

LGIF GRANT APPLICATION

STARK COUNTY

BUILDING DEPARTMENTS

SHARED SERVICES

FEASIBILITY STUDY

Submitted by Stark County Regional Planning Commission

February 29, 2012

Section 1. Contact Information

- Main Applicant: Stark County Regional Planning Commission (SCRPC)
(on behalf of all jurisdictions in Stark County)
Address: Robert Nau, Executive Director
SCRPC/SCATS
201 Third Street NE Suite 201
Canton, OH 44702
Phone: 330-451-7389
Fax: 330-451-7990
Email: ranau@co.stark.oh.us
- Application Contact Information
Attn. Brenda Sarsany, Chief of Planning
SCRPC/SCATS
201 Third Street NE Suite 201
Canton, OH 44702
Phone: 440-451-7446
Fax: 330-451-7990
Email: bksarsany1@co.stark.oh.us
Website: www.rpc.co.stark.oh.us

Section 2. Collaborative Partners

STARK COUNTY REGIONAL PLANNING COMMISSION MEMBERS

<u>CITIES</u>	<u>VILLAGES</u>	<u>TOWNSHIPS</u>	<u>COUNTY OFFICE MEMBERS</u>
ALLIANCE	BEACH CITY	CANTON	SC COMMISSIONERS
CANTON	BREWSTER	JACKSON	SC ADMINISTRATOR
CANAL FULTON	EAST CANTON	LAKE	HEALTH COMMISSIONER
LOUISVILLE	EAST SPARTA	LEXINGTON	SC ENGINEER
MASSILLON	HARTVILLE	MARLBORO	PROSECUTOR
NORTH CANTON	HILLS & DALES	NIMISHILLEN	SC SANITARY ENGINEER
	LIMAVILLE	OSNABURG	
	MAGNOLIA	PIKE	
	MEYERS LAKE	PLAIN	
	MINERVA	SANDY	
	NAVARRE	WASHINGTON	

- Immediate Project Partner: County of Stark (Support Letters: Attachment A)
- Address: Michael Hanke, County Administrator
Board of Stark County Commissioners
110 Central Plaza South
Canton OH 44702
- Phone: 330-451-7581
- Email: mehanke@co.stark.oh.us
- Population: 375,586 (includes all cities and smaller political subdivisions;
US Census Data: Attachment B)

- Immediate Project Partner: City of North Canton
- Address: Jim Benekos, City Engineer
145 North Main Street
North Canton OH 44720
- Phone: 330-499-3465; Fax: 330-499-6036
- Email: jbenekos@northcantonohio.com
- Population: 17,488

Section 3. Project Information

- **Project Name:** STARK COUNTY BUILDING DEPARTMENTS
SHARED SERVICES FEASIBILITY STUDY
- **Project Description:**

Stark County is the 7th largest county in the state and has six cities, most with their own separate building departments. These departments include: Stark County, North Canton, Alliance, Massillon, Canton, and Louisville. Canal Fulton, the sixth city, contracts with Stark County for their building department services.

SCRPC is applying for a LGIF Grant to fund a feasibility study to analyze the most effective way for the county's multiple building departments to collaborate and share services. This idea has been considered locally for many years, with a number of variations discussed. With the support and involvement of the Canton Regional Chamber of Commerce, the Stark Development Board (SDB), and the Stark County Building Industry Association (BIA), a committee was formed and worked on this issue several years ago. Without solid analysis, no consensus was ever reached; however, interest is still strong. There is a desire within the Stark County community to uncover issues that decision makers need to consider in order to determine how shared services are feasible in this setting.

A feasibility study will assist in determining the viability of some of the options previously discussed, and perhaps identify options that have not yet been considered. The study will help to identify areas of similarity, as well as areas where there are differences between building departments, and how to address them. It will discuss implementation costs, savings from various options, provide recommendations on how to implement the suggested options, and identify any impediments to implementation of shared services. Residents and businesses will be kept informed as to the progress of the study, as well as being given the opportunity to give input during it. Once the study is completed, the communities involved will work to come to a consensus and adopt the most effective method of sharing services.

