collective action in which local government institutions "can act collectively to create a civil society that integrates a region across multiple jurisdictions through a web of voluntary agreements and associations and collective choices by citizens" (Feiock, 2004, 6). Institutional collective action represents a "second-generation rational choice explanation" for voluntary interlocal contracting among political jurisdictions (Feiock, 2007, 47).

Fundamental to institutional collective action is the assumption that transaction costs limit opportunities for cooperation. To the extent that local officials will have to invest scarce time and resources in negotiating agreements and monitoring their enforcement, they have a disincentive to enter into cooperative arrangements. Network participation, however, helps to minimize transaction costs. Networks provide opportunities for face-to-face interactions that build trust among local officials and allow for the establishment of credible commitments that reduce the risk of defecting on agreements. As trust among local officials increases, entering into cooperative agreements becomes more attractive because bargaining and negotiating the agreements requires less time, and the subsequent monitoring and enforcement costs are reduced.

In addition to network participation, institutional collective action specifies other conditions that facilitate entry into voluntary agreements. Specifically, voluntary cooperation by local government institutions is made possible when group size is limited and the jurisdictions seeking to cooperate are similar in composition (Feiock, 2007; Post, 2004; Feiock, Tao and Johnson, 2004). Institutional collective action predicts interlocal cooperation to be most likely when a small number of local governments with homogeneous populations and common policy objectives seek to cooperate. As group size increases, heterogeneity and preference divergence become increasingly likely, generating high transaction costs. Both *inter*-jurisdictional

homogeneity as well as *intra*-jurisdictional homogeneity are necessary for interlocal service cooperation (Feiock, 2007). The more similar two (or three, etc.) jurisdictions politically and demographically, the easier it may be for local officials to trust one another and to reach agreement on division of costs and benefits. In a study of interlocal contracting in several large metropolitan areas in the U.S., Post (2002) found that similarity of jurisdictions was a consistent determinant of local governments' propensity to cooperate with one another. Homogeneity of the population *within* the jurisdiction also believed to reduce transactions costs. Oakerson (2004) has argued that homogeneity promotes less adversarial politics and allows the community to speak with one voice. Uniformity of a jurisdiction's population permits public officials to make decisions and act on the community's behalf with greater confidence that citizen preferences are given appropriate expression. Indeed, previous research has found *intra*-jurisdictional homogeneity to be positively linked to greater interlocal cooperation (Feiock and Park, 2005; Krueger and McGuire, 2005).

Networks are described as both a precondition to institutional collective action (Feiock, 2007; Cigler, 1994) and to arise from it (Feiock, Tao, and Johnson, 2004). Networks are fundamental to institutional collective action, as they aid in minimizing transaction costs that serve as obstacles to negotiating and maintaining agreements. Repeated interactions are an inevitable part of network membership, giving rise to norms of trust and reciprocity that are reinforced among participants over time.

Social network theory suggests that two or more jurisdictions linked through a regional planning agency will be more inclined to cooperate on service delivery than those that share such an affiliation. Metropolitan-wide councils of government represent a type of "weak-tie" network. Granovetter's (1973) classic theoretical manifesto on the strength of "weak ties" demonstrates

the value brought to individual actors by cultivating as many non-redundant casual contacts as possible. Regional networks provide a forum for local public officials to associate with one another and increase the scope of their casual contacts. Increasing evidence from the network location studies indicates that it is not simply one's position within a network that is important, but rather the number of boundary-spanning contacts an actor has may be even more important for enabling that actor to get ahead (Burt, 1992; Granovetter, 1983).

Within the social network research, a vast literature on role-sets confirms the dependence between different sets of ties linking any given pair of actors (Carrington, Scott, and Wasserman, 2005). To illustrate, when two jurisdictions are share a tie as members of a regional planning agency, their likelihood of sharing a tie through an interlocal contract is substantially increased. Lackey, Freshwater, and Rupasingha (2002) found through that opportunities for local officials to interact through a neutral facilitator, such as a COG or regional organization, increased the likelihood of actors cooperating on community development projects. Similarly, Thurmaier and Wood (2002) suggested that the metropolitan planning organization served a brokering capacity in establishing interlocal agreements among local governments in their analysis of the Kansas City metro region. Thus, regional networks may play a significant role in enhancing the prospects that for voluntary interlocal service agreements will emerge.

