

Item submitted by  
Councilman Slater

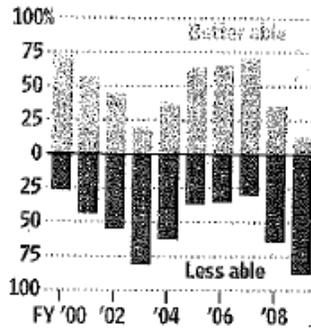


procession for some of the 21 people killed in  
d early elections to stem the crisis. A10

# Strapped City Cuts and Cuts

## Urban Plight

How cities saw their ability  
to meet financial needs, vs.  
prior year



Source: National League of Cities survey  
conducted April-June 2009 of 379 cities with  
populations of 10,000 or more

By LESLIE EATON

COLORADO SPRINGS, Colo.— Like many American cities, this one is strapped for cash. Tax collections here have fallen so far that the city has turned off a third of its 24,512 street lights.

But unlike many cities, this one is full of people eager for more government cutbacks.

The town council has been bombarded with emails telling it to close community centers. Letters to the local newspaper call for shrinking the police department and putting the city-owned utility up for sale. A commission is studying whether to sell the municipal hospital. Another, made up of local businessmen,

will opine on whether to slash the salaries and benefits of city employees.

"Let's start cutting stupid programs that cost taxpayers a pot of money," says Tim Austin, a 48-year-old former home builder now looking for a new line of work. "It's so bullying and disrespectful to take money from one man's pocket and put it in another's."

Such sentiments, which might draw cheers at a tea-party rally, are pretty much a mainstream view here in the state's second-largest city, the birthplace of Colorado's small-government movement.

Almost a decade ago, voters  
*Please turn to page A16*

## FROM PAGE ONE

# Strapped Colorado Springs Radically Cuts its Government



MATT MCCAIN for the Wall Street Journal

Left: A March fair to raise private funding for community centers, held at Westside Community Center, was sparsely attended. Right: City Councilman Sean Paige, in costume, mans a dunk tank to raise donations.



Continued from Page One  
imposed strict limits on how much the city government can spend. Last November they turned thumbs down on a property-tax increase, despite warnings from city officials about a projected \$28 million shortfall requiring at least a 10% cut in an already shrunken budget.

And so, faced with dwindling revenues, intransigent voters and widespread distrust of government, this city of 400,000 has embarked on a grand experiment: It is trying to get volunteers and the private sector to provide services the city can no longer afford.

Taxi drivers have been recruited to serve as a second set of eyes for stretched police patrols. Residents can pay \$100 a year to adopt a street light. Volunteers are organizing to empty the garbage cans in 128 neighborhood parks. The city is asking private swimming programs to operate its pools, and one of the city's four community centers soon will be run by a church.

Other cities are making similar efforts to harness community spirit to provide or pay for services, albeit on a smaller scale. Duluth, Minn., last year relied on the YMCA to pay for life guards at its city beach. Phoenix trains volunteers to remove graffiti that city workers used to erase. Many public libraries are asking donors who used to finance special programs to pay for basic operations.

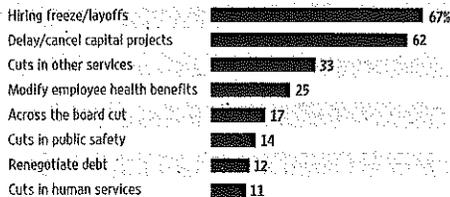
As cities around the country try to find new ways to deliver services, Colorado Springs could be an interesting model, says Christopher Hoene, research director at the National League of Cities in Washington. "It raises the question of what the contribution of residents will be, time or tax dollars?"

Most of Colorado Springs's efforts are so new no one knows if they will work. There have been short-term successes. The Pioneers Museum, city-run since 1937, has raised enough money to keep its doors open this year and to hire consultants to develop a plan for it to go private.

But some efforts already are stumbling. Poor neighborhoods, it turns out, have trouble raising enough money to cover the costs of popular municipal programs

## Belt Tightening

Percentage of cities reporting various responses to budget shortfalls in fiscal year 2009



Source: National League of Cities survey conducted April-June 2009 of 379 cities with populations of 10,000 or more

like after-school child care.

Some skeptics say it is unfair and ultimately impractical to expect a few volunteers to shoulder burdens while everyone gets the benefits of their work—what economists call the free-rider problem. "If people are not contributing their part, there needs to be a broad community-wide solution," says Richard Skorman, a prominent local businessman who for many years was the sole liberal on the city council.

Boosters think the moves by Colorado Springs will be adopted elsewhere. "We're a model of how cities can creatively adapt to budget adversity," says Sean Paige, a self-described libertarian on the city council. "You can have great quality of life without a great big government at the heart of it."

Many people here say the proper role of government should be limited to paving streets, paying police and firefighters and, if there's money left over, frills like parks. Those are, in fact, the only projects for which Colorado Springs voters have been willing to approve tax increases in recent years.

Mr. Hoene of the National League of Cities says there are plenty of potential pitfalls to relying on the community to provide services.

Programs that might work for small, homogeneous towns, he says, may falter in big, fast-growing cities like Colorado Springs, where an increasingly diverse population tends to have varying wants and needs. Low-wage workers and the businesses that employ them may

rely on a transit system, for example, while wealthier residents see no need to pay for a service they do not use.

Colorado Springs is a conservative bastion that is home to the evangelical New Life Church, the influential Christian ministry Focus on the Family, and five military installations, including the U.S. Air Force Academy.