SCRPC is seeking the grant with the encouragement and support of Stark County, the City of North Canton, the BIA, the SDB, the Canton Chamber, and several other local political subdivisions. Because of its makeup as a regional agency, comprised of all the local political subdivisions, it was determined that SCRPC would be the most appropriate avenue for seeking the grant and managing the consulting firm selected to carry out the feasibility study. The residents of the cities and the County would be well served with the coordination of, and perhaps the consolidation of the departments.

In this economic climate, Stark County is aware it needs to do everything it can to encourage business within its borders. The need is documented by the BIA and the County convening meetings in 2009 to study the issue of combining the City of Canton and the Stark County Building Departments. Shared services and collaboration are needed now more than ever as estate taxes are being eliminated, and local communities are required to do more with less.

- **Award Sought:** seeking \$75,000 grant to cover costs for feasibility study for shared services

- **Problem Statement:**

Having multiple building departments can lead to confusion, wasted time, and inefficiency. There is a need to evaluate the potential of shared services in an effort to improve service, increase cost effectiveness and avoid duplication of services. With communities facing decreasing revenues, it makes sense since building departments require the same certifications and skill sets in each community, that they look for ways to share services and staff. The current situation is not ideal with building customers being required to go to a specific building department in a particular community rather than a centralized location. One solution proposed could be a unified online system for permitting that would reduce costs and wait times. This study will closely examine the use of technology to create savings opportunities.

The underlying need for the study is to assess the costs and benefits of consolidation or shared services. The local communities desire to enhance services for the public and the business community in a cost effective manner. The planned analysis will include the financial impact of the various options on businesses, the local political subdivisions, and the public. It will consider other impacts from possible restructuring on jobs, convenience, and levels of service.

- **Targeted Approach:** Shared services feasibility study. SCRPC will create and put out a Request for Qualifications and select a consulting firm. (Draft RFQ: Attachment C). Then SCRPC will contract with and coordinate with the consulting firm as they study various possibilities for the most beneficial way to share services among building departments within Stark County. It is the desire of all partnering communities that the shared services not result in a loss of building department services to any geographical sector of the county's population.

- **Anticipated Return on Investment:** It is anticipated that in addition to the increased convenience and efficiency for customers, roughly 30% could be saved over time through the sharing of services. It is likely the shared services could include the use of one Chief Building Official and one Plans Examiner, creating a substantial savings in staffing. Savings can also take place as permits and inspections are handled by a central entity.

According to the Office of the Summit County Executive, in 2009, Akron and Summit County merged their Divisions of Building Standards. The new Division is working efficiently, creating new services and streamlining the way they do business. They estimate it saved Summit County \$400,000 the first year. Since that time, Tallmadge and Cuyahoga Falls, as well as other smaller communities have joined in the effort. Through 2011, total savings to the County is estimated at over \$1.3 million, with the other subdivisions also realizing savings. The consolidated department has also led to savings for contractors and uniform application and enforcement of the building code.

Another successful example of shared services is the Wood County Building Inspection Department which covers Wood, Hancock and Henry counties for commercial, and Wood County for residential building inspections. Their office has a Chief Building Inspector, a Master Plans Examiner, a Residential Plans examiner, a few administrative personnel and seven Building Inspectors: Structural, Mechanical, Electrical and Plumbing, a few of which are part-time. Their use of Citizenserve software (www.citizenserve.com) enhances their collaboration by allowing online permitting, electronic plan submittals, emailed inspection results, and web access to review status of projects.

SCRPC has every reason to anticipate a substantial return on investment, by virtue of its past history of success, the success of other entities in Ohio as noted above and a solid analysis to be carried out through this feasibility study. The estimate of 30% savings is based on similar savings seen in other communities as mentioned above.

