Can Federal Efforts Advance Federal and Local De-Siloing?

Lessons from the HUD-EPA-DOT Partnership for Sustainable Communities

Full Report

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Introduction

In 2009, the secretaries of the U.S. departments of Housing (HUD) and of Transportation (DOT) and the administrator of the U.S. Environmental Protection Agency (EPA) formed a unique partnership to ensure a cooperative and coordinated approach at the federal level, and by extension at the regional level, to a range of problems facing U.S. metropolitan areas.[1] One of the major goals of the HUD-DOT-EPA Partnership for Sustainable Communities was and is to break down the barriers that prevent federal agencies from effectively coordinating their activities and efficiently delivering their services, barriers that are often reflected at the local level. With significant publicity, these officials announced six integrative livability principles that would help focus their programs and policies.

A signal effort of this partnership was HUD's Regional Planning Grant Program; a prime goal of the Regional Planning Grants was to break down "silos," institutional or political barriers to cooperative and collaborative efforts at the federal and regional level. In 2010 and 2011, hundreds of consortia from throughout the country applied for the HUD Regional Planning Grants. Seventy-four were ultimately awarded.

In April 2012, Living Cities asked the Urban Institute to study the Partnership itself, and the HUD Regional Planning Grants specifically, as a way to understand how the federal government could advance "de-siloing" for a range of programs. Living Cities and the Urban Institute developed a series of specific research questions to focus the research at the federal and at the regional level—our findings about these questions structure the memo below. The initial sections of this memo describe what siloing is and how it comes about, the research questions we addressed, and our overall research plan. The next major section discusses our assessment of the Partnership at the federal level based on interviews with two to five high-ranking officials in each of the partner agencies. The following section describes our assessments of how the Partnership and the Regional Planning Grants worked at the regional level in five case sites: Asheville (NC), Denver (CO), Madison (WI), Minneapolis-St. Paul (MN), and Seattle (WA).

Overall, the Urban Institute's emergent learning suggests that at the federal level, the Partnership was successful in de-siloing because there was:

- shared commitment to an important set of implementable policy goals;
- high level of commitment from the top leadership of each agency;
- substantial concern with, and responsiveness to, the input as well as fears of some stakeholders;
- significant focus on choosing only applicants that took the program requirements seriously; and
- tremendous thought given by HUD to the design and execution of grant requirements.

At the regional level, it was clear that the way in which HUD designed and administered the Regional Planning Grants led to significant de-siloing through:

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[1] A chronology of events leading up to and occurring under the partnership appears in appendix A.

- new resource flows to disadvantaged communities and stakeholders not previously involved in regional planning efforts;
- expansion of collaborative structures at the regional level;
- development of new problem-solving approaches; and
- cooperative creation of new regional policies that focused on wider regional interests and a larger array of stakeholders.

We believe these findings imply the following with regard to federal efforts to break down silos:

- Federal program design *can* improve local de-siloing efforts;
- Unclear federal legislative commitment may undermine local de-siloing;
- Philanthropic investments can add substance to, and heighten, participation in federal program efforts;
- Significant efforts are needed by state governments to more fully institutionalize federal de-siloing efforts; and
- Federal action can also help institutionalize regional integration.

Background: Specialization, bureaucracy and de-siloing

Specialization allows people to accomplish multiple and complex tasks more efficiently; it often gives rise to bureaucracy, which serves important societal purposes. We expect the people in charge of agencies and government units within that bureaucracy to serve the primary purposes or goals of their organization, even if that leads to conflict with other organizations. But as government grows more complex, the lack of understanding and cooperation among specialized agencies and organizations—sometimes called "siloing"—becomes more apparent, as does its cost. This creates the need for collaboration and coordination, both within and among administrative units.

Siloing results from a variety of internal and external forces, including conflicts among the missions of individual agencies, human imperfection, and competition for scarce resources. Every agency contains an *internal* mix of these variables that make its own units slow or reluctant to act. Moreover, different federal agencies report to different congressional oversight and appropriations committees; this, too, can heighten siloing.

These conflicts are not new. The U.S. government has been concerned about siloing (by one name or another) for more than half a century. (Excessive specialization was once called "stovepiping" or "spaghetti federalism," the latter term still used in Canadian debates.) For decades, the U.S. General Accountability Office has focused on the problems created by siloed approaches to achieving important societal goals, including the development of livable sustainable communities. [2]

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[2] U.S. General Accounting Office (2002). *Significant Homeland Security Challenges Need to Be Addressed.* Report GAO-02-918T. Washington, DC: US GAO; U.S. General Accounting Office (2005). *Means-Tested Programs; Information on Program Access Can be an Important Management Tool.* Report GAO-05-221. Washington, DC: US GAO.

When observers judge that non-cooperation, or siloing, among or within agencies has reached a dysfunctional level they often seek to "de-silo." De-siloing can be achieved through a variety of approaches, many of which are mutually supportive. They include, for example, agency or governmental consolidation; creating new agencies or governments to coordinate formerly disconnected activities or agencies; building better communication within and among organizations; creating committees to coordinate activities; clarifying individual organizational mission(s); building greater complementarity among organizational missions; and creating incentives to cooperate and disincentives to non-cooperation. The subject of this strategic assessment, the HUD-EPA-DOT Partnership for Sustainable Communities, includes several methods of de-siloing in support of more livable, sustainable communities.

Research Plan: Desiloing in the Partnership for Sustainable Communities
In April 2012, Living Cities asked the Urban Institute to study the federal HUD-EPA-DOT Partnership for Sustainable Communities (Partnership) to explore how the federal government could advance de-siloing at the federal and local levels. To arrive at research questions that were sharp enough for this strategic assessment of de-siloing, UI and Living Cities agreed that the research team would focus on HUD's Regional Planning Grant Program, one of the best-publicized initiatives under the Partnership.

Together we identified twelve research questions, six at the federal and six at the local level; these questions appear as section headings in the pages that follow. The research team began by reviewing key documents establishing and tracking the Partnership and descriptions of the main programs that were motivated by or modified in response to the Partnership. We then conducted 11 in-person key informant interviews with current and former agency personnel.[3] We wrote an initial memo based on the first five interviews and shared it with a limited number of our respondents.

In parallel with the federal review and interviews, we conducted interviews in five metropolitan areas that had competed successfully for HUD's Regional Planning Grants in 2010 and 2011: Asheville, Denver, Madison, Minneapolis-St. Paul, and Seattle. These metropolitan areas were selected by Living Cities to focus on places with precedents for integrative activity; ensure geographic diversity as well as differ-

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U.S. General Accounting Office. (2008). *Federal-Aid Highways; Federal Requirements for Highways May Influence Funding Decisions and Create Challenges Despite State Eligibility and Management Difficulties.* Report GAO-09-36. Washington, DC: US GAO. U.S. General Accounting Office. (2008b). *Rural Economic Development; Collaboration Between SBA and USDAS Could Be Improved.* Report GAO-08-1123.

[3] Interviewees at HUD were Shelley Poticha (Director of the Office of Sustainable Communities and Housing), Mariia Zimmerman (then-Deputy Director, Office of Sustainable Communities and Housing), Sara Pratt (Deputy Assistant Secretary for Enforcement Programs, Office of Fair Housing), and Ron Sims (former Deputy Secretary). At DOT, we interviewed Polly Trottenberg (Acting Under-Secretary for Policy and Assistant Secretary for Transportation Policy), Roy Kienitz (former Deputy Secretary), Beth Osborne (Deputy Assistant Secretary for Transportation Policy), David Kim (Associate Administrator for Policy and Governmental Affairs, Federal Highway Administration), and Therese McMillan (Deputy Administrator, Federal Transit Administration). At EPA, we interviewed John Frece (Director, Office of Sustainable Communities) and Nancy Stoner (Acting Assistant Administrator for Water).

ences in the size of the metropolitan areas; and include recipients of each of the two categories of Regional Planning Grants (described in greater detail below).

In each site we reviewed grant applications, studied planning documents completed under the grants, and conducted at least five key-informant interviews in each region (six in Denver, seven in Asheville) to develop a stronger understanding of how the Regional Planning Grants have affected the ways in which local actors have coordinated their planning and implementation of metropolitan development. After completing the interviews, the researchers prepared site-visit notes and used them to arrive at a shared sense of the weight of evidence on each regional question from across the five cases.

Our approach has limitations. We interviewed only current and former insiders in the federal agencies, and even then only a limited number whose positions led them to take a generally positive view of the Partnership and the Regional Planning Grants. Similarly, at the regional level, we interviewed mainly those who have been involved in the Regional Planning Grants, though with 5 cases and 28 completed interviews our foundation for generalization about regional de-siloing is stronger than that about federal agency de-siloing. Our questions also concentrated almost exclusively on the Regional Planning Grant Program, which has less relevance for EPA and DOT than their own programs.