In a state that helped put Barack Obama in the White House, Colorado Springs and its surrounding county voted overwhelmingly for John McCain. Households here are whiter, richer and far more likely to speak English at home than in Denver, 70 miles to the north, Census data indicates.

But residents say the city is more diverse than it first appears. It has an unusually high percentage of veterans, and also is home to a big branch of the University of Colorado. The U.S. Olympic Training Center attracts athletes and tourists, and the spectacular scenery draws outdoor enthusiasts.

At 8.9%, the unemployment rate isn't particularly high compared to the national average. But the area has never regained the high-paying jobs and the tax revenues lost after the high-tech bust in 2001, says Fred Crowley, an economist at the University of Colorado at Colorado Springs. It has lost more than 23,000 jobs since the start of the recession.

The Colorado Municipal League says most of its towns and cities are facing drops in revenue, most of which comes from sales taxes, though Colorado Springs's problems are par-

ticularly severe. Some experts say local and state limits on taxes and spending may have made the situation worse. Those measures likely will prevent Colorado Springs from returning to previous budget levels anytime soon, even if tax revenues rebound.

Over the last two years, the city has taken some fairly standard measures to cope with lower tax collections, cutting hundreds of vacant positions, encouraging early retirements, and reducing parks maintenance. But it wasn't enough, so the city asked voters to increase the property-tax rate.

Residents, however, weren't in a generous mood. The property-tax proposal was resoundingly rejected, and the city soon announced what the then city manager described as "drastic service and program reductions." Firefighter and police jobs were cut, and city buses no long run on weekends and at night.

Then came the plan to turn off the streetlights. Even that had its fans. While many people called to ask to have their lights turned back on, says Sue Skiffington-Blumberg, the city's spokeswoman, about 10% of the callers actually wanted their streetlights to go dark.

The steepest cuts were in the parks and recreation department, where dozens of workers were laid off. The city would continue to manure a few big parks, but the smaller neighborhood ones would lose trash-collection. City officials hope to negotiate a deal with a big-box retailer that would allow residents to get discounts on riding mowers for voluntarily cutting grass in the parks.

Mayor Lionel Rivera drew the line at allowing the animal-rights group People for the Ethical Treatment of Animals to plaster park trash cans with photos of a buxom woman wearing a lettuce-leaf bikini. But he says if the group would help pay for park maintenance, a low-key logo would be fine—and he is making the same offer to the Colorado Cattleman's Association. "Maybe we can get a little competition going," he says.

Dave Munger, president of the Council of Neighbors and Organizations, which includes

about 180 neighborhood groups here, worries that neighborhoods with fewer resources will fare worse than those that are more affluent or better organized. "We're looking at the possibility of a culture of haves and have-nots if this lack of income extends," he says.

Case in point: the city's plan to close all four of its big community centers, founded years ago to keep kids out of trouble.

That decision put Mr. Paige, the libertarian councilman, in an awkward position. He has been a longtime advocate of shrinking government, first as editorial-page editor at the daily Colorado Springs Gazette and then through his Web site, Local Liberty Online.

But when the city council tapped him to fill a vacancy last summer, Mr. Paige says, he promised to represent the views of the residents of his district, who want the centers to remain open.

"I'm dealing with the city as it exists," he says, "not in theory or as I desire it to be."

**Some in town worry that neighborhoods with fewer resources will fare worse than those that are more affluent or better organized.**

Mr. Paige's change of heart hasn't gone unnoticed. "Mr. Paige has gone over to the dark side," grumbles Douglas Bruce, who wrote both the local and state "Taxpayer Bill of Rights" initiatives that limit government spending.

Late last year, Mr. Paige not only backed a proposal to spend \$400,000 to keep the centers open through March 31 while supporters tried to raise private funding, he became their chief fund-raiser.

But coming up with the cash has proved hard. Just ask Brian Kates, who manages the Meadows Park Community Center, a converted strip mall with a cinder-block gym southwest of downtown. The center, which gets about 50,000 visits a year,

serves a low-income neighborhood of low-rise apartments and bungalows.

Mr. Kates has slashed the budget, laid off much of the staff, and raised fees. Supporters have sponsored everything from pizza dinners to jewelry-making lessons to bake sales. A chili cook-off "didn't make more than \$50," Mr. Kates says with a sigh, "but it brought a lot of people in."

The city would save \$1 million this year by closing the centers down. Backers have raised no more than \$12,000, says the city spokeswoman.

Late last month, the city council learned that a large evangelical church with an active community-service program has agreed to operate one center.

At Mr. Paige's urging, the council tentatively agreed to dip into its reserves to cover barebones operations at the other centers through the end of the year.

Last week, the U.S. Olympic Committee said it would donate \$250,000 over two years for sports programs, including summer camps at the centers.

Another "rethinking government" initiative is Proud of Our Parks, which Steve Immel, an unemployed technology executive, created to empty the trash cans in neighborhood parks.

Mr. Immel says he got the idea one day when he was walking his mutt, Timber, in Judge Lunt Park in his neighborhood northeast of downtown, and he noticed the trash cans were gone.

Participants sign a contract with the city agreeing to make sure the cans get emptied, and then try to round up their neighbors to help.

Mr. Immel has set up Web sites that allow the parks groups—38 have been organized so far—to communicate and post schedules. The first cans were returned the last weekend in March.

Mr. Immel says he isn't sure how long the volunteer efforts will last. But he thinks they will be educational. After a while, "people will probably think, 'Gosh, we ought to hire someone to do this,'" he says. "Well, you did: the Parks Department."