- **Probability of Success:** The stated mission of the Stark County Regional Planning Commission is to improve the quality of life in Stark County and its communities through an effective regional forum characterized by communication, collaboration, facilitation and planning assistance. SCRPC has a long history of administering grants and programs on behalf of Stark County and local political subdivisions. The SCRPC has successfully administered the Community Development Block Grant (CDBG) program since 1975 and the HOME Investment Partnership program since 1992. The agency has administered the Fair Housing Program for the County as well as for the cities of Alliance and Canton, and the Housing Rehab Program for Alliance and Massillon under contracts with those political subdivisions.

SCRPC/SCATS (Stark County Area Transportation Study) is the Metropolitan Planning Organization for the region and administers the transportation planning functions for the area. SCRPC administers the NPDES storm water management and education for Stark County, as well as Subdivision Engineering functions. In 2010, SCRPC took on the operation of the county House Numbering Office as well.

A recent, notable success for SCRPC is the development of a consortium of communities within Stark County for storm water system mapping. This was done to address storm water under the USEPA's requirements under the Phase II National Pollutant Discharge Elimination System (NPDES). Detailed maps are required to track and control illicit discharges. Rather than each community carrying out the mapping on

their own, SCRPC proposed the consortium and eleven communities participated. The process included collaborative purchasing of mapping equipment, personnel sharing, and joint mapping across the member communities. A service advantage involved maps being created in one format throughout Stark County, rather than a number of maps in different formats that might have been produced if each community had mapped on its own. It is estimated that \$700,000 was saved through this SCRPC collaboration.

Another example of SCRPC efforts in collaboration is its participation in the Northeast Ohio Sustainable Communities Consortium, a 12-county collaboration started in 2010. It consists of metropolitan planning organizations, city and county governments, housing authorities, foundations and others. SCRPC is very active in the consortium and this unprecedented planning effort is working to change the way business is done in northeast Ohio, with an ongoing focus on regionalism. In addition to SCRPC past success in collaboration, the successes of Akron/Summit County and Wood/Allen/Henry Counties indicate a great likelihood of the need being successfully met by Stark County initiating a similar consolidation process.

- **Approach to Service Demand:** Stark County has been hit very hard by the housing foreclosure crisis of the past several years. In addition to many families losing their homes, a number of builders have been forced out of business due to the lack of demand for new homes. The County has worked hard to bounce back from the difficult economic times, seeking after, receiving, and carefully administering available ARRA (American Recovery & Reinvestment Act of 2009) funds. It realizes, however that there is a role the County has not yet played to assist businesses, and that is to streamline the process for permitting within its borders.

The Stark County BIA has indicated that consolidating will reduce travel time and increase efficiency for their builder members. With improved use of technology for the building departments, the BIA anticipates they will be able to promote the ease of doing business in Stark County to outside builders and developers. Additionally, in 2008 – 2009, North Canton had a performance audit done by the Auditor of State to evaluate the City's future financial shortfall, along with overall management practices. The other local communities in Stark County are also facing similar shortfalls. Collaborating is really the only way to meet the needs of these communities and the business community.

- **Scalability of Project:** The project will have the ability to add in the City of Canton and other political subdivisions in the future. It is hoped that with a positive outcome with this process, others will see the benefit and effectiveness of shared services and choose to participate in the future. SCRPC sees this project as very scalable, with an initial collaboration focusing on Stark County and North Canton. Each of the remaining building departments could join in as the recommendations on how best to share services become available based on the feasibility study. It is likely they will want to participate due to earlier changes in state law that standardized building codes, and the high cost of operating small city building departments. Meetings with various political subdivisions that have already taken place to discuss their future involvement have been very positive.

This project can also be replicated in other communities throughout the State of Ohio, not only with building departments, but with other departments where it makes sense to share services. This study could be very helpful to those political subdivisions, agencies and districts that are providing a service for a specific population while the same services are being provided by another. Even though a few communities have changed to shared services in building departments as noted above, no two situations are ever exactly the same. The Stark County feasibility study and resulting plan could prove helpful to another community considering collaboration in a way that the Summit County and Wood County examples might not. The Stark County Building Department Shared Services Feasibility Study could also prove helpful to other Stark County departments in a possible future collaboration between Health Departments within the County.