Because of these limitations, we call our product a strategic assessment—rather than an evaluation—of the accomplishments and challenges of de-siloing under the Partnership, especially its Regional Planning Grant Program. To us, this connotes research that is exploratory rather than explanatory, designed more to generate hypotheses and try out some early propositions than to offer a solid basis for general inference. Even so, we have completed interviews with 39 people and reviewed many documents, providing firm ground for emergent learning.

How the Regional Planning Grants and the Partnership have affected federal de-siloing
The first six specific research questions identified by Living Cities and the Urban Institute (as described above) concentrate on the ways in which the HUD Regional Planning Grant Program—and to a more limited extent, the Partnership—advanced de-siloing among federal agencies.

1) **In what context were the Regional Planning Grants created? How did the Regional Planning Grants fit with the range of programs, policies, and actions that the partners undertook?**

The Regional Planning Grant Program was created within HUD as a key component of the three federal agencies' Partnership for Sustainable Communities, a strong and focused reaction to a number of significant trends occurring nationally and internationally. Against the backdrop of the devastated economy, the Partnership reflected the new administration's commitment to ensuring that federal funds worked efficiently to support environmentally healthy communities with a strong foundation for equitable economic growth. This clearly paralleled the principles of New Urbanism, with its focus on restoring vibrant urban communities, and of the Smart Growth movement with its complementary emphasis on developing environmentally and economically sustainable communities. It also made a more prominent place for social equity, however, than had generally been the case in either New Urbanism or Smart Growth.

The Partnership built on important initiatives undertaken under previous administrations. In 2005, for example, HUD and the Federal Transit Administration (FTA) developed an Interagency Agreement to help communities build transit-oriented residential development. In 2008 the two agencies jointly released a report to Congress describing strategies for improving coordination of housing and transportation investments and the statutory barriers that inhibited that coordination[4].

Those people appointed in 2009 to the highest positions in all three of the partner agencies shared a common vision; they were all committed to enhancing regional economic competitiveness while protecting the environment by connecting housing with good jobs, transportation, and essential services. Each had spent a considerable part of his/her career working on local, regional, and state programs designed to build environmentally sound and economically viable communities and regions. Many of the highest ranking appointees at HUD, DOT, and EPA knew one another and/or had worked together in the past. Their experience led them to conclude that federal siloing among HUD, DOT, and EPA was a critical barrier to smart growth and livable communities. They felt that excessive specialization fostered a climate in which neither federal nor local officials considered the inter-relatedness of a range of substantive areas from environmental protection to economic growth, from affordable housing to transportation. Moreover, addressing each of these issues separately further isolated poor stakeholders and disadvantaged communities in the development of the regional economy.

The partners also felt that a siloed approach to addressing regional problems led to and has been reinforced by federal grant programs that funded narrowly defined projects at the local level. This meant that bureaucratic specialization at the federal level was often mirrored at the state and regional levels. The whole system then reinforced fragmented and uncoordinated approaches to community development.

The shared smart growth experience of these officials in HUD, DOT, and EPA let them to collaborate in quickly developing the six livability principles[5]:
- provide more transportation choices;
- promote equitable, affordable housing;
- enhance economic competitiveness;
- support existing communities;
- coordinate and leverage federal policies and investment; and
- value communities and neighborhoods.

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[4] U.S. Federal Transit Administration and U.S. Department of Housing and Urban Development. (2008). *Better Coordination of Transportation and Housing Programs to Promote Affordable Housing Near Transportation*. A Report to Congress. Viewed on: www.fta.dot.gov/FTA_HUD_Action_Plan_--_Report_to_Congress_2008.pdf

[5] Partnership for Sustainable Communities, Livability Principles. Accessed November 3, 2012: http://www.sustainablecommunities.gov/aboutUs.html

On June 16, 2009, Secretaries Donovan and LaHood and Administrator Jackson announced the principles and the Partnership at a hearing of the Senate Banking Committee.[6] They committed themselves to working internally and across their agencies to incorporate the six principles into the policies and pro-grams of the agencies that they led. They also committed to meet regularly. Secretary Donovan created a unit in HUD, the Office of Sustainable Housing and Communities (OSHC), to advance the livability prin-ciples. Secretary LaHood made top-level policymaking staff of DOT and its key administrations (especial-ly Transit and Highway) responsible for integrating the principles into decision-making rather than creat-ing a new office. EPA Administrator Jackson gave new responsibilities to its Office of Sustainable Com-Communities, created in the late 1990s as the Office of Smart Growth and still operational when the Obama administration took office.

It seems appropriate that the most visible early outcome of the livability principles was how the part-ners changed their grant programs. HUD's Regional Planning Grants—discussed in greater detail be-low—represented a seminal first step. In the words of Administrator Jackson, the grants ensured that the partners were "collaborating on the housing, transportation, and environmental needs that are es-sential to the success of every community."[7] HUD's OSHC worked out the details of the Regional Plan-ning Grants and developed another grant program, the Community Challenge Grant, for more focused projects. Soon thereafter, DOT and EPA created complementary programs and re-directed and re-focused existing programs to support the Partnership's six key principles.

DOT, for example, successfully sought support from Congress to create TIGER II planning grants that paralleled the Regional Planning Grants. To do so, DOT argued that requests for the massive TIGER infra-structure projects should be based on better and more coordinated planning efforts. (Four of the five case-study regions selected for this study also received TIGER II planning grants.) HUD and DOT worked successfully in 2011 to coordinate the Notice of Funding Availability (NOFA) and award process for their TIGER II and community challenge grants. DOT also strengthened the livability components of many of its discretionary programs, particularly the New Starts Program, while structuring the Federal Transit Administration's Bus Livability Program to represent the Partnership's six organizing principles.

In a like manner EPA re-oriented its brownfields planning grants to explicitly incorporate the Partnership goals. In fact, the 2010 brownfield planning grants were jointly announced by HUD Secretary Donovan and Mathy Stanislas, Assistant EPA Administrator. Striking in the public announcement of the grant awards was the detailed discussion of the role of affordable housing and job creation in reclaiming envi-ronmentally damaged land. Stanislas expressly noted that brownfield plans developed with grant sup-

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[6] Almost all of our federal respondents reported that HUD Secretary Donovan spearheaded the first push to devel-op the partnership. He was joined in these efforts by Secretary LaHood of DOT; EPA Administrator Lisa Jackson joined a few months later.

[7] EPA, "Partnership for Sustainable Communities Awards Grants to Build Infrastructure Nationwide / EPA, HUD and DOT Work Together through Coordinated Grant Program," News release dated October 21, 2010. Accessed Janu-ary 17, 2013 on: http://yosemite.epa.gov/opa/admpress.nsf/0/CBAEF6F5FF1FB142852577C3006097C7.

port would integrate site cleanup with housing and job creation efforts that addressed community needs. For example, EPA made a brownfield planning grant to Denver, one of our case sites, precisely because it had received a HUD Regional Planning Grant.

Over time, other federal agencies became active in the process, and other objectives became increasingly important to all the partners. With the involvement of the U.S. Department of Agriculture, for example, there was more emphasis on rural housing and economic development needs. More recently there has been increased focus on the need to eliminate barriers to private sector investment in the development of sustainable and livable communities as well as a concern that local planning efforts should be integrated with the private investment community and across local governments.

Along with their efforts to increase coordinated action and decrease siloing, the three partners also wanted to encourage localities to develop, publicize, and use livability goals and explicit performance measurements in their coordinated planning efforts. To this end the NOFAs for the Regional Planning Grants as well as other HUD, DOT, and EPA grants required more and different kinds of data from regional applicants, data that stressed the interaction between and among housing, transportation, labor force development, and environmental needs and goals. The partners also wanted to ensure that new and different voices and perspectives were brought to the table. They required the inclusion of disadvantaged communities and stakeholders who might never have been involved in regional planning efforts as well as agencies and organizations not often at the table, such as environmental advocacy groups and affordable housing providers.

2) **How were the Regional Planning Grants, as an exemplar of federal efforts to promote local integration, designed to produce more collaborative processes at the federal level?**

HUD structured the Regional Planning Grants to involve the partner agencies—and over time up to seven additional agencies (including, for example, the U.S. Department of Agriculture and the Economic Development Administration). These agencies collaborated in preparing the Regional Planning Grant NOFAs, developing evaluation criteria, and making joint recommendations on winning proposals to the secretary. The partners' initial strategy for inducing cooperation and reducing silo-busting at the regional level was to craft joint grant programs and application requirements which incorporated the six Partnership principles. They quickly found it was legally or politically impossible to merge programs or make all their requirements uniform; they instead worked diligently at establishing cooperative and supportive NOFA's and application review processes.