Regional Networks: Councils of Government and Community Conferences

Since the time they were brought into widespread existence by the 1965 Housing and Urban Development Act, Councils of Government (COGs) have remained one of the most common and visible forms of voluntary cooperation among local governments in metropolitan areas. While COGs are instrumental in bringing federal grant monies into metropolitan areas for

transportation and regional planning, many urban scholars have criticized COGs as being incapable of achieving regional cooperation on any meaningful scope or scale (Stephens and Wikstrom, 2000; Zimmerman, 1983; Frisken, 1973; Barnes, 1969). Much of the inability of COGs to secure metro-wide cooperation stems from inherent limitations of these institutions, including include their lack of coercive authority, and their unit representation structure that creates disincentives for some jurisdictions to become members. These limitations are thought to derive from the fact that COGs are voluntary associations; membership is optional, so metro-wide cooperation is only possible to the extent each jurisdiction participates. However, even in the unlikely event of full participation, COGs abilities for ensuring metro-wide commitment to regional policies would be limited by their lack of legal authority necessary to enforce policy decisions.

Another challenge of COGs is their membership size and diversity. Their size and diversity of member interests pose technical and political feasibility problems for orchestrating metro-wide cooperation of any substance. To the extent that some jurisdictions will benefit disproportionately, and others would bear disproportionate costs, cooperation that COGs might initiate to ensure more equitable service levels among jurisdictions are stifled by political feasibility. Technical feasibility problems are created as function of COGs membership size. Coordination costs increase with each additional party to an agreement, and as group size increases, voluntary cooperation becomes increasingly less likely. Fragmented metropolitan areas are patchworks of pluralist interests, and thus the size and diversity of jurisdictions that comprise these areas pose limits to metro-wide cooperation, even in the hypothetical event of full COG participation. Metropolitan-wide COGs ultimately represent a type of “weak tie” network,

in which members are loosely associated or casually acquainted, yet linked together by the "information bridging" function (Feiock, 2007) performed by these regional institutions.

While COGs limitations in realizing regional cooperation are often attributed to the fact they are voluntary associations, it is important to consider that COGs are only one type of voluntary association. The distinct lack of research on other forms of voluntary organizations with regional missions suggests a need to examine these institutions closer. Over the past forty five years, a vast voluntary sector has emerged in America's metropolitan areas that has been largely overlooked by urban scholars. Urban nonprofits have adopted a diverse array of social, economic, and political functions that have traditionally been reserved for other sectors and other types of institutions (Hula and Jackson-Elmoore, 2000). For example, regional planning is a function performed by one specific type of nonprofit organization, described as a "community conference." Community conferences are nonprofit organizations that are similar in structure and function to COGs but are smaller in their membership size and the geographic space they cover.

As regional nonprofit planning agencies, community conferences share a number of similarities with COGs. Most importantly, they both represent types of regional networks and both are *voluntary* associations. Voluntary associations are defined as "formally organized groups with fixed rules on admission, election of officers, and procedure for meetings, usually set down in a written constitution or by-laws, formed to serve specific goals that are voluntarily organized and joined," (Doyle, 1977, 333). Moreover, community conferences are similar to COGs in that they are comprised of dues-paying member local governments, and are governed by a board consisting of one elected official from each participating jurisdiction.

Nonprofit community conferences, however, differ from COGs in some important ways. Perhaps most significantly, they have a much smaller membership than COGs (eighteen to

twenty member jurisdictions) and are comprised mainly but not exclusively, of contiguous jurisdictions. Moreover, these organizations formed at the willful initiative of the political leaders of the member jurisdictions, who organized to form a nonprofit with a mission related to regional improvement, and representing the interests of member local governments. Thus, the planning objectives of these agencies tend to be more localized or "sub-regional" than those of metropolitan-wide councils of governments. Nonprofit community conferences are therefore regarded as "strong tie" networks in which members are tightly clustered in spatial and relational terms, and credible commitments might be more easily forged.

Nonprofit community conferences also enjoy certain advantages that COGs do not have, as a result of their federal tax-exempt status. These organizations are exempt from paying sales tax, state and federal income tax, and local property tax, freeing up resources to devote to member services and other activities related to the organization's regional mission. Equally important however, is the revenue-generating benefits created by the organizations' 501(c)(3) legal status. This designation, granted by the federal Internal Revenue Service permits community conferences to appeal to the public for donations if they choose to do so. The contributions made by private citizens to these organizations are tax deductible under the 501(c)(3) code, which provides community conferences with significant fund-raising advantages.