- **Audit Recommendations:** Various recommendations were made to the City of North Canton in a performance audit by previous Auditor of State Mary Taylor's office in January of 2009. Some were general in nature, such as "the City should evaluate services that could potentially be outsourced within its service and safety departments and determine if outsourcing these services would benefit the City." Other recommendations were more specific "The City uses computer software from Creative Microsystems, Inc. (CMI) in a number of departments, including the Permits and Inspection Department. While this system, which is used to track permit, inspection and contractor registration data, generally meets the needs of this department, it was last upgraded in 1999 and does not have web-enabled report generation capability. Also, CMI does not appear to have effective report generation capability."

These recommendations, as well as additional information within the audit will be very helpful as the feasibility study gets underway. The entire document is 175 pages and much of it does not apply to this project, so only a portion has been included. The full document is available at http://www.auditor.state.oh.us/AuditSearch/Reports/2009/City_of_North_Canton_08_Performance-Stark.pdf (Audit Excerpt: Attachment D).

Section 4. Financial Documentation

- **Three year financial history.** Service related operating budgets for Stark County Building Department and North Canton Building Department: Attachment E
- **Requested grant** funding in the amount of **\$75,000**
- **Anticipated Project Costs:**
Feasibility Study: \$74,000
Legal Ad to publish RFQ: \$1,000
Staff Time: \$7,533 (local match below)
Total Anticipated Project Costs: \$82,533
- **Local Match:** \$7,533 (10%). Match is comprised of in-kind contribution of necessary staff costs for the project through local funds. This includes time already spent by SCRPC senior staff in addressing and researching this issue. It will also include future time spent in the next year preparing the RFQ, selecting the consultant, staff time managing the consulting firm, and grant management. It is clear that additional staff time will be required during this process, but the amount of time has yet to be determined. The future 21 hours is at a minimum, and has been inserted to document the minimum 10% local match. SCRPC reimbursement rates include hourly rate, fringes and indirect rate.

Match (In-kind) costs already expended:
Brenda Sarsany, SCRPC Chief of Planning:
56 hours @ RPC reimbursement rate of \$59.30/hr = \$3,320.
Bob Nau, SCRPC Executive Director:
30 hrs @ RPC rate of \$98.94/hr = \$2,968
Total: \$6,288
- **Notarized Statement regarding above costs: Attachment F**

Match (In-kind) costs in future:
Brenda Sarsany, SCRPC Chief of Planning:
21 hours @ RPC reimbursement rate of \$59.30/hr = \$1,245
Total: \$1,245
- **Financial Projections & Description of Savings:** While difficult to give exact projections, due to unknown recommendations put forth through the feasibility study, the County believes they can reasonable expect to save roughly 30% of costs through implementing shared services throughout the multiple building departments. This is in part due to the case studies listed previously of Summit County and Akron, as well as

Wood County. Figures below are rounded for simplicity. As mentioned previously, budgets for both North Canton and Stark County are attached in Attachment E.

North Canton: The North Canton Building Department has had expenditures of anywhere from \$252,500 - \$298,700 over the past five years. Due to the slowing of construction in recent years, they went from an excess of \$73,700 in 2006 to an excess of only \$1,963 in 2010. Expenditures in 2011 were \$222,405, allowing an excess of \$43,901. This was in part due to staffing changes and restructuring within various city departments. The restructuring saved costs in other departments while adding some expenses to the Permits & Development Department. Expenditures have not varied widely, other than in 2011, but permits collections have decreased drastically during this time. In 2006, \$372,400 was collected in fees, and in 2010, this figure dropped to \$260,493. In 2011, this figure increased slightly to \$266,306.

The North Canton budget for 2012 will have a full year Director of Permit & Development salary and fringes added in, thereby increasing the budget to \$314,093.