As the three partner agencies began their efforts to do so they gained, with some frustration, a growing understanding of the barriers they faced in (1) jointly crafting grant programs and formal NOFAs, (2) providing coordinated financial assistance, (3) developing comparable performance standards for evaluating and rating proposals, and (4) jointly evaluating those grant proposals. Over time, many of these difficulties have been overcome. Even so, it is important to note the amount of time and effort that was required to break down these kinds of federal silos. As multiple informants told us, reducing

siloing is hard work, and commitment to progress requires that participants believe such work will pay off.

The Regional Planning Grant Program has also played a role in de-siloing within HUD by encouraging interactions among HUD's Offices. One highly visible example has grown out of controversy about HUD's responsibility to promote residential integration under the 1968 Fair Housing Act. Section 808(e)(5) of the Act requires the HUD secretary to undertake activities that affirmatively further fair housing, ensuring that development occur in ways that provide sufficient opportunities for people to live in diverse neighborhoods. Fair housing advocates early raised concerns that the livability principles might reinforce segregation in high-poverty, predominantly minority neighborhoods simply because many of these superficially embody the livability principles (especially because they are existing communities with wider transportation choices than higher-opportunity suburbs often have). During the public process introducing the Regional Planning Grant and setting the criteria for grant awards these concerns were largely addressed.

Partly to respond to the concerns about fair housing, the rules of the Regional Planning Grants require grantees to complete a "fair housing equity assessment" (FHEA). The FHEA is required to describe barriers to integration in housing by race and ethnicity and to outline how the jurisdictions involved in the planning process will reduce those barriers and pursue a greater level of integration. HUD's Office of Fair Housing and Equal Opportunity (OFHEO) has worked closely with OSHC to educate the sustainability officers in HUD's district offices as well as the local grantees about the FHEA. OSHC and OFHEA are currently making efforts to educate grantees about opportunities to move beyond the FHEA to a Regional Analysis of Impediments to Fair Housing (AI). The AI is a precondition for receiving funds from a range of HUD programs but traditionally would be prepared individually by each jurisdiction. A regional AI, however, could substitute for multiple local AIs while supporting the goals of the Regional Planning Grants.

At the same time HUD also built engagement with Metropolitan Planning Organizations as well as affordable housing advocates into the development of the Regional Planning Grants and the later structure of the NOFA. These requirements were designed to demonstrate that there was demand at the regional level for the kind of de-siloing and regional planning that the grants promoted. HUD staff felt that this made the initial program design more practical and ready for implementation.

Given the innovative nature of the Partnership and the complexity of the various HUD, DOT, and EPA grant programs that supported the Partnership, there was strong pressure on each agency to show quick and meaningful successes. Some of the Regional Planning Grants (and other partners' grants) were awarded to regions like Denver, Minneapolis-St. Paul, and Seattle with a long history of cooperative efforts, as an inducement for them to do even more and to serve as exemplars.

As the Regional Planning Grant process at the federal level evolved, the other federal partners adopted or adapted those processes for their new or restructured discretionary grant programs (such as DOT's Bus Livability Program and TIGER II Planning grants and the EPA's Brownfield Planning grants). HUD used

the same cooperative processes to prepare the NOFA and evaluate applications for the community challenge grants.

3) Did the Regional Planning Grants reduce siloing and increase integration between the partners and between the federal agencies?

Most federal respondents talked of the great difficulties they faced in creating the kind of cooperative processes they sought at the federal level in the Regional Planning Grants (and in the range of grant programs supportive of the Partnership principles). But they also felt that the cooperative grant development and evaluation process at the heart of the Regional Planning Grants have led to substantially increased cooperation between and among the partner agencies and other participating federal agencies. In fact, high level officials in each of the partner agencies have continued to meet weekly to address the remaining barriers to de-siloing and have persisted in confronting the challenges that face them.

In June 2012, at an event commemorating the third anniversary of the creation of the Partnership, the secretaries and the administrator announced that they had developed ways to ensure that each agency's grant decisions took full account of the kind, magnitude, and location of complementary investments made by the other partners. They also announced that the three partners had developed a common language to be used in all of the agencies' future NOFA's ensuring a new level of coordination in federal sustainability and livability initiatives.

Importantly, all three partners have regional offices that are often the face of the agency with state and local constituencies, but the role of the regional offices varies widely between and among the individual agencies of each partner. For example, applicants for the discretionary grant programs of the Federal Transit Administration turn first to their FTA regional offices for assistance, and (perhaps more importantly), for a more comprehensive interpretation of the requirements of those grant programs. For DOT's TIGER II Planning grants, potential applicants interact with the state offices of the Federal Highway Administration or the FTA regional offices without ever talking to someone at headquarters. As the Partnership has matured, all three partners have increased the responsibility of their regional and district staff for promotional and informational meetings and for significant components of the grant review process.

Further monitoring and study could reveal important advantages and disadvantages of this devolution. Several federal respondents suggested that regional offices may vary in their level of commitment to the Partnership principles and that some may even prefer to maintain siloed decision-making. EPA officials noted that their regional offices set their own priorities and some offices might not find the Partnership goals to be as pressing as other issues. The extent to which regional offices are on board with de-siloing or any of the goals of the Partnership may have a range of effects on regional recipients or applicants, being significant in some regions and for some individual agencies and far less so for others. Unfortunately, it was beyond the scope of this study to interview regional officials of the partner agencies so we

cannot comment at this time about the actual or potential relationships between and among the regional offices of any one partner or among the regional offices of the three partners.

4) **What barriers hindered partners from developing and implementing the Regional Planning Grants in ways that they might otherwise have liked? To what extent were the barrier internal to (e.g., to the organizational culture) the agencies and to what extent were they external to the agencies (e.g., statutory barriers)?**

In early 2009 the original partners (HUD and DOT) commissioned a study to expand on previous research to examine the barriers to greater local coordination and cooperation in the provision of housing and transportation that arose from federal regulations or actions[8]. The report synthesized the results of previous studies on the barriers to more effective use of federal funds to support and sustain local sustainability as well as earlier efforts in HUD or DOT to achieve greater coordination between transportation and housing decision-making. DOT and HUD drew from the early study findings the message that four types of barriers obstructed greater coordination in planning and funding joint or coordinated transportation and housing projects:

- **perception vs. reality**: federal and/or regional officials *perceived* legal and regulatory barriers that did not actually exist;
- **lack of encouragement:** federal and/or regional officials had no incentive to try new or different approaches even if they knew they were possible;
- **administrative barriers internal to each federal agency**: HUD and DOT grant and funding policies directly conflicted with one another, had different funding cycles not easily synchronized, or had the effect of preventing joint activities; and
- **legislative restrictions:** There were explicit statutory prohibitions on the joint funding of local sustainability projects or of joint federal actions.

Although the study results were not published until August 2011, the partners used the interim results to address the first three barriers in the way they organized their own programs and processes. (The published report ultimately suggested specific federal **legislative** changes that would overcome the last of the four barriers to coordinated planning and funding.)

The study did not address the question of how different organizational cultures in the varying administrative units within each partner affected any of these barriers. Even legislative restrictions could have evolved from turf-protection and siloing efforts by modal administrations or potentially competitive agencies within any of the partners. DOT respondents felt that the structure of the modal administrations, and the way their funding programs worked, varied so much that each might have difficulty in ful-

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[8] U.S. Department of Transportation and U.S. Department of Housing and Urban Development. (2011). *Federal Barriers to Local Housing and Transportation Coordination*. Accessed November 1, 2012: www.sustainablecommunities.gov/pdf/dot_hud__barriers_report_final_08_25_11_clean%20_2_.pdf

ly integrating the Partnership principles into their work. For example, the Federal Highway Administration largely administers formula grant programs directed to the States, not metropolitan areas or local entities. Thus it has limited experience working with regional recipients and almost no say in how grantees spend their funds, making it more difficult for the FHWA to encourage or induce recipients to de-silo their programs in support of sustainability and livability goals. The EPA has ten regional offices and all grants are made, as with the FHWA, to state agencies and not local recipients. Some communities in some regions lack, for example, potable water, and that may make regional personnel more interested in basic infrastructure than livability goals.

The Federal Transit Administration, in contrast, has many more discretionary grant programs into which it can explicitly incorporate the Partnership goals and encourage de-siloing. Moreover it has traditionally worked directly with metropolitan agencies and has a greater natural interest in fostering some of the Partnership principles that are supportive of public transit. The FHWA has an office in each state rather than regional offices, while FTA has regional offices so grant applicants and recipients can have very different relationships with their funding partner agency.

