



Department of
Development

Local Government Innovation Council

December 1, 2011

Roll Call

- ❑ **Chairperson**
 - ❑ **Christiane Schmenk, Director** - *Director of the Department of Development*

- ❑ **Vice-Chairperson**
 - ❑ **Thomas M. Humphries, Regional Chamber President & CEO** - *Representing the interests of the Ohio Chamber of Commerce*

- ❑ **Ron Amstutz, Representative** - *Representing Ohio House of Representatives*
- ❑ **Carlton Weddington, Representative** - *Representing the Ohio House of Representatives*
- ❑ **Dave Daniels, Senator** - *Representing the Ohio Senate*
- ❑ **Eric Kearney, Senator** - *Representing the Ohio Senate*
- ❑ **Mary Amos Augsberger, Director of Policy and Public Affairs** – *Representing Auditor of State*
- ❑ **C. Randy Cole, Controlling Board President & Policy Advisor** – *Representing Office of Budget and Management Director*
- ❑ **David A. Collinsworth, City Manager** - *Representing the interests of the Ohio Municipal League*
- ❑ **Reno Contipelli, Member** - *Representing the interests of the Ohio School Boards Association*
- ❑ **Gregory A. Hanahan, Administrator** - *Representing the interests of the Ohio Township Association*
- ❑ **Eugene K. Krebs, Director of Government Affairs and Policy** - *Representing the interests of an Ohio-Based Advocacy Group*
- ❑ **Deborah A. Lieberman, Commissioner** - *Representing the interests of the Ohio County Commissioners Association*
- ❑ **Mark Weinberg, Director** - *Representing the interests of local governments*
- ❑ **Vacant** - *Representing foundation interests*

Legislative Review

HB 371 & SB 257

- **189.01-** Clarify definition of eligible applicant
- **189.02-** No change
- **189.03-** Changes to have the Governor appoint the Chancellor's recommended representative
- **189.04-** No change
- **189.05-** Changed allow the fund to collect principal and interests from loans made
- **189.06-** Clarification of competitive process and elements of application
- **189.07-** Elimination of District Public Works Integrating Committee's role in the process
- **189.08-** Population thresholds adjusted to represent 50% of the state in a small or large community per capita
- **189.09-** No change
- **189.10-** Changed sunset provision to 2018
- **261.10-** Changes FY12 & FY13 administrative budget to include \$175,000 for services
- **261.20.93-** Allows for funding transfer

Public Comment Review

- **Outreach**
 - **Interested Parties**
 - **Ohio School Board Association**
 - **County Commissioner's Association of Ohio**
 - **Efficient Government Now**
 - **Ohio Township Association**

Public Comment Review

General Comments

- Legislation
 - Legislation should require annual cost report similar to the Cupp Report
 - How will the Council handle HB 371 with respect to the program guidelines?

Public Comment Review

General Comments

- LGIF Administration
 - Use benchmarking practices for local governments through the International City & County
 - Allow for two grant rounds in the inaugural year

Public Comment Review

General Comments

- Fund Allocation
 - The individual project limits need to be reconsidered. The \$100,000 and \$500,000 limits may not be sufficient to fund projects
 - Provide larger percentage of funds for grants than
 - Allow grants to include actual implementation projects not simply feasibility studies

Public Comment Review

General Comments

- Award Agreements and Terms
 - Forgivable loans are strongly preferred

Public Comment Review

Comments Specific to Policies

- Overview
 - “Projects are also expected to facilitate improved business environments and promote community attraction” - Why is this provision included in policy.

Public Comment Review

Comments Specific to Policies

- Section 2 – Eligibility
 - “Should two applications for the same project arrive for review, both applications will be deemed materially insufficient and returned to the applicants for further collaborative development.”
 - What if these projects have nothing to do with each other?
 - In §2.03 it is unclear whether the number of collaborative partners limits the maximum loan amount.
 - For example, if a proposal includes four communities looking to merge services, would the award be limited to \$400,000 (\$100,000 per community) or would the \$500,000 maximum award be possible?

Public Comment Review

Comments Specific to Policies

- Section 6 – Loan Agreements
 - What happens if an entity defaults?
 - What happens if there are no savings? Is the applicant required to repay?