How effective are these "weak-tie" and "strong-tie" regional networks in promoting interlocal service delivery? Prior to answering this question, a brief discussion of the "strong-tie" nonprofit regional networks examined in this analysis is in order. Although COGs are a well-known form of regional network that is found in virtually every major metropolitan area, the nonprofit community conference is a relatively unique type of regional network. To better

illustrate the mission and functions of these regional networks, a brief description of the nonprofit community conference follows.

Nonprofit Regional Networks: Community Conferences in Metro Detroit

As nonprofit regional planning agencies, The Downriver Community Conference (DCC) and the Conference of Western Wayne (CWW), both located in the metropolitan Detroit area, are two examples of "strong-tie" regional networks. These particular nonprofits share many similarities with COGs in that they are voluntary associations, comprised of dues-paying member local governments, and are governed by a board consisting of one elected official from each participating jurisdiction. However, these organizations are distinctly different from COGs in some important ways. Perhaps most importantly, they have a much smaller membership (18-19 local governments). Moreover, the political leaders of these jurisdictions self-organized to form a nonprofit agency to represent their interests and to maximize state and federal funding opportunities through collaborative grant applications. Thus, the planning objectives of these agencies tend to be more localized than those of metropolitan-wide councils of governments.

Although variations of the regional nonprofits examined here may exist in other metropolitan areas, these two particular agencies located in the Detroit Metro area are thought to represent relatively unique organizations. To the extent that multi-jurisdictional cooperation might increase as a result of local governments' membership in such an organization, they are worthy of study. The subsequent discussion provides a brief description of the regional nonprofits that serve as the "strong-tie" regional networks in this analysis.

Downriver Community Conference

The Downriver Community Conference (DCC) is comprised of nineteen municipalities, villages, and townships in the southeastern Detroit Metropolitan area. The total population of this region is approximately one half million. The mission of the DCC is stated as follows:

> "The Downriver Community Conference partnership provides leadership in establishing common, positive goals and strategies to develop the human social and economic assets of the Downriver region; enhances the quality of life for area residents, workers and businesses; shapes public policy at federal, state, regional, county and local levels; and identifies, obtains and responsibly manages the necessary financial resources to successfully implement this vision" (DCC, 2005).

The DCC originated in the mid-1960's as an informal coalition organized by a long-time U.S. Congressman representing the region. The coalition became more formalized when the original dozen cities successfully applied for a federal job training grant under the Urban Opportunity Act of 1967. In 1977, the DCC was officially incorporated as a 501(c)(3) nonprofit organization. The DCC has a full-time staff of 97 persons, led by a full-time Executive Director. The agency is governed by a board of Directors comprised of the elected mayors, village presidents, and township supervisors from each of the 19 member communities.

The organization is a major provider of job training and workforce development programs in the region and performs a wide range of functions consistent with its regional mission. The DCC administers several grants from the federal Employment and Training Administration, and through other state and federal grants, operates a wide range of programs including transit, childcare, home repair, and utility assistance programs. The organization also provides a number of economic development programs designed to promote small business start-ups.

One of the DCC's goals is planning for regional land use. For example, the agency administers a regional brownfield redevelopment program, and a linked greenways project

connecting member cities through non-motorized paths. The DCC also functions as the coordinating entity for mutual aid and emergency planning and management among the nineteen member jurisdictions. Finally, the DCC provides its' members with political representation by lobbying both federal and state policy-makers on proposed legislation that affects the region.

Conference of Western Wayne

The Conference of Western Wayne (CWW) is comprised of eighteen suburban communities covering 340 square miles and encompassing a combined population of approximately 700,000 citizens. The mission of the CWW is described as follows:

> "The CWW serves as a collective program planner and developmental entity and provides a forum for the discussion of issues such as legislation, transportation, public safety, substance abuse prevention, community and economic development, employment and the environmental health of the region. The Conference is the access point for funneling information to local units from county, state and federal agencies. In addition, the CWW works as a liaison between local government and service organizations by representing its members on various committees and boards. The Board works collectively to discuss mutual problems, share information and generally improve the quality of life for the residents who live in the area" (CWW, 2005).