5) **According to the partners, to what extent has the development and implementation of the SCPRG supported other changes in federal policy and practice (e.g., organizational structures, agency culture, resource flows, or regulations), and how has that institutionalization been accomplished? Where has it fallen short and why?**

Many of the successes of the Partnership as a whole, and of the Regional Planning Grants in particular, have been described above: the federal agencies have more comprehensively coordinated their program and policy efforts and over time have addressed a number of the remaining silos and barriers to coordinated action. They have brought at least seven more federal agencies into these cooperative efforts, better ensuring the goal of spending federal funds in the most efficient and effective way. Each of the partners, and some of the other federal agencies involved, have made genuine and meaningful commitments to sustainability and livability in a wide array of supportive programs, while better coordinating their efforts with one another. The EPA respondents, in particular, were extremely positive about the importance of the inter-agency cooperation created and sustained by the Partnership.

Many federal respondents noted that developing the cooperative processes was frustrating, laborious, and costly; they felt that such efforts could only be justified by substantial successes. It is still early to know if the funded projects are so successful that they alone can justify the massive expenditure of time and resources in encouraging cooperation and breaking down silos. At the same time, some federal respondents noted that many of the false assumptions, mistakes, and misunderstandings had already been addressed and overcome. The partners have already developed organized ways to address these problems and there is no reason to assume the agencies will drop those new procedures in favor of the old, uncoordinated processes. These procedural gains from de-siloing—beyond the success of the funded projects—are difficult to measure and will also only become clearer after a few years, but they are still promising.

There clearly has been substantial progress on de-siloing at the federal level, going far beyond the original three partner agencies. It is too early to say that these successful approaches or processes have been institutionalized, however. On the positive side, the agencies are still meeting regularly, and other agencies (especially USDA) have expressed interest in becoming formal members of the Partnership. HUD's OSHC was created and survived two years of attempts to defund it. Both OSHC and HUD's Office of Policy Development and Research now include career staff whose perspective and mission aligns with the livability principles. The collaboration between OSHC and OFHEO has contributed to new ways of thinking about how HUD should affirmatively further fair housing at the regional level.

On the negative side, no statutes specifically incorporate any of the Partnership changes and neither the Regional Planning Grants nor the TIGER Planning Grants were funded in FY 2012. Also, many of the key players in the three partner agencies knew one another well and had built up trusting relationships long before they joined the Obama Administration. It is not clear if their successes are the result of unique circumstances that may not be replicable.

At the same time, many *de facto* procedures have been codified at the administrative level, and the Partnership has continued to address remaining barriers to de-siloing and cooperative action. As mentioned above, in June 2012 the partners announced even more ways in which they were effectively collaborating on grant programs and grant funding decisions.

6) **Given the experience of the Sustainable Communities Partnership in developing and implementing the Regional Planning Grant Program, what are some general conclusions and implications at the federal level about the possibilities and obstacles for, and the benefits and limitation of, this kind of integrative, silo-busting effort?**

The success of the Partnership and the Regional Planning Grants depended, *first* and foremost, on a shared commitment to an important and implementable set of policy objectives, as crystallized in the six sustainability principles of the Partnership. Agreement on the six principles helped center discussions, structure strategic thinking, and provide a strong basis for shared decision-making even as it expanded each agency's core values. The principles, developed by the three partner agencies collaboratively, created both a shared sense of mission and of urgency. Moreover, the principles offered a way to structure many key decisions, from how to write NOFAs to how to evaluate grant applications.

Once the leadership affirmed their commitment to these do-able objectives, the shared principles helped each partner give meaningful direction and guidance to its constituent offices and administrations. Because they agreed to develop sustainable communities cooperatively along the lines laid out by the six principles, the partners could identify and focus clearly on problems they all felt were important but that they had previously addressed in incomplete, fragmented, and sometimes conflicting ways.

The *second* major factor behind the success of the Partnership and the Regional Planning Grants was the high level of commitment from the top officials of each agency. Such commitment was instrumental in bringing about the important institutional changes that the Regional Planning Grants (and related DOT,

HUD, and EPA programs) required. Having the right people at each agency, people genuinely committed to the goals of the Partnership, was critical to the success of de-siloing efforts at the federal level. The fact that high-level HUD, DOT, EPA and often other federal agency personnel continue to meet regularly to discuss the challenges that face the Partnership is a remarkable indication of the depth of the genuine commitment that these officials have to the shared activity in which they are involved.

The *third* major factor was how the Regional Planning Grants, and related DOT and EPA (and eventually other federal agency) programs were explicitly designed to respond to input from different levels of government and from vastly different stakeholders, including many who were initially leery of the endeavor. The three agency heads, and other high-ranking officials in the agencies, toured the country holding listening sessions, asking a wide range of groups and actors what they needed to create the kinds of communities they wanted. It was during those sessions that the leaders learned, for example, about the needs of rural communities in ways that made them expand the Regional Planning Grant requirements and reach out to the Department of Agriculture, among other agencies.

In addition, HUD officials early recognized that many fair housing and affordable housing advocates viewed the partners' efforts with some concern, fearful that funding for transportation or economic development or environmental protection would reinforce residential segregation or come at the expense of badly needed and already underfunded housing programs. As a result, HUD officials reached out in many ways to those stakeholders and ensured that their concerns were addressed in the requirements placed on applicants in the NOFAs. Moreover, all three partners were aware that siloed programs had created siloed advocacy organizations at the local level and that it would be crucial to ensure broad involvement by these organizations, especially those serving underrepresented communities and stakeholders, in all grant efforts.

To begin that process, high level officials in all three partners worked closely with national advocacy organizations whose local affiliates had not been often present at regional planning meetings, ranging from environmental groups to organizations representing low-income neighborhoods. Ultimately HUD structured its Regional Planning Grant NOFAs to ensure explicitly that regional applicants brought as many of these stakeholders and advocacy organizations to the table as possible in the production of the grant applications and that they continued that outreach activity in a meaningful way after they were awarded grants.

The *fourth* major factor underlying the success of the Partnership and the Regional Planning Grants was how strictly HUD, in collaboration with DOT and EPA, took the requirements of the NOFAs. Applicants in the second year realized that regions which many observers considered shoo-ins were not awarded grants because they did not live up to all the new and even unique requirements HUD had added to the NOFA, particularly those requiring vastly greater stakeholder involvement and the active presence of groups new to the regional planning process. These surprise losers included Portland in both its attempts and Denver in its first application. This sent a message to a wide variety of stakeholders—including those in other federal agencies—that HUD and the other partners in their relevant program

reviews were serious in their demands that all stakeholders be at the table with a meaningful role in regional planning efforts.

Fifth, HUD's thoughtful design and execution of the Regional Planning Grant Program offers a lesson for other federal agencies and other HUD programs. HUD's efforts effectively increased the appeal of de-siloing and offer a replicable example for other efforts. For example, the NOFAs had expansive new criteria that directly shaped regional applications, criteria that were shaped in part by a wide variety of national and metropolitan stakeholders who then became engaged in the Regional Planning Grant applications themselves.

HUD also carefully worked with both winning and losing applicants to extend the learning process, as detailed below in the regional section. These outcomes suggest that federal agencies can change important aspects, even structural ones, of the ways in which they have traditionally done business both with other federal agencies and at the regional level if they do it right. Above all, federal agencies can reshape and restructure processes, procedures, and requirements on applicants and ultimately recipients in ways that facilitate de-siloing and increase cooperation and coordination between and among major government entities without threatening their primary mission.

How the Regional Planning Grant Program has affected regional and local de-siloing

We looked for evidence of how the regional grant program has affected regional and local de-siloing in five case-study sites: Asheville, Denver, Madison, Minneapolis-St. Paul, and Seattle. The Asheville grant provided category 1 funding for planning activity alone; the other four grants provide category 2 funds for both planning activity and pre-development work supporting implementation of "catalytic projects."

We planned to interview five people per site but ultimately interviewed more in Denver (six) and Asheville (seven) for a total of 28 interviews. In each site we included the lead planner for the grantee organization (usually the Metropolitan Planning Organization or Council of Governments), a local elected official familiar with the regional grant process, and a representative of a nonprofit organization working on social equity or housing issues. Additionally, we interviewed one staff member from a regional transit district or state department of transportation, and one staff member from either an environmental organization or a state department of environment.