Stark County: Over the past five years, the Stark County Building Department has had expenditures ranging from \$598,500 to a high of \$836,460 in 2007. The economic impact of the housing crisis shows itself in substantial losses in the department during 2008 and 2009 especially. Revenues for the County ranged from \$571,909 to \$891,823 during this time period. When evaluating revenue versus expenditures, it is seen that the excess of \$55,365 in 2007 very quickly changed to losses from \$156,741 - \$184,214 during the next two years. Thankfully things looked better in 2010, but it quickly becomes evident that streamlining is needed in order to function sustainably.

Three Year Outlook: Using 2011 figures, North Canton's budget of \$222,405 added to Stark County's budget of \$625,764, the annual total would be \$848,169 combined. Thirty percent of that would be \$254,450. By sharing the services of a Chief Building Official, using rough figures, approximately \$90,000 in salary and \$40,000 in benefits could be saved the first year shared services take place for a total of \$130,000 saved.

As the recommendations from the feasibility study take place and electronic services start being utilized, clerical and administrative work could be shared and a reduction in staff needed for these services would occur. Reducing clerical staff by two persons would reduce salaries by approximately \$60,000 (two positions) and benefits by \$24,000. This could reasonably take place by the second year. This amounts to \$84,000 saved.

By the third year, though hopefully sooner, other entities will have signed on, allowing for further shared services through having one Chief Building Official. This would allow for savings of roughly an additional \$130,000 as in year one. These totals combine to \$344,000 which is approximately 41% savings. A shared Plans Examiner has also been discussed and would increase savings further. We realize these figures are estimates, and that only through the feasibility study will solid figures be determined.

5. Supporting Documentation

- Attachment A: Letters of Support from Board of Stark County Commissioners, City of North Canton, Stark County BIA, Greater Canton Regional Chamber of Commerce, Stark Development Board
 - Attachment B: US Census Data
 - Attachment C: Draft Request for Qualifications for feasibility study
 - Attachment D: Excerpt State Auditor's Performance Audit for North Canton
 - Attachment E: North Canton and Stark County Building Departments' 3-year Financial History
 - Attachment F: Notarized statement regarding SCRPC staff hours already worked
 - Attachment G: Self-Score Assessment
 - Attachment H: Application Checklist
-
- Formal resolution to be adopted on March 6, 2012 by Stark County Regional Planning Commission will be submitted with minutes of the meeting by the deadline of April 30, 2012. SCRPC anticipates submission of the resolution the week of March 26, 2012.



CITY OF NORTH CANTON
MAYOR DAVID J. HELD

145 North Main St. • North Canton, OH 44720
E-Mail: mayor@northcantonohio.com

February 23, 2012

Ms. Thea Walsh, Deputy Chief
Office of Redevelopment
Ohio Department of Development
77 South High Street
PO Box 1001
Columbus OH 43216

Re: Local Government Innovation Fund

Dear Ms. Walsh:

It is with pleasure that I write this letter of support for the application being submitted by Stark County Regional Planning Commission for a feasibility study on shared services for the building departments within Stark County. North Canton has its own building department which is one of six within the County. The North Canton City Engineer has been working on the concept of shared services with Regional Planning and others in the community in an effort to look for increased service for the community, as well as cost savings.

I fully support the efforts of Stark County Regional Planning as they seek funding to carry out this study on behalf of the Stark County community. Through this study, adequate information will be available to come to wise, efficient and economical decisions on how to best share services within our building departments.

It is our hope that this application will meet with your favorable review. Please feel free to contact me if you have any questions. Thank you for your consideration.