The CWW originated through informal discussions and meetings of city managers who set out to reduce costs for their jurisdictions through joint purchasing. The CWW was incorporated as a 501(c)(3) nonprofit organization in 1980. The organization is operated by three full-time staff, including an Executive Director. Like the DCC, the CWW board of directors is comprised of the chief elected officials of the member jurisdictions. The CWW is also similar to the DCC in that organization serves a conduit for state and federal grant applications. Unlike the DCC, the CWW does not function as a provider of social services. Its main purposes are to serve as the emergency telephone district for the area, provide political representation for its membershiop, and to provide education and training for member communities. The organization

also facilitates mutual aid and operates a firefighter testing program that standardizes the required qualifications of firefighting personnel across jurisdictions.

Data and Method of Analysis

The data employed in this analysis are part of a larger research effort to study the service delivery choices of Michigan local governments.[1] The present analysis relies on the metropolitan subset of this dataset, which was collected in the spring of 2005 through a series of mail/web surveys to the city managers/administrators, village presidents, and township supervisors of every local jurisdiction in the seven-county Detroit Metropolitan Statistical Area. Table 1 highlights the total responses rate of the 233 jurisdictions in the seven-county region (67.3 percent), the response rate of those total 124 respondents that are COG members (68.5 percent), and the response rate from the those 34 jurisdictions that are members of a nonprofit community conference is (67.5 percent).

Table 1 about here

Thus, as the table illustrates, the response rates from jurisdictions participating in each type of regional network in roughly equivalent, and both are reflective of the overall response rate of 67.3%. It is important to note that COG membership and community conference membership are not mutually exclusive forms of network participation; some members of community conference may also be COG members.

Probit analysis was used to estimate the likelihood of cooperation through interlocal agreements in six distinct categories of public services, each of which represents a separate

[1] The full survey collected data from twenty four counties. Completed responses were received from 468 units, representing a 70% rate of response. The full survey asked local officials to indicate the service delivery arrangement for 116 different local public services.

dependent variable. The likelihood of cooperation is predicted to increase when local governments are members of "strong tie" nonprofit community conferences and "weak tie" councils of governments, but the former type of network participation may have a greater influence than the latter. A series of fiscal and population variables are included in order to control for economic and demographic characteristics of the jurisdiction.

Models are clustered by jurisdiction type (municipality, village, and township) and robust standard errors are used. Clustering is used to correct for an unmet assumption of generalized regression. An assumption underlying generalized regression methods such as probit is that the observations under study are independent across space and time. With these data however, it is unlikely that the dependent responses of each jurisdiction will be completely independent, because local governments are most likely to cooperate with their own type. For example, townships tend to cooperate more than municipalities, and to cooperate with each other as opposed to cooperating with a municipality. Assuming local governments of the same jurisdiction type will be more likely to cooperate, there is the potential for correlation of dependent response within groups--jurisdiction types of city, village, and township. Clustering provides a way of correcting for such serial correlation across space and time, and has proven to be a superior method for estimating standard errors (Buckley and Westerland, 2004).

Dependent variables

Six categories of local public services function as the dependent variables in this analysis: police, fire, parks and recreation, public works, environmental management, and economic development. Respondents were asked to indicate whether they cooperated with another local government for *any* aspect of each of these services. Cooperation is defined as providing the

service to another city/village/township, having another city/village/township provide the service for the responding jurisdiction, or the responding jurisdiction reporting it jointly provided the service with another city/village/or township. An affirmative response to any of these is treated as evidence of interlocal service delivery. All dependent variables are treated as a dichotomous response, measured as "1" f the unit cooperates with another local government (city, village, or township) for any aspect of service, and "0" if the jurisdiction does not cooperate for the service.

Independent variables

Several independent variables are examined as factors influencing the likelihood of cooperation on each of the six public works services described above. Local government membership in regional networks is expected to increase the likelihood of interlocal service cooperation. Two variables measuring participation in regional networks are examined: membership in the region's council of government and membership in a nonprofit community conference. For both of these variables, membership in the regional network is measured as dichotomous variable measured as "1" if the unit is a member and "0" if the unit is not a member.

Four economic variables are included in the models: intergovernmental revenues, fiscal stress, and two measures of community wealth. For those services in which data were available, a fifth measure is included that captures the proportion of the jurisdiction's total expenditures devoted to the service examined. Using police services for example, the measure represents the proportion of the jurisdiction's total expenditures devoted to police services. As the proportion of expenditures for any one service increases, local governments may be more inclined to turn to the use of interlocal agreements in an effort to reduce costs. Intergovernmental revenues are measured as the proportion of the jurisdiction's total budget that comes from county, state, and

federal sources, and should decrease the likelihood of interlocal service delivery. Local governments receiving large shares of their budget from intergovernmental revenues may have less financial motivation for cooperation, because they have adequate finances to cover their service costs with the budget enhancement brought by intergovernmental funds.

