

## CAPITAL CITIES SHARE BENEFITS AND CHALLENGES OF STATE GOVERNMENT

News Date:

1/13/2016

Outlet:

Times Union

Contact:

MATTHEW HAMILTON

The capital city could use a little more help from its anchor tenant.

The state owns some of the most attractive and developable land, but doesn't pay taxes on it. Instead, it makes payments "in lieu of taxes" (PILOTs) that at times feel like a pittance. To compensate for that lost revenue, the city's property tax bills can be staggering.

State lawmakers, who have the power to help change the city's fortunes, parachute in and out, spending what little time they have in the capital's downtown core. Rarely do they venture into the neighborhoods where the city truly lives.

To make matters even worse, the often ethically dubious behavior of state lawmakers does damage to the city's reputation: Across the rest of the state, just saying the name seems to leave a sour taste in some mouths.

Welcome to Trenton, N.J. And Harrisburg, Pa., and Tallahassee, Fla. -- all of them small cities in heavily populated states living with the blended problems and positives of serving as the seat of state government.

What most unites them is perhaps their biggest positive: the inherent advantages of a large public sector workforce. In that way, government certainly benefits capital cities more than, say, a municipality of a similar size in another part of the state.

"The state government, in my opinion, should do more in Albany because it's the capital city -- but I don't see Albany as neglected," said Gerald Benjamin, longtime political science professor and associate vice president for regional engagement at SUNY New Paltz. Instead, Benjamin views the city as "not privileged."

But the city faces problems, chiefly with its property tax base. Roughly 60 percent of land is tax-exempt and largely state-owned, and a plan to boost its tax base by opening part of the state's Harriman Office Campus to private developers has languished.

In Harrisburg, City Councilman Ben Allatt pointed to roughly 60 percent tax-exempt property and -- similar to Albany -- a 100,000-person population fluctuation during the workday that ends with a mass exodus for the suburbs.

In the Tallahassee area, Leon County Commissioner Kristin Dozier pointed to the challenges of living between a large chunk of state-owned property and a national forest, both eating up a hefty percentage of the county's roughly 700 square miles.

Compare that to Trenton, a city with the unique geographic problem of being roughly seven square miles in size -- half of that area occupied by the state.

Former Mayor Doug Palmer said some of that state land includes surface parking lots, which like state garages in Albany and elsewhere are empty after 5 p.m. during weekdays, and are deserted on weekends. Palmer also pointed to dilapidated buildings that currently house state agencies -- prime real estate for private mixed-use investment that the state won't offer up.

Tallahassee, Harrisburg and Albany also face a similar lack of representation compared to the state's largest metro areas. Three lawmakers have districts that include parts of the city of Albany, compared to 91 legislators from New York City. Tallahassee has three state representatives, while the greater Miami area has 42. Harrisburg has two; Philadelphia has 33. "Obviously when you have a huge population center (in your state), there's a caucus that forms that can really advocate well for that area," Allatt said.

"If you're not from the city of Harrisburg and you're from some suburban community in another part of the state, your first concern obviously isn't Harrisburg," he added. "But that doesn't mean property tax reform shouldn't come into play to help balance out the dollars going into the (more populated) urban community."

Even if most lawmakers are coming in from well outside the capital city, Tallahassee, Harrisburg and Albany draw a large contingent of lawmakers who bunk in the cities during the legislative session, obliging them to leave behind money for food, lodging and amenities within the city. That also results in lawmakers seeing at least parts of those cities week in and week out, exposing them to the good and the bad of neighborhoods they visit.

Trenton is a different story.

"Because the state of New Jersey is so geographically small, the legislators come to Trenton as if it's a state job," Palmer said. "They don't covet it. ... They don't have to spend the night."

Albany has a slight variation on that problem: Lawmakers are staying, but not always within the city limits.

"Many (legislators) are stunned to find out that Wolf Road is not in the city of Albany," said Albany Mayor Kathy Sheehan. "They'll say, 'Oh, I love going to Colonie Center -- it's so great, I can always find what I need there.' And I'll say, 'Oh, yes, I'll pass that along to Paula Mahan, the town supervisor of Colonie.'"

Perhaps another source of this state-city disconnect, especially between the offices of governors and capital mayors, comes from the fact that state executives often don't come from city leadership posts. Among governors nationwide, Colorado's John Hickenlooper stands out as a former mayor of a capital city, Denver -- unlike most state government centers, the Mile-High City is its state's largest municipality. California Gov. Jerry Brown spent eight years as the mayor of Oakland, though again he's a special case: Brown had already served two terms as California's governor, a post he returned to in 2011.

They seem to be anomalies, though. A 2012 report in *Governing* magazine reported that between 1986 and 2004, nine mayors won gubernatorial races.

Between 2004 and 2012, seven more mayors won, though only Hickenlooper came from running a capital city.

Pennsylvania's Democratic Gov. Tom Wolf hails from York, roughly 30 miles south of Harrisburg.

"I think he's a good proponent for the city of Harrisburg, (but) he's battling a Republican majority in the Senate and House," said Allatt, the city councilman. "There's a good sense that he is very cognizant of (south-central Pennsylvania's needs). ... I think he is supportive of the issues the that we are facing."

First elected in 2013, Sheehan has been generally laudatory of Gov. Andrew Cuomo's initiatives, and in public comments has downplayed any friction with the state. How much that political courtesy pays off remains to be seen.

"If Sheehan sticks long enough, she'll be as important as anyone," Benjamin said. "It's a question of tenure, relationships and the degree to which the state government needs the collaboration with the capital city."

Capital cities must also contend with another problem that's rarely of their making: If state government is in bad odor, the stink rubs off on you. "Any New Yorker who is not furious at the mention of their state capital, Albany, has not been paying attention," The New York Times editorial board wrote in 2008 -- apparently forgetting that New Yorkers who live in Albany might react differently.

With the convictions of former Assembly Speaker Sheldon Silver and former Senate Majority Leader Dean Skelos, the use of "Albany" as shorthand for "dysfunctional and corrupt state government" has exploded.

Yet the name still belongs to the city that -- like its siblings in Pennsylvania, New Jersey, Florida and elsewhere -- is representative of more than just the place where state government conducts its business, for better or worse. "I always remind people that it's really not what Tallahassee does to you, it's who you send to us, what they do to you," Dozier said.

Sheehan wants the city to welcome and support its visiting political class; she also thinks the city should get the respect a good host deserves.

"I think that being the state capital is a privilege," she said. "And I see it as a really important part of what we need to be focused on in city government so that we can ensure that we're great hosts. Because if we get the hospitality piece of it right, I think that we can really build on that, and get people to stay here and really look at the city through a different lens."

mhamilton@timesunion.com - 518-454-5449 - @matt\_hamilton10

PULLOUT:

"Many (legislators) are stunned to find out that Wolf Road is not in the city of Albany. They'll say, 'Oh, I love going to Colonie Center -- it's so great, I can always find what I need there.' And I'll say, 'Oh, yes, I'll pass that along to Paula Mahan, the town supervisor of Colonie.'"

Albany Mayor Kathy Sheehan