7) **What has been the integrative impact of the Regional Planning Grant at the metropolitan level?**

There are many ways to view de-siloing or integrative activity. Stead and Meijers suggest four crucial ways in which de-siloing can take place: it can (1) alter or augment resource flows, (2) structure new or substantially different collaborative structures, (3) create or implement new problem-solving approach-

es, and (4) cooperatively develop new policies.[9] Wilder Research, funded by Living Cities to evaluate the Corridors of Opportunity Program in the Twin Cities, have also suggested that integration can occur across jurisdictions, disciplines, viewpoints, and venues.[10]

> *What has changed in the case study areas' resource flows, collaborative structures, approaches to problem-solving, and policies?*

Resource flows. The Regional Planning Grant Program, by requiring both a local match and the active involvement of new stakeholders, has resulted in more money being committed overall to planning and catalytic projects. Among our five case-study areas, this amount ranges from $1 million to $5 million direct and $2 million to over $20 million when local match is included. While some of the local match would have been spent on the same activities, other parts of that match would have been directed to other work or perhaps (in the case of some investments by national foundations, including Living Cities in two of the cases) spent in other metropolitan areas entirely.

The funds were directed to *new partnerships* and helped build *deeper relationships with existing partners,* such as FRESC in Denver, the Community Engagement Teams in Seattle, and several community groups not previously active in regional planning in Asheville. The funds also permitted local actors to integrate *new subject matter* into their planning and pre-development activities, including *affordable housing* linked more strongly than ever before to transportation and land use planning in Denver and Madison; equity, housing-transportation connections, and health in Seattle; and public health in Asheville. Finally, the program may have provided momentum for a *shift in the geographic distribution of resources*, especially planning and catalytic activities supporting transit corridors in Minneapolis, Denver, and Madison. (Seattle may be an exception to this because corridor planning was already underway there.)

Collaborative structures. We observed that participating in the grant resulted in new collaborative structures, allowing participation of partners on more equal basis than previously and working toward decision-making based on consensus instead of majority rule. These included multi-stakeholder steering and executive committees in all five cases and working groups for corridor planning and catalytic projects in all four category 2 cases.

New approaches to problem-solving. We found substantial evidence that the grants have led participants to try approaches to problem-solving that are generally unusual in regional planning process. These include, for example, community organizing (Minneapolis-St. Paul and Denver); direct engagement with communities to develop benefit agreements (Seattle); evaluation and monitoring activities (all four category 2 grantees); and instant voting for preferred approaches (Madison, Asheville). The

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[9]Dominic Stead, "Institutional Aspects of Integrating Transport, Environment and Health Policies" (*Transport Policy* 15(3), 2008: 139–48); Dominic Stead and Evert Meijers, "Spatial Planning and Policy Integration: Concepts, Facilitators, and Inhibitors" (*Planning Theory and Practice* 10(3), 2009: 317–32).

[10] Wilder Research, *Corridors of Opportunity: A Report of First Year Progress* (St. Paul, MN: Wilder Research, 2010).

grantees have also devoted resources to development of new technology to visualize scenarios and capture public opinion, but these had generally not yet been deployed because none of the grants had been up and running for more than a year.

New policies. Because the category 2 recipients already had committed to specific major projects, we did not see the adoption of new policies or programs *per se*. But it was clear that the regional grant funding allowed the recipients to amplify and expand on efforts to which they were already committed. The inclusion of stakeholders new to regional planning, particularly regional transportation planning, for instance, changed the face and the content of the ongoing planning efforts in ways that were *de jure* policy changes—for example specifically incorporating public health goals. And it is possible that as the projects come closer to implementation we may see the adoption of new policies such as requiring affordable housing in transit oriented developments or the inclusion of existing local small businesses (particularly minority owned businesses) in the new development around transit stations.

How have these changes in resources, structures, and approaches advanced de-siloing?

The Regional Planning Grant funds in our case-study areas supported four activities—corridor planning, catalytic projects, community engagement processes, and visioning or scenario planning—that helped change resource flows, decision-making structures, and planning approaches in ways that advanced de-siloing.

Corridor planning. The Regional Planning Grants added resources and embedded new principles and requirements within existing corridor planning efforts in the four category 2 metros. Resources were shifted within existing planning activities not only in terms of grant dollars but also in terms of expertise. The new collaborative structures and approaches to problem-solving discussed above are seen most clearly in corridor planning activities; they enlarged the number of jurisdictions and thus the geographic scope, of planning projects, increased the substantive issues the projects addressed, and expanded the perspectives of a variety of stakeholders. Moreover, the shift brought about by the Regional Planning Grants should also eventually result in shifts in the flows of private-sector investment.

We also found that as substantive de-siloing has occurred among organizations working on corridor planning, each organization has begun to experience pressure to desilo internally. For example, the MPOs in Denver, Seattle, and Minneapolis-St. Paul have set up internal working groups to respond to work carried out under the planning grants to ensure coordination within each organization or agency.

Catalytic projects. The Regional Planning Grants also supported new catalytic projects—that is, activities undertaken by category 2 grantees designed to begin implementing completed regional plans and set the stage for larger infrastructure investments. In addition to corridor planning efforts, Denver, Minneapolis-St. Paul, and Seattle structured a series of catalytic projects as part of development plans around the stations in their transit-oriented developments (TOD). The catalytic projects are more spatially focused than the corridor plans, and inherently less likely to emphasize geographic de-siloing. (They will progress much more in the next year or two than they have so far.) At the same time, the more local fo-

cus of these catalytic projects is useful for generating incremental information about how to engage multiple stakeholders to create equitable TODs. Madison's approach may yield interesting learning; there are four distinct catalytic projects with different aims and mixes of stakeholders.

Community engagement requirements. Respondents in all five regions told us that the significant resources directed to groups involved or based in low-income communities have already had an impact. Decision-makers are learning about the needs and perspectives of low-income, minority, elderly, and disabled residents. Community members who were previously not involved in planning, for their part, are learning about how they can have a role in the planning process. Community engagement requirements have the potential to advance de-siloing by *geography* as neighborhoods and cities previously overlooked or harmed in land use-transportation planning will get new attention; by *subject area* as housing, equity, health, crime, and quality of life issues in these communities get more attention than they have in traditional regional planning practices; and, by definition, *perspective*. All these, however, remain potential because the grants have been operating such a short time.

Visioning and scenario planning. It is unclear how new the visioning activities are or whether they will differ from business as usual. The long time scale and broad geographies used in most visioning and scenario planning seemed generally less exciting to the interviewees as opportunities for integration and collaboration than the more concrete activities along corridors and in catalytic projects. Even so, the incentives to conduct visioning and scenario planning remain important because they open up mandated processes for regional transportation planning. Participants in the process in Asheville seemed engaged and even energized by the visioning processes underway; many found the scenario planning activities to provide insight into the implications of a failure to engage in regional planning right now.

> *What was the role of existing regional efforts? (Would de-siloing have occurred without the planning grants? How did the planning grants change established institutions?)*

Minneapolis-St. Paul, Denver, and Seattle had all made substantial previous progress in de-siloing by geography, subject area, and perspective. All three had already engaged in some corridor planning, and the Twin Cities had engaged in catalytic projects. These formed the basis for an expanded stakeholder base and introduced new subject areas (housing and economic development) under the Regional Planning Grants. All three also had strong regional organizations and high-capacity transit operators, but they did not always include the perspectives and subject areas emphasized by the Regional Planning Grant (particularly affordable and fair housing, equity in the substantive sense and advocacy organizations for low-income people in the sense of bringing new stakeholders to the table).

Madison and Asheville had made less previous progress in de-siloing. Madison had less experience with regional planning and weaker transit agencies; Madison's MPO and regional planning organization were separate organizations and under threat. The planning grant helped consolidate or maintain these organizations. Asheville had some focus on regional planning and a concern with sustainability in the past but the Regional Planning Grant has helped participants develop a more far ranging and diverse plan-

ning process. Neither Madison nor Asheville had as much experience integrating multiple subject areas as the bigger regions had. However, Asheville received a boost from state executive decisions to devote additional state resources to regional planning in support of sustainability issues in general and for Regional Planning Grant and related grants (e. g., TIGER) in particular.

8) **Where progress has occurred, what characteristics of the Regional Planning Grant Program, and the process that produced it, were most pivotal to promoting integration at the metropolitan level?**

How did the process that produced the Regional Planning Grant Program promote de-siloing?

The NOFA development and design process contributed to integration at the metropolitan level in various ways. The process played out on the national stage, resulting in many of the features of the NOFA that later proved important in promoting the various dimensions of de-siloing we observed in the regional cases. First, HUD developed an informal draft and circulated it for comment across agencies, an established procedure to which the Office of Sustainable Housing and Communities (OSHC) gave special attention. After the interagency review, HUD posted a discussion draft for broad public comment. In the course of a national publicity campaign, OSHC received hundreds of comments from a wide array of stakeholders, including more than a few critical ones from advocates for social equity, fair housing, and affordable housing.