The level of fiscal stress experienced by the local government is also expected to increase interlocal service cooperation. Consistent with previous analyses (Sharp and Elkins, 1991; Morgan and Hirlinger, 1991) fiscal stress is measured by the jurisdiction's per capita property tax. Community wealth is measured in two ways: per capita income, and per capita income squared. The squared term is included because previous research has shown the relationship between wealth of the population and use of interlocal agreements to be nonlinear (Morgan and Hirlinger, 1991). Jurisdictions with low per capita income are likely to be more fiscally stressed and therefore more likely to turn to interlocal agreements. Average wealth of the community is another factor anticipated to influence the likelihood of interlocal service cooperation. As average wealth increases, local governments are more likely to have adequate resources for autonomous service provision and may therefore have less incentive to cooperate. Wealthier jurisdictions will be less likely to cooperate because they will be able to keep pace with service demands and service improvements. However, communities that have very high per capita income tend to be small in size, and these governments may opt to purchase goods and services from other governments rather than directly provide. Morgan and Hirlinger (1991) speculate that one reason very wealthy communities are more likely to use interlocal agreements is their residents have preferences for a wider array of services, can afford special services, and these citizens are more educated and willing to experiment with alternative form of service delivery.

A number of demographic and population characteristics of the jurisdiction may influence the likelihood of interlocal service delivery. Total population, population growth and decline, and population density all function as indicators of the unit's propensity for autonomous provision. The population variable represents the log of total jurisdiction population. It is expected that as population increases, communities will be less likely to use interlocal agreements. Population density is measured as the total number of persons per square mile, and is also predicted to have a negative effect on cooperation. Population change is measured as the percent increase or decrease in jurisdiction population between 1990 and 2000. Communities with substantial net population gain are unlikely to use interlocal agreements, but those losing population are likely to cooperate.

Two variables that reflect community demographics are examined; the influence of senior citizens, and the influence of racial heterogeneity. Influence of the senior population is measured as the proportion of total population age 65 and over. Based on evidence from previous research (Morgan and Hirlinger, 1991), it is expected that a larger senior population will decrease the likelihood of interlocal service delivery. Morgan and Hirlinger (1991) found that population of persons aged 65 and over had a deterring influence on cities' use of interlocal agreements. They speculate this is because older persons tend to be more highly engaged in community politics, and more likely to favor the status quo. The theory of institutional collective action (Feiock, 2007) and arguments by Oakerson (2004) suggest that racial heterogeneity will decrease the likelihood of interlocal service cooperation. Oakerson (2004) contends that homogeneity of the citizenry enables local public officials to "speak with one voice" in making governing decisions on behalf of the local electorate. Thus, the use of interlocal agreements decreases as racial heterogeneity increases, since public officials negotiating service-sharing

deals will have greater difficulty accommodating diversity of preferences, and thus, will resort to direct supply to avoid controversy. Therefore, it is projected that as racial diversity increases, the likelihood of using interlocal agreements will decrease. Racial heterogeneity is measured as the proportion of total population that is non-white.

Finally, one measure of access to prospective cooperation partners is included in the models. Previous work has demonstrated that access to potential suppliers substantially increases the likelihood of interlocal service cooperation (Post, 2002). Access to potential suppliers, which can also be described as geographic proximity to other local governments, is measured as the total number of local governments with borders directly adjacent to the unit. It is anticipated that as the number of neighboring jurisdictions increases, the likelihood of cooperation increases.

Findings

Results from the probit analyses estimating the likelihood of interlocal cooperation for police, fire, and parks and recreation services are presented in Table 2.

Table 2 about here

The first set of results displayed in Table 2 highlights that factors that increase or decrease the likelihood of cooperation for police services. The hypothesis that network participation is increases the likelihood of participation is only partially supported by the findings. Membership in a "strong-tie" community conference network substantially increases the likelihood that local governments will cooperate for police services; however membership in a "weak-tie" network represented by the region's COG makes no difference. Consistent with prediction, several economic characteristics of the jurisdiction contribute to increased likelihood of cooperation. Local governments with higher proportions of their budget from intergovernmental sources have a decreased propensity for cooperating on police services, and

the hypothesis that a u-shaped relationship exists between average community wealth and interlocal service delivery is also supported in the area of police services; as per capita income increases, communities are less likely to cooperate because they have adequate resources to provide services autonomously, but communities that are very wealthy are more likely to cooperate with another local jurisdiction for police services.