Draft Policy Review

Section 3: Application Procedures

- 3.04 / 3.05 Integrating Committee Procedure

Draft Policy Review

Section 3: Application Procedures

- 3.06 - Prior to an applicant submitting applications for loan awards, Development must provide a **determination** that the Applicant's feasibility study, process implementation strategy, cost benchmarking, planning or a management investigation targeting service (or services) provided (or to be provided) by the applicant(s) (LGIF funded or otherwise) provide appropriate recommendations for project implementation. Deadlines for the submission of study and plan determinations are set forth in the LGIF program calendar.

Draft Policy Review

Section 3: Application Procedures

- 3.07 Eligible applications may be for project related soft costs or hard costs both of which are outlined below:
- **Grant Applications** shall only include soft costs such as feasibility studies, process implementation, cost benchmarking, planning or a management investigation targeting service (or services) provided (or to be provided) by the applicant(s)
- **Loan Applications** shall only include hard costs such as demonstration projects that implement recommendation(s) of a feasibility study or performance audit, that identifies the project using a specific approach for a more efficient alternative to a service or its delivery, is predictably replicable, and scalable for the inclusion of other collaborative partners

Draft Policy Review

Section 3: Application Procedures

- 3.08 Each application for Local Government Innovation Fund assistance must contain at minimum:
 -
 - **3.08.1 Grant Applications:**
 - A problem statement including information regarding any funds spent on goods and services
 - The return on investment desired
 - The number of participating entities in the proposal
 - The probability of the proposal's implementation
 - The percentage of local matching funds committed
 - The ability to replicate or scale the proposal to allow for the inclusion of other political subdivisions
- Whether the proposal is part of a larger consolidation effort by the Applicant or Collaborative Partners
 - Applicants with must provide executed partnership agreements with other participating entities and provide a resolution of support from a governing entity if applying for a feasibility study or demonstration project
- Whether the proposal is to implement a performance or any other audit recommendations including those under §117 of the Ohio Revised Code
 - All audits that are submitted must be within five years of the date of application
- Whether the applicant has successfully completed an innovation (efficiency, shared service, coproduction or merger) project in the past
- Whether and how the proposal is responding to current substantial changes in economic demand for local or regional government services

Draft Policy Review

Section 3: Application Procedures

- 3.08 Each application for Local Government Innovation Fund assistance must contain at minimum:
 - **3.08.2 Loan Applications:**
 - A problem statement including information regarding any funds spent on goods and services
 - The expected return on investment based on the ratio of expected savings
 - The number of participating entities in the proposal
 - The probability of the proposal's success based on need defined in a feasibility study, process implementation strategy, cost benchmarking, planning or a management investigation targeting service (or services) provided (or to be provided) by the applicant(s)
 - The percentage of local matching funds committed
 - The ability to replicate or scale the proposal to allow for the inclusion of other political subdivisions
 - Whether the proposal is part of a larger consolidation effort by the Applicant or Collaborative Partners
 - Applicants with must provide executed partnership agreements with other participating entities and provide a resolution of support from a governing entity if applying for a feasibility study or demonstration project
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Draft Policy Review

Section 3: Application Procedures

- 3.09 Deleted
 - Specific preference for communities with service impacts of shale gas fracturing

Program Document Review

- Proposed Application
 - Draft to be finalized by December 15th
- Proposed Project Selection Methodology
 - Draft for discussion 1/31/12

Program Calendar

Regional Sessions

Date	Time	Location	Venue
January 10, 2012	10:00 AM – 12:00 PM	Columbus	William Green Building
January 11, 2012	10:00 AM – 12:00 PM	Marietta	Washington State Community College
January 17, 2012	1:00 PM – 3:00 PM	Cleveland Area	Cuyahoga Community College
January 18, 2012	10:00 AM – 12:00 PM	Toledo Area	Owens Community College
January 24, 2012	1:00 PM – 3:00 PM	Cincinnati Area	Miami University (Hamilton)

Other Topics for Discussion

Next Steps

–Next Meeting

- January 31, 2012 (1:30-3:30)
- Riffe building Room TBD

Thank you for attending today's meeting.

For more information contact:

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