OSHC made substantive changes to the NOFA to address these concerns. This engagement and serious response quieted many of the most critical skeptics. At the same time, however, it raised the expectations of the national fair housing, affordable housing, and social equity groups that they would be able to continue engaging in many OSHC programs.

The NOFA also evolved between the first and second years of the regional grant program's operation. HUD tightened some of the criteria; most important for our cases, HUD drew a sharper distinction between category 1 and category 2 grantees, requiring in 2011 that Category 2 applicants demonstrate that they had completed and wanted to implement a regional plan meeting clearer (and thus stricter) definitions than were provided in 2010.

How did the design of the Regional Planning Grant Program contribute to de-siloing?

HUD knew from the onset that many previously uninvolved stakeholders might not recognize the potential of their involvement or be interested in participating. Like other grant programs developed under the Partnership, the Regional Planning Grants provided a financial incentive for regions that had already been involved in coordinated planning efforts to increase them and for those that had not been active before to develop new, coordinated, regional planning approaches. At the local level, the Regional Planning Grants were structured to make it possible to provide financial incentives to disadvantaged communities to become involved in data collection and key elements of the process. These financial incentives also supported the Partnership goal that planning efforts in all the funded regions involve a

meaningful consortium of agencies, organizations, and stakeholders in the public, NGO, and private sectors.

The program design offers many broader lessons about specific federal mechanisms to promote local de-siloing. The NOFA provisions, the application and competition process, and the post-competition engagement between HUD and the applicants are all important.

The **Final NOFA** has a series of threshold requirements and criteria that encouraged integration.

The NOFA advanced *geographic* integration by (1) specifying the geographic representation that must be attained by the applicant consortium, (2) ensuring that the MPO must be involved, (3) vesting a standing regional planning agency with responsibility as lead of the consortium, and (4) requiring that the central city be meaningfully involved. All these shaped resource flows and strengthened certain collaborative structures.

The NOFA encouraged integration across *issue areas* by requiring consideration of affordable housing, economic development, transit access, health and the environment. This mandate led to the involvement of new organizations, helped change resource flows, contributed to different collaborative structures and problem solving approaches. These, as discussed above, were all central to the progress the regions made in de-siloing.

Finally, the NOFA encouraged integration across *perspectives* by requiring representation of nonprofit organizations, the use of evaluation and metrics, community engagement, and an equal voice for partners. These requirements also shifted resource flows, built new collaborative structures, and changed problem solving approaches. We found very strong agreement that these requirements changed the standard practice of regional planning bodies, which generally limit representation.

Like a few other competitive grant NOFAs for local applicants, the regional grant program also helped increase de-siloing by establishing two categories of grants. With only one category, many advanced regions would have been able to win without doing much more than they already had, while less advanced regions might be required to do more than they could credibly promise. Inclusion of two categories strongly encouraged both advanced and less advanced regions to stretch beyond their previous accomplishments.

We also explored whether the matching requirement had an impact in de-siloing through its potential to increase the level of institutional commitment by agencies and organizations committing resources. We found some evidence of this in Madison, but less conviction in other regions that the match mattered.

The NOFA has limitations as a tool for advancing de-siloing. It affects only what the grantees *say* they will try to do. As noted elsewhere, not all these expectations or hopes have borne out yet, and some might never be met. Also, Madison—which lacked a regional plan meeting 2011 criteria—qualified for category 2 funding in 2010 even when it was less ready than Minneapolis-St. Paul and Seattle. While it also is possible that too much category 2 funding has been devoted to mandated planning activities that

might have been undertaken absent the grant, it is unlikely it would have been nearly as inclusive without the requirements of the Regional Planning Grants.

The **application and competition process** brought new people to discussions about regional planning and coordination and created a new series of conversations—a finding underscored not only in our interviews but also in other case studies of the Regional Planning Grants. The unexpected losses by Denver in 2010 and Portland in both 2010 and 2011 raised awareness that HUD was serious about the requirements and could distinguish the consortia that made real progress. In Denver, the loss galvanized a new, tighter-knit consortium in 2011, with more focus and more serious commitment to de-siloing.

HUD also designed and made choices about **post-award actions** that further encouraged de-siloing, at least to an extent. Unsuccessful applicants were encouraged to debrief. Denver did not succeed in 2010, but HUD's feedback helped it build a winning application in 2011. For example, HUD's feedback on Denver's 2010 application indicated that HUD wanted to see a stronger linkage between jobs and economic development with the transportation and land use activities that were proposed. HUD also wanted more detailed information about stakeholder engagement and the needs of underserved communities.

A second design feature, preferred sustainability status, offered a consolation prize for coming close but not getting a Regional Planning Grant. Regions receiving this status were meant to get a point boost on other competitive grants. Only Denver received this status, and it didn't appear to have made much independent difference for de-siloing. (We know of no studies assessing the impact of preferred sustainability status elsewhere.)

HUD also designed measures to help successful applicants. Most noteworthy among these was a national technical assistance corps HUD assembled in mid-2011. This helped the five regions we studied in several ways. A roundtable by PolicyLink reportedly helped regions design their work on social equity while the peer exchange organized by Place Matters was cited favorably by our respondents. The meetings on financing sessions helped the regions working on transit-oriented development. At the peer exchanges, grant recipients like Seattle learned of the important role of local philanthropic organizations in the activities of other grantees; this prompted them to return home and attempt to engage these stakeholders as well. We also learned that the district or regional offices of the three partner agencies were tasked with providing additional support to grantees. However while Asheville reported participation by FHWA regional staff, we had too little time to explore this topic extensively.

HUD **publicity about the grants** and the accomplishments of various regions (and the maps and capsule summaries) has been a third feature of the Regional Planning Grants that has probably advanced local de-siloing. With a brighter spotlight on their grant activities, regions feel more pressure to keep their promises, and unsuccessful applicants like Denver feel a greater urgency to try again. Information about Minneapolis-St. Paul's activities also directly contributed to Denver's successful 2011 application. In at least one region (Asheville), however, the visibility of the grant program may have brought new ideological opposition to planning efforts but only after the grant was awarded.

9) **For the metropolitan areas involved with the Regional Planning Grant, what lessons can we draw about what metropolitan areas need to do to reduce siloing, and what have been the main barriers they have encountered?**

What do metropolitan areas need to do to reduce siloing?

Our study suggests strongly that **formal regional decision-making institutions (venues) are necessary** and need to be built and strengthened because they are, in themselves, a form of de-siloing. These organizations break down barriers between and among a variety of local organizations and agencies, bring new stakeholders to the table representing different geographic areas in the region and different professional and disciplinary perspectives on important problems, and provide a structured format and process for creating meaningful and consequential dialogue among an enlarged set of stakeholders. While informal interaction and cooperation can be powerful, a regional decision-making body with formal processes helps ensures both efficient and equitable policies and programs.

At present, the only institution of this sort that exists in all larger U.S. metropolitan areas is the metropolitan planning organization (MPO), which prepares long-range transportation plans and short-term regional transportation improvement plans as a precondition for receiving federal transportation funding. MPOs have a variety of institutional forms. Many (like those in Denver, Seattle, and Asheville) are embedded within councils of governments (COGs) in which local governments voluntarily participate (and to which they pay dues). In other cases—Madison among them—the MPO and COG operate separately, with the MPO often relying on the COG for support in land-use planning and demographic forecasting. In only a few cases, Minneapolis-St. Paul and Portland (OR) (the two best-known), the MPO is a regional agency created by state legislation as a government body. Members of the Twin Cities' Metropolitan Council are appointed by the Governor; Portland's Metro has an elected board.

The need for formal regional venues of some kind was evident in Madison, whose regional council of governments and MPO had both been created only in 2007. The Regional Planning Grant has strengthened the regional council of governments and has broadened transportation-land use studies at the MPO. Even so, the council of governments has continued to struggle to gain support because of partisan struggles both locally and in the state legislature. At least some of those interviewed in Madison mentioned that the Capital Area Regional Planning Commission, responsible for regional planning and water quality management for the Dane County region and lead applicant for Madison's Regional Planning Grant, might not still exist if not for the grant.

All these agencies encourage at least some level of *de-siloing across geography*, as they provide a regular forum for exchanges among local officials and consideration of trends affecting the entire region. Setting the boundaries of the regional organizations is challenging. If drawn too tightly they can neglect to provide full consideration of the geography of the challenges under consideration. Drawing the borders expansively, by contrast, can increase the number of suburban and exurban communities in the organization and thereby dilute consideration of issues affecting the minority and low-income people who

live disproportionately in a small number of jurisdictions at the core of metropolitan areas. We saw all these tensions at work in our five case study areas, to a greater or lesser degree, but as we discussed previously, the design of the Regional Planning Grants helped overcome some of these inherent tensions. We learned in Seattle, for example, that clever institutional design can yield structures that connect and balance regional and local concerns, creating the power sharing necessary to implement regional plans without trampling local interests. More research is needed on whether and how agency boards' representation structure and term lengths affect the degree to which geographic integration occurs.