Many of the same factors predicting cooperation for police also predict interlocal service delivery for fire, although a few important differences exist. Membership in "strong-tie" nonprofit community conference is again positive and a statistically significant predictor of increased cooperation for fire services. Membership in a "weak-tie" regional network is statistically significant, but contrary to prediction, COG membership *decreases* rather than increases the likelihood that local governments will cooperate for fire services. The reason for this negative relationship is unclear. Intergovernmental revenues again decrease the likelihood of cooperation for fire services, consistent with prediction. Population size decreases the likelihood of interlocal fire services, meaning that larger jurisdictions cooperate less as they are more likely to have the tax base to enable autonomous provision. The number of other local governments with borders immediately adjacent to the jurisdiction also increases the likelihood of cooperation for fire services. Not only is this finding a signal that access to potential suppliers is important, proximity is also a factor in this case, because one of the barriers to cooperation on an essential service like fire is that service outcomes (response time) will be compromised. Finally, communities with a larger 65 and over population are less likely to cooperate for fire services, and this finding is consistent with prediction.

The last service examined in Table 2 is parks and recreation. Here, an interesting deviation from the rest of the analyses emerges: Membership in a "strong-tie" community

conference network is statistically significant, but this variable has a *negative*, rather than positive effect on parks and recreation cooperation. Explanations for this deviation from the norm are not immediately apparent. One possibility is that parks and recreation represent "lifestyle services" (Williams, 1971) as opposed to essential functions, and therefore local governments that provide high quality services and amenities may avoid cooperating for these services to prevent residents of other jurisdictions from enjoying their benefits. Thus, even those governments linked in a "strong-tie" network would engage in competition to provide a wider array and better quality parks and recreation program than their neighbors. Membership in the regional council of government bears no influence on the likelihood of interlocal cooperation for parks and recreation.

Once again, intergovernmental revenues reduce the probability of cooperating for parks and recreation services. The predicted impact of both community wealth variables are also statistically significant; as communities become wealthier they are less likely to cooperate, but when they become very wealthy they have an increased likelihood of cooperation. The number of other local governments that share borders adjacent to the jurisdiction decreases the probability of cooperation for parks and recreation, again pointing to the possibility that this local government service is competitive in nature. The older population increases the likelihood of cooperation for parks and recreation, which is inconsistent with the hypothesis. One explanation may be that older citizens are retired and have more time to take advantage of parks and recreation programs and facilities and therefore, demand a wider array of services and programs than what is feasible for the jurisdiction to provide on its own.

Table 3 highlights findings for the models predicting interlocal service delivery on public works, environmental management and economic development.

Table 3 about here

The first service examined in this table is public works. Membership in a nonprofit community conference produces an increased likelihood of interlocal cooperation on public works, but once again, COG membership has no effect on cooperation. Two economic variables are statistically significant. Higher per capita property taxes decrease rather than increase interlocal cooperation on public works. To the extent high per capita property tax is a sign of fiscal stress (Sharp and Elkins, 1991; Morgan and Hirlinger, 1991), this finding suggests that communities with larger tax bases are more inclined to cooperate on public works. This is also demonstrated in the statistical significance of the income squared variable. Communities comprised of economic elites are more likely to cooperate with other local governments for public works services.

Finally, the adjacent borders variable is statistically significant, but reveals an unexpected and counterintuitive finding; the greater number of other governments immediately bordering the jurisdiction, the less likely it is to cooperate on public works services. Although there is no obvious explanation for this outcome, it is possible that it is a function of the way the dependent variable is measured. Local governments often cooperate with the county for some types of public works functions, and city/village/township cooperation with the county is not captured in the interlocal cooperation measures. Since the primary purpose of this analysis is to examine whether regional networks facilitate cooperation among local jurisdictions and membership in community conferences is not open to counties, the dependent variables captures only service cooperation that is horizontal.

