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Crucial issues facing candidates for Allegheny County chief executive

Summary: This year, several Allegheny County elective offices are on the November ballot, including the office of chief executive. Having served the maximum three consecutive four-year terms permitted under the Home Rule Charter, the current chief executive will leave office in January 2024. As of this writing, eight candidates have announced their intention to run for chief executive.

As head of the executive branch, the powers and duties granted to the chief executive by the Allegheny County Charter include enforcing county ordinances and resolutions, representing (or designating a representative to do so) the county at meetings with the heads of other governments, appointing a county manager and solicitor (subject to County Council approval) and submitting a comprehensive fiscal plan to County Council.

The last time there was an open seat for the office of chief executive, the Allegheny Institute released a report (#11-01) that offered free market-based, commonsense solutions to issues facing county government.

Those included strengthening the charter, crafting a new reassessment policy, addressing problems at the Port Authority and Pittsburgh International Airport and being aggressive on privatization and outsourcing.

Twelve years later, while aspects of those issues may have changed, over all there is still plenty of work to do on each.

For example, there is a new terminal under construction at Pittsburgh International Airport. But the number of passengers and flights remain below pre-pandemic levels. The Airport Authority board, with all members appointed by the chief executive and confirmed by County Council, has—in the Institute's view, unwisely—authorized the use of subsidies to airlines flying to and from the airport.

Bus and light-rail ridership are likewise below pre-pandemic levels. However, the costs at the now renamed Pittsburgh Regional Transit (PRT) are still near the highest of transit agencies in the country. Low-performing routes have not been eliminated, smaller

vehicles have not been utilized and there have been no layoffs while federal, state and county subsidies have not been reduced, thereby driving per passenger costs to extremely high levels.

The one substantial change was in the makeup of the board of directors. A 2013 state law enlarged the board from nine to 11 members. But it reduced the number appointed by the chief executive from nine to six (two are confirmed by County Council) and added five appointments by state officials. Unfortunately, PRT workers are still legally able to strike and a four-year labor contract was recently approved.

There has not been a recent countywide property reassessment and the need for an update to the 2012 base year could not be clearer. Appeals by property owners and taxing bodies, particularly school districts, are a regular and frequent occurrence. There was a lawsuit over taxing body appeals, which was dismissed. A lawsuit over the county's common level ratio used in appeals is pending.

There are the very important issues of retaining and attracting population and jobs to the county, which candidates are almost certain to talk about at length.

Between the 2010 and 2020 Census, Allegheny County grew in population for the first time since the 1950s. The 2020 Census count was 1,250,578, up 2.2 percent from the 2010 Census.

Of the 49 counties across the U.S. that reported a population of 1 million or more in the 2020 Census (including Allegheny County) 14 had population growth that exceeded 15 percent from 2010 to 2020. Included in this group were five counties in Texas, two each in North Carolina and Florida, and one each in Arizona, Georgia, Nevada and Utah. With the exception of one county in Washington, all are located in Right-to-Work states.

The most recent estimate by the Census Bureau puts Allegheny County's July 1, 2021 population at 1,238,090, a decrease of 12,488 (1 percent) from the 2020 Census count. Components of population change of a specific geographic area include natural increase (births minus deaths) along with net migration (net domestic migration plus net international migration). The Census Bureau shows that in the time frame these values were both negative at 4,711 and 7,820, respectively.

A recent study by the University of Pittsburgh's Center for Social and Urban Research found that, among the nation's largest counties, nearly 20 percent of the county's population is 65 years of age or older, second only to Palm Beach County, Fla.

The December 2022 Pennsylvania Department of Labor and Industry news release on household employment (including county residents who are working, regardless of where the job is located, or residents looking for work) shows a labor force of 630,500 with 609,300 people employed and 21,200 people unemployed. The resulting unemployment rate was 3.4 percent.

Compared to the pre-pandemic month of December 2019, the labor force is down almost 20,000 (3 percent) with fewer people employed and unemployed. The unemployment rate has decreased from 3.9 percent. But the declines in these components make it clear why that is the case.

Based on the U.S. Census Bureau's data for County Business Patterns by Legal Form of Organization and Employment Size Class, in 2018 there were 33,732 establishments in Allegheny County with 705,835 employees. In 2020, the number of establishments fell by 297 (0.9 percent) and employees by 4,053 (0.6 percent).

What changes would candidates make to reverse the trends in population and jobs? To be sure a substantially more free market-oriented approach would be a break from the past and would improve the county's long-term prospects.

In the next few years, the remainder of American Rescue Plan dollars will be spent, appointments to key authorities will be made, the lawsuit over the common level ratio may be decided and the Bus Rapid Transit and airport terminal projects will be complete. If county government spending and employee headcount grow or the county takes on new functions beyond its core responsibilities, the prospect of a tax hike could be real notwithstanding the fact that the county's millage rate of 4.73 has not changed since 2013.

This year's operating budget tops \$1 billion and there are 6,125 budgeted full-time employees in the government (1,444 are employees of County Council, the Court of Common Pleas and the row offices of district attorney, sheriff, treasurer and controller).

Over the coming months, the Allegheny Institute will publish occasional *Policy Briefs* on the key issues discussed in this *Policy Brief* and offer recommendations for candidates and the eventual winner for chief executive as the next administration prepares to take office.

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