Regional agencies also can encourage *de-siloing across subject matter,* but with tensions that correspond to those in geographic areas. An agency focusing only on transportation (like Madison's MPO) may face challenges integrating other concerns. Federal law requires funding support for MPOs, strengthening them significantly vis-à-vis other regional agencies (like stand-alone COGs). COGs serving as MPOs generally take direct responsibility for a broader range of subject matter, including demographic analysis, land-use analysis and forecasting, and environmental issues. As these multi-purpose agencies take on more substantive-area responsibilities, they generally develop substantive specializations within the agency, usually raising challenges of coordination among departments within the agency. Our cases suggest that limited-purpose agencies (e.g., Madison's COG and MPO) can operate quite effectively in Partnership if the incentives are right, and that multi-purpose ones (e.g., the Met Council) can also design internal structures for coordination.

Important though formal organizations may be, we also learned that **new venues outside formal regional organizations also advance de-siloing**. These include, for instance, Denver's Metro Mayors' Caucus and Mile High Connects. Such organizations allow caucusing among people with shared interests (local elected officials, advocates, or other stakeholders), facilitating mutual understanding and agreement before engaging with other stakeholder groups with differing interests. Such venues are especially important in regions where formal organizations are strong but siloed; they might be threatening, however, in regions like Madison with unstable formal organizations.

Leadership development helps both formal and informal organizations operate more effectively. For example, Denver's Transit Alliance citizen academy offers leadership development to help community leaders learn how to operate effectively as members of city councils and the board of the Regional Transit District.

Desiloing progresses more rapidly when stakeholders have **something important to work on.** Concrete projects have the potential to attract a wide range of stakeholders. High-visibility projects like TOD station areas in the Twin Cities, Denver, and Seattle represent a potential opportunity to the stakeholders involved. Consensus-oriented decision-making structures like those fostered by the Regional Planning Grants can move these projects along.

Metropolitan areas also need continued **support for de-siloing from higher levels of government.** State government, in particular, remains very important; with state support, regional de-siloing proceeds faster and more smoothly, but lacking it, progress can be slow or even reversed. We found clear examples of this (both pro and con) in Denver, the Twin Cities, Madison, and Asheville. Even in states that have made progress, some issue areas that are important challenges for regions—such as water supply in Denver and K-12 education almost everywhere—are governed by institutions or laws that make it difficult to integrate with transportation, land use, housing, and the environment.

The Denver and Minneapolis-St. Paul cases suggest, finally, that **philanthropic support** from national organizations like Living Cities and Enterprise Community Partners also helps maintain momentum through the operating support for new institutions that keep important stakeholders engaged. The respondents in the Twin Cities spoke at length of the importance of Living Cities' early funding of regional planning efforts and studies such as the one done by Wilder Research that focused on different kinds of de-siloing in the region. Moreover the Living Cities programs, particularly the dedicated Living Cities staff working on the Corridors of Opportunity project, increased the capacity of the metro area in a number of ways, including but not limited to the ability to compete successfully for the Regional Planning Grants.

> *What have been the main barriers to de-siloing they have encountered?*

Geographic divisions are still widely recognized as important barriers to de-siloing. Local governments protect their own interests, especially when the benefits of regionalism to the locality do not clearly outweigh the potential losses. Cities and counties still compete for tax base and avoid unwanted land uses and they probably always will. These geographic boundaries also divide constituencies—advocates for low-income people operate in some but not all geographic areas, for example—and issue areas, such as transit improvements and highway expansions.

Lack of capacity, understanding, and time for better regional decision-making also create barriers, especially since integration across boundaries and content areas is **hard work.** It always means more meetings. When federal assistance is involved, applicants must allow federal guidance and procurement processes to run their course and adjust as guidance changes or new rules are issued.

As discussed above, established regional institutions don't always have the **authority or incentive** to take on thorny or unusual subject areas. Moreover, they can be so fragile that attempts to integrate geographically or substantively can threaten their existence

State and federal governments also still can hinder regional integration. The Wisconsin and North Carolina legislatures have threatened regional planning and governance even as North Carolina overall is moving toward supporting sustainability programs and regional planning efforts. The Minnesota Governor's control of the Met Council creates the sense that it's not always a reliable partner for other organizations whose missions center on the goals of the sustainable communities program. And at the federal level, partisanship has led to uncertainty that the federal Partnership and the Regional Planning Grant

Program will continue, potentially undermining not only future participation but even continued interest in the existing grants.

Ideological opposition also can directly threaten geographic and issue-area integration of the sort promoted by the programs we studied. This can play out geographically, with rural and suburban communities motivated to withdraw or oppose in response to organizing by Tea Party/anti-Agenda 21 groups (Asheville).

10) **To what extent has progress been institutionalized (built durably into ongoing structures and practices) at the local level, and how has that institutionalization been accomplished?**

At this writing (late 2012), progress has not been built durably into ongoing structures and practices. Future research would be helpful in learning more about answers to this question. However, a few measures would indicate progress toward the de-siloing goals of the Partnership:

- new policies adopted to change resource flows and development patterns toward a more equitable distribution of benefits and costs of growth;
- established organizations remaining in place, stronger and more internally de-siloed;
- intergovernmental agreements;
- coalitions of advocacy organizations that include new stakeholders representing different geographic areas or perspectives or disciplines;
- new venues remaining and added new responsibilities, having accomplished near-term goals;
- new leadership arising from within these venues and elsewhere to work effectively across issue areas and geographies;
- further important issues introduced into regional planning processes;
- state and federal obstacles to geographic and issue-area integration identified and addressed; and
- implementation measures funded to carry out plans and visions (including regional transportation investments).

11) **What factors (e.g., an existing culture of collaboration, regional economic dynamics, MPO capacity) help explain the extent to which different regions involved with the Regional Planning Grant have de-siloed to different degrees?**

Variance in institutional capital: The situations in which our case-study regions began operating under the Regional Planning Grants—clearly affect progress toward de-siloing. Regions with strong *legacies of regional planning* and cooperation—Denver, Twin Cities, and Seattle—were able to build on those legacies, but were forced to go further by the structure of the NOFAs. Asheville has less previous commitment to regional planning and governance. Madison experienced conflict in regional institutions. Both of these regions have integrated somewhat less than the other three. *MPO capacity and legitimacy* also

makes a difference; the three larger metro areas have strong capacity at the MPO or other regional agency, allowing them to consolidate efforts early and move forward. Asheville's regional planning agency also has substantial credibility with major actors in the region.

Madison, by contrast, may have advanced less quickly because its regional planning organization is quite new and has been strained by disagreements over its proper scope and over the desirability of regionalism more broadly the area. Since none of our five case study regions faced more *serious economic challenges* than the national average, we cannot reach a conclusion about the role of the economy in promoting or hindering integration. Finally, we observed significant *involvement of local and national philanthropy* in Denver and the Twin Cities while other regions, like Seattle, noted their new interest in bringing local philanthropic organizations into the regional planning process in a meaningful way.

Some of the variance we observed also come differences in how the **planning grant program's characteristics** applied to the case-study areas. First, the *year the grant began* makes a difference; the 2010 grantees have all had more time to work than Denver, providing some momentum for de-siloing. On the other hand, Denver has learned from the 2010 application round by reorganizing, interacting with HUD, and analyzing the strategies undertaken by the Twin Cities. Denver therefore started with some advantages that the other grantees didn't start out with. The *grant category* (category 1 vs. category 2) may also make a difference. Asheville, the only category 1 grantee, will engage only in planning and visioning (not catalytic projects). Working to develop catalytic projects is likely to cement new relationships across issue areas and introduce new perspectives into regional planning, as mentioned above.

12) **What general conclusions can be drawn, and what implications can be gleaned, from the local experience of the Regional Planning Grant Program about how federal efforts to encourage and incentivize de-siloing at the local level can be made most effective, and what it might take to more fully institutionalize this work and have greater impact?**

What general conclusions can be drawn and implications gleaned from local Regional Planning Grant experiences about how federal efforts can advance local de-siloing?

The Regional Planning Grants sought to de-silo regional efforts in multiple ways. They were explicitly designed to encourage more stakeholders to be at the table, representing integration across jurisdictions and thus geographic boundaries, cooperation among those focused on specific substantive issues from housing to economic development, from energy to the environment, and greater coordination between and among diverse stakeholders, particularly those not usually present in regional planning efforts. Most respondents think that these goals were achieved to some extent though thoughtful and determined federal efforts. This leads us to three main conclusions about federal action and regional de-siloing.