Sincerely,

David Held, Mayor
City of North Canton



biastark.com

**Building Industry Association
of Stark County**

4344 Metro Circle NW, North Canton, OH 44720
Phone: 330-494-5700 FAX: 330-494-6665
info@biastark.org

2012 OFFICERS

Kurt Shank
President

James Rudo
Vice President

Greg Kauth
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Michael Gruber
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Matt Scheetz
Paul Schumacher
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John Pavlis
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SENIOR LIFE

NATIONAL DIRECTORS

Ellis Erb
Fred Tobin

STATE TRUSTEES

Kurt Shank
James Rudo

EXECUTIVE DIRECTOR

Joe Race

Dr. Peter Ferguson, Stark County Commissioner
110 Central Plaza South
Canton, Ohio 44702
February 24, 2012

Dear Commissioner Ferguson,

On behalf of my membership and our Board of Trustees I would like to thank you for pursuing the possibility of a county wide building department.

Our leadership, along with other companies involved in residential and commercial construction, has been actively involved in this process for at least a decade with little result. You have always been a progressive individual and I believe your efforts will finally help Stark County achieve this goal.

A county wide building department would serve as a great example of simplification of services to businesses and consumers that could still provide good revenue for participating municipalities. Further, the ability to submit plans, schedule inspections, and pay for permits online would reduce time and travel for anyone involved in construction.

The inclusion of Stark County Regional Planning as the facilitator only strengthens the chances that the program will be operated in a fair manner with equal benefit to all.

Please call me if there is anything you need in the way of assistance for this project. We would be happy to help.

Sincerely,

Joe Race
Executive Director



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Feb. 27, 2012

Ohio Department of Development
Local Government Innovation Fund
Office of Redevelopment
77 South High Street
PO Box 1001
Columbus OH 43216

To Whom it May Concern:

Innovative and collaborative government creates a good climate for economic development. We represent the Canton Regional Chamber of Commerce and the Stark Development Board, two Stark County-based economic development organizations, and we advocate for government collaboration because it's good for business.

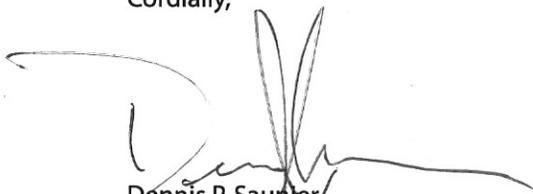
That is why we are pleased to support Stark County's effort to seek a Local Government Innovation Fund grant that would study the feasibility of merging city and county building departments in Stark County.

Dr. Peter Ferguson, one of our Stark County commissioners, is leading this effort. We know he is eager to bring similar government functions together so citizens can be served more efficiently. We have had many conversations with Dr. Ferguson about government collaboration. Our support for the feasibility study he seeks to conduct is strong.

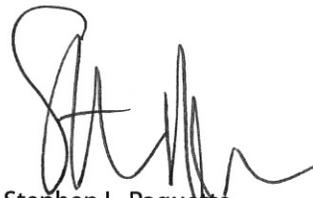
The goal of the local building departments should be to make it as easy as possible for business developers to invest their resources in Stark County. There should be no confusion about which office does what and where one goes for permits. If this can be created in Stark County, we know that the members and supporters of our organizations would stand up and applaud. The Stark County study that would be funded by the LGIF would answer the question of whether this is practical.

Thank you for your interest in Stark County's well-being.

Cordially,



Dennis P. Saunier
President and CEO
Canton Regional Chamber of Commerce



Stephen L. Paquette
President and CEO
Stark Development Board



STARK COUNTY COMMISSIONERS



County
Administration Building
110 Central Plaza South, Suite 240
Canton, Ohio 44702-2202
Phone: (330) 451-7371
Telecommunications: (330) 451-7076
Fax: (330) 451-7906

BOARD OF COMMISSIONERS

Thomas M. Bernabei, President
Janet Creighton
Dr. Peter Ferguson

February 29, 2012

Ms. Thea Walsh, Deputy Chief
Ohio Department of Development
Office of Redevelopment
77 South High Street
P.O. Box 1001
Columbus, Ohio 43216

Re: Local Government Innovation Fund

Dear Ms. Walsh:

Our mission in Stark County is to deliver the highest quality governmental services using the most cost-effective methods. We believe it is the best method to drive tax dollars back to the citizens of our county. This is why the Board of Stark County Commissioners is pleased to support Stark County Regional Planning Commission's request for a Local Government Innovation Fund grant that would study merging city and county building departments.