The next service presented in Table 3 is environmental management, a service with classic transjurisdictional properties. Once again, membership in a “strong-tie” community conference network increases the likelihood of interlocal cooperation on environmental

management. Membership in the region's COG has no effect on the likelihood of cooperation for this service. Of all the services examined in this analysis, it is perhaps most surprising that COG membership is not related to increased cooperation on environmental management. This is surprising not only because local environmental problems have boundary-spanning consequences, but also because many COGs, this one included, receive federal grants to provide environmental education and services. Thus, it is expected that the COG might play a particularly prominent role in facilitating interlocal cooperation in this area. Other factors that influence the likelihood of cooperation include community wealth and having a large number of shared borders with other local governments. Per capita property tax reduces the likelihood of cooperation, suggesting communities that have healthier tax bases are more likely to cooperate as opposed to those that are more fiscally stressed.

Lastly, this study examined interlocal agreements for economic development services. Given the inherently competitive nature of local economic development (Park, 1997; Peterson, 1981), it is unsurprising that this model fits less well than any of the others. Despite the influence of community conference membership for producing higher cooperation in nearly every other public service area, not even these "strong-tie" networks are adequate for overcoming the disincentives for local cooperation on economic development. Only two factors are statistically significant, both of them population characteristics. Population size significantly reduces the likelihood of cooperation. Larger cities are statistically significantly less inclined to cooperate for economic development, likely because they are competing for businesses and commercial development. Population density on the other hand, increases the likelihood of cooperation. More densely populated cities are likely to already be "built out" or lack space for new

development, and therefore have an incentive to cooperate with other local jurisdictions on development.

While there are a few differences in the factors explaining the likelihood of interlocal service delivery among the various service types, this analysis reveals some discernible patterns. Most importantly, membership in a "strong-tie" community conference network is a relatively consistent predictor of increased interlocal service delivery. In four of the six public service categories examined, community conference membership significantly increases the likelihood of local government cooperation on service delivery. By contrast, COG membership makes almost no difference in influencing interlocal service delivery rates. Indeed, the sign on the coefficients suggests that membership reduces the likelihood of cooperation, but in only in one instance (fire) is that relationship statistically significant.

Taken together, these findings about the role of regional networks suggests that networks are not universally capable of producing greater regional cooperation. This analysis finds no support for the widely-held assumption that cultivating numerous "weak-ties" will yield greater benefits for an actor (local government). However, it does demonstrates that membership in one "strong-tie" network may yield more productive outcomes than membership in multiple regional networks in which member local governments are only loosely associated and may have different needs and policy objectives.

Other factors that prove to play a role in promoting interlocal service delivery with some consistency in this analysis include community wealth (per capita income squared) and access to a large number of interlocal contracting partners. Fiscal stress does not appear to be as important factor a in promoting interlocal service delivery as conventional wisdom might suggest. Intergovernmental revenues decrease cooperation in a number of service categories. A few other

economic variables are useful for predicting cooperation rates, but not with any consistency across service types, nor in consistent directions. The same is true for the population and demographic variables; their statistical significance is sporadic among service categories and their effects (positive/negative) are inconsistent. While these factors are of less interest given the network focus of this study, their significance in some models points to the importance of controlling for economic and population characteristics in this type of analysis.

Conclusions and Implications

The primary purpose of this analysis was to determine whether membership in regional networks increases the likelihood that a local government will cooperate through interlocal service agreements. Does membership matter? The findings suggest a qualified "yes." The small-scale nonprofit community conferences examined here that represent "strong-tie" networks have a fairly consistent, positive effect on interlocal service delivery. On the other hand, metropolitan-wide councils of government representing "weak-tie" networks have no influence on interlocal service cooperation. Thus, network membership does seem to make a difference in enhancing prospects for interlocal service delivery, but the qualifier is that networks do not appear to be equally effective in promoting interlocal service delivery. The quality of relationships and strength of network ties appear to be more important than belonging to a large network of relatively disassociated members who have different interests.

The results of this analysis yields support for the theory of institutional collective action. Institutional collective action suggests that voluntary interlocal cooperate will emerge when group size is limited, actors are highly similar, and they share common policy objectives. The nonprofit community conferences that function as small-scale sub-regional networks seem to

match this description. The structure of community conference networks suggests that group size and homogeneity of actors are instrumental to the emergence of cooperation. The finding that community conferences are effective for increasing interlocal service delivery while COGs are not, suggests that it may *not* be voluntary nature of COGs that is to blame for the limited effectiveness of these institutions. Rather, it is their large membership size and the pluralist interests of their members that hamper cooperation.