First, **federal program design can improve local de-siloing efforts**. The successful elements discussed above can be applied to many kinds of federal programs: a competitive process driven by a well-designed NOFA, a serious interdisciplinary application review, technical assistance and follow-up, and different grant categories for different levels of readiness. In addition, the comprehensive information

that HUD provided to losers was significant; the detailed feedback reinforced the importance of the wide range of new or different requirements that the NOFA contained. The feedback process also assisted many metropolitan areas to understand where they were deficient and how to improve their process in the next round to be responsive to the grant requirements.

HUD also held peer-to-peer learning sessions for the winning metropolitan areas, demonstrating its early recognition that different regions could learn from one another in ways that they could not from HUD alone. These sessions pro-actively established several ways for regional grant recipients to interact with one another. This kind of federal activity was a valuable learning experience for almost every applicant, encouraging many metropolitan areas to consider new issues in their regional planning processes. HUD's approach also helped disseminate the essence of the Partnership principles.

Second, **unclear federal legislative commitment may undermine local de-siloing**. If a program is time-limited, not all regions will devote full attention to it from the start. Others will revert to previous patterns once the program ends. On the positive side, federal agencies continue to press forward on reducing barriers to joint action and joint funding while increasing the efficiency and effectiveness of their spending on projects that support a coordinated approach to developing sustainable and livable communities.

Third, **philanthropic investments can add substance and heighten participation**, thereby complementing federal commitments. While federal agencies can't dictate the participation of specific philanthropic organizations, the experiences of Denver and the Twin Cities suggest that philanthropy can help provide more capacity to certain kinds of groups and elevate particular ones. The involvement of local philanthropic organizations may help build commitment to de-siloing if that involvement promises to result in funds for implementation and engagement after federal funding is exhausted.

What might it take to more fully institutionalize the work and have greater impact?

First, **significant efforts are needed at level of the state governments**. The clearest arenas for early progress are in the *executive branch*. Where governors are ready to move ahead, they can ask state agencies to encourage or accommodate local and regional de-siloing and to conduct more cross-agency collaboration. In the area of smart growth, for example, Maryland's governor has created a "smart growth" cabinet meant to align agencies and promote local de-siloing; more research would help show whether and how this arrangement has produced progress. Working in *state legislatures,* by contrast, is likely to require the investment of substantial political capital with unclear payoffs. Reducing incentives against collaboration, especially fiscal ones, could help, but any fiscal structure has winners and losers—and the winners under established fiscal arrangements are generally more motivated to keep the status quo than *potential* winners from change are to act. Changing state laws to broaden MPOs' missions could also help; siloing would occur within such organizations, but this likely result could be mitigated with clever design.

Federal action can also help institutionalize regional integration across these various dimensions. Within the *executive branch*, agencies can provide stronger support for line staff in their regional and district offices with the most direct contact with local stakeholders. Further research about how the regional and district offices of the three federal partners could be very revealing and helpful. Our study of the Partnership for Sustainable Communities suggests, too, that cross-agency efforts among other federal agencies could help address some other remaining local subject-matter siloing, including in education, health, workforce development, and economic development. With support from *Congress,* the renewal of the Regional Planning Grant Program and others like it would support the ongoing work in these regions and extend the model elsewhere. Other legislative initiatives could replicate some of the de-siloing features of the Regional Planning Grant.

Appendix A. Chronology of events contributing to and during the Partnership

We conclude that six major situations or events led to the Sustainable Cities Partnership and the Regional Planning Grants. It is hard to imagine that so much progress would have occurred without the research, legislative, and political events we chronicle below.[11]

- **Research increases awareness of interrelated issues affecting metropolitan areas due to shifting demographics.**
  - o In the early to mid-2000s, a growing body of knowledge about **growth trends and shifting demographics**, including a rapidly urbanizing population, emphasized the **linkage between housing, transportation, land use, and climate change**.
- **FTA and HUD collaborate over housing and transportation issues.**
  - o Department of Transportation's Federal Transit Administration (FTA) and the Department of Housing and Urban Development (HUD) entered into an **Interagency Agreement** in 2005 to address the rising demand for transit-accessible housing.
  - o In 2007, the FTA and HUDs funded a study titled "Realizing the Potential: Expanding Housing Opportunities near Transit" that examined the combined cost of transportation and housing. The study recommended the formation of a FTA and HUD interagency workgroup tasked with encouraging TOD and increasing collaboration among agencies at all levels.
  - o The **House Committee on Appropriations directed the FTA and HUD to establish an interagency working** group to promote transit accessible affordable housing. The 2008 Appropriations Bill provides $1,000,000 to fund this effort.
  - o The Interagency working group released "Better Coordination of Transportation and Housing Programs to Promote Housing near Transit" in 2008. Recommendations include reaching out to local stakeholders and improving coordination between housing and transportation agencies.
- The Office of Urban Affairs is created in 2009, further increasing inter-agency collaboration.
  - o President Obama created the Office in February 2009 to advance the Administration's Urban Policy, guided by three objectives, to: (1) pursue an **interdisciplinary approach that de-siloes policy arenas**; (2) **tackle issues regionally** rather than at the local or city level; and (3) encourage a **better working relationship between the federal government and municipalities**.
- DOT and HUD create the Sustainable Communities Initiative, considerably strengthening interagency collaboration at the federal level.
  - o In March 2009, HUD Secretary Shaun Donovan and DOT Secretary Ray LaHood announced an interagency task force called the "Sustainable Communities Initiative." One main goal of the initiative was to **coordinate investments and planning in housing, transportation, and land use** in every major metropolitan area in the United States.
  - o On June 16, 2009, the secretaries of HUD and the Department of Transportation with the administrator of EPA formally announced the **Partnership for Sustainable Communities (PSC) with**

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[11] Sources for this review include various news reports and Athena Ullah, *A Policy Story of Continuity and Change: Reflections on the Obama Administration's Metropolitan Agenda* (Master's thesis, Massachusetts Institute of Technology, Cambridge, MA, 2011).

HUD, DOT, and EPA is formally announced to a U.S. Senate Hearing. The PSC, which will lead the Sustainable Communities Initiative, also introduced the **six livability principles** that will serve as a benchmark for programs and policies related to the initiative.

- The federal government increases efforts to find place-based solutions and improve federal-local relationships.
  - o In 2009, the HUD Office of Urban Affairs, along with the Domestic Policy Council, hosted a roundtable with PSC leaders and local officials focused on innovative, localized solutions. The Office then visited nine U.S. cities for its first initiative, *The Urban Tour*, to examine best practices for metropolitan areas.
  - o The Office of Urban Affairs launched several initiatives to better **align federal policies and programs with local needs**: (1) a **placed-based policy review** to examine how federal policies affect and can assist the development of urban and rural areas; (2) a **Regional Innovation Clusters Initiative** to encourage key industry clusters through regional competitiveness; and (3) the **Neighborhood Revitalization Initiative**, an interagency collaborative to improve inner city neighborhoods.
- The Sustainable Communities Initiative receives funding and finds a home in HUD.
  - o On August 6, 2009, Senator Dodd introduced the Livable Communities Act, establishing the **Office of Sustainable Housing and Communities (OSHC) in HUD**. OSHC supports the Sustainable Communities Initiative through the Resource Center, the research grant program, and two planning grant programs, which includes the Regional Planning Grant Program and the community challenge planning grant program. Preferred Sustainability Status gives preferential funding and assistance status to recipients of regional planning and community challenge grants.
  - o The **Regional Planning Grant Program received $100 million in FY 2010 and $95 million in FY 2011**.
  - o As of April 2012, the PSC has provided **744 projects with approximately $3.51 billion of funding**. Examples of grants and programs developed and reviewed jointly by PSC include:
    - DOT: TIGER I, II, III, and IV Capital Grants; FHWA Transportation, Community, and System Preservation Program; FTA Bus Livability Program; and FTA Alternatives Analysis planning grants;
    - EPA: Smart Growth Implementation Assistance; Partnership Brownfields Pilots; Greening America's Capitals; Building Blocks for Sustainable Communities
    - HUD: Regional Planning Grants; Choice Neighborhoods Implementation Grants; community challenge grants; and community challenge/TIGER II planning grants (HUD/DOT)
  - o Regions are encouraged to combine funds and technical expertise. A report from Reconnecting America examined Regional Planning Grants, community challenge grants, HUD/DOT Challenge/TIGER II grants, and TIGER I and II grants. It found that after FY 2010 award rounds, only five regions received both the regional planning and community challenge grants and only ten received the regional planning and TIGER II grant.
  - o In FY 2012, Congress declines to fund HUD's Sustainable Communities Initiative.

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