Finally, this analysis yields new insights about the potential of alternative forms of regional networks. While COGs continue to serve an important role as conduits for federal transportation, environmental, and emergency management grants, their limits are well-known and thus it may be time to examine alternative forms of regional networks; not as substitutions for COGs, but as supplemental institutional structures. The efficacy demonstrated by nonprofit community conferences for increasing interlocal service delivery suggests a need to further examine ways in which nonprofits and other alternative institutions promote multi-jurisdictional cooperation.

Nonprofits are distinct institutional forms, with different legal status and authority than private for-profit firms, government, and quasi-governmental entities such as COGS. Through their unique fund-raising capabilities they can bring their own resources to bear on regional needs that go unmet by government and the commercial sector. Given that nonprofit institutions represent the fastest growing sector of the U.S economy (Independent Sector, 2002), their potential for furthering the aims of metropolitan governance is substantial. Future studies of regional cooperation should place a premium on investigating how other types of voluntary organizations and associations might promote greater metropolitan cooperation and overcome problems created by fragmentation.

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Table 1 Distribution of Responses			
	Total responses	Respondents that are COG members	Respondents that are community conference members
N (total possible)	157 (233)	85 (124)	23 (34)
Response rate	67.3%	68.5%	67.7%

Table 2 Factors Explaining the Likelihood of Interlocal Service Cooperation: Police, Fire, and Parks and Recreation						
	Police		**Fire**		**Parks and Recreation**	
	b	se	b	se	b	se
Regional Networks						
COG member	-.131	.304	-.450**	.209	.205	.417
Nonprofit community conference member	.445***	.120	.930***	.147	-.396***	.071
Economic Factors						
Police spending	.001	.010	--	--	--	--
Fire spending	--	--	-.017	.011	--	--
Parks/Recreation spending	--	--	--	--	.003	.014
Intergovernmental revenues	-4.234***	.991	-2.795***	.425	-1.141**	.476
Per capita property tax	.000	.000	-.000	.000	.000***	.000
Per capita income	-.000***	.000	-.000	.000	-.000**	.000
Per capita income sq	1.956***	.234	.877	1.176	1.977**	.946
Local/Regional Characteristics						
Unit Population	-.111	.112	-.511***	.073	-.067	.119
Population change (%)	-.001	.002	-.004	.006	.001	.005
Population density	.000	.000	-.000	.000	-.000***	.000
>65 population (%)	-3.831	2.510	-2.698*	1.650	3.863*	2.081
Nonwhite population (%)	.003	.011	.001	.013	-.025	.020
Access to Prospective Partners						
Adjacent borders	-.047	.030	.122***	.043	-.236***	.084
Constant	-35.191***	5.301	-10.837	21.886	-36.104*	18.678
Pseudo R^2	.246		.197		.174	
Log Likelihood	-65.620713		-73.397542		-54.474382	
n (observations)	130		132		128	
n (clusters, jurisdiction type)	3		3		3	
*p<.10, **p<.05, ***p<.01						

Table 3
Factors Explaining the Likelihood of Interlocal Service Cooperation: Public Works, Environmental Management, and Economic Development

	Public Works		Environmental Management		Economic Development	
	b	Se	b	se	b	se
Regional Networks						
COG member	.306	.422	-.107	.470	-.234	.308
Nonprofit community conference member	.619***	.171	.625**	.277	.370	.257
Economic Factors						
Public works spending	-.003	.005	--	--	--	--
Intergovernmental revenues	.142	.782	.748	1.241	1.217	1.469
Per capita property tax	-.001**	.000	-.000***	.000	.000	.000
Per capita income	-.000	.000	-.000	.000	.000	.000
Per capita income sq	1.320**	.672	1.623**	.697	-.591	.793
Population Characteristics						
Unit population	.140	.143	-.003	.103	-.201**	.088
Population change (%)	-.004	.002	.000	.006	.010	.007
Population density	.000	.000	.000	.000	.000***	.000
>65 population (%)	2.793	5.676	1.874	3.336	1.851	3.997
Nonwhite population (%)	.000	.011	-.044	.046	-.002	.005
Access to Prospective Partners						
Adjacent borders	-.046**	.021	.097**	.043	.032	.029
Constant	-26.830**	12.952	-33.462**	13.824	10.246	14.274
Pseudo R^2	.135		.151		.109	
Log Likelihood	-77.895107		-43.288287		-31.553803	
n (observations)	130		134		132	
n (clusters, jurisdiction type)	3		3		3	
*p<.10, **p<.05, ***p<.01						