The study will show us the most effective way for the county's multiple building departments to collaborate and share services. It will discuss implementation costs, savings from various options, provide recommendations on how to implement the suggested options, and identify any impediments to implementation of shared services. Residents and businesses will be kept informed as to the progress of the study, as well as being given the opportunity to give input during it.

On behalf of the Board of Commissioners, I am sending this letter of support for the grant proposal, with the hope it will meet your favorable review.

Thank you for your consideration.

Sincerely,

Thomas Bernabei
President
Stark County Commissioners

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Stark County

Population For Cities, Villages, and Townships: 2010, 2000, and 1990

Name	2010		2000		1990	
	Population	Households	Population	Households	Population	Households
Stark County	<u>375,586</u>	<u>151,089</u>	<u>378,098</u>	<u>148,316</u>	<u>367,585</u>	<u>139,573</u>
Alliance city (part)	22,282	8,610	23,195	8,886	23,304	8,900
Beach City village	1,033	419	1,137	456	1,051	409
Brewster village	2,112	816	2,324	855	2,307	850
Canal Fulton city	5,479	2,186	5,061	1,823	4,157	1,510
Canton city	73,007	29,705	80,806	32,489	84,161	33,452
East Canton village	1,591	662	1,629	664	1,742	667
East Sparta village	819	328	806	315	771	303
Hartville village	2,944	1,154	2,174	863	2,031	797
Hills and Dales village	221	97	260	107	297	110
Limaville village	151	60	193	71	152	57
Louisville city	9,186	3,727	8,904	3,444	8,087	3,038
Magnolia village (part)	712	280	617	244	591	240
Massillon city	32,149	13,140	31,325	12,677	31,007	12,110
Meyers Lake village	569	328	565	308	493	254
Minerva village (part)	1,942	812	2,031	856	2,226	915
Navarre village	1,957	868	1,440	606	1,635	636
North Canton city	<u>17,488</u>	7,557	16,369	7,114	14,748	6,291
Waynesburg village	923	361	1,003	391	1,068	397
Wilmot village	304	118	335	124	261	103
Balance of Stark County	200,717	79,861	197,924	76,023	187,496	68,534
Alliance city	22,282	8,610	23,195	8,886	23,304	8,900
Bethlehem township	5,347	2,306	5,650	2,346	5,803	2,249
Navarre village (part)	1,907	845	1,440	606	1,635	636
Remainder of Bethlehem township	3,440	1,461	4,210	1,740	4,168	1,613
Canton city	73,007	29,705	80,806	32,489	84,161	33,452
Canton township	13,102	5,400	13,882	5,558	14,050	5,421
Meyers Lake village (part)	417	230	480	249	378	182
Remainder of Canton township	12,685	5,170	13,402	5,309	13,672	5,239
Jackson township	40,373	16,771	37,744	15,173	32,071	12,497
Hills and Dales village	221	97	260	107	297	110
North Canton city (part)	0	0	0	0	---	---
Remainder of Jackson township	40,152	16,674	37,484	15,066	31,774	12,387
Lake township	29,961	10,809	25,892	9,166	22,343	7,634
Hartville village	2,944	1,154	2,174	863	2,031	797
Remainder of Lake township	27,017	9,655	23,718	8,303	20,312	6,837
Lawrence township	13,702	5,256	13,382	4,779	12,047	4,057
Canal Fulton city	5,479	2,186	5,061	1,823	4,157	1,510
Remainder of Lawrence township	8,223	3,070	8,321	2,956	7,890	2,547
Lexington township	5,444	2,056	5,583	2,047	5,291	1,883
Limaville village	151	60	193	71	152	57
Remainder of Lexington township	5,293	1,996	5,390	1,976	5,139	1,826
Louisville city	9,186	3,727	8,904	3,444	8,087	3,038
Marlboro township	4,356	1,585	4,227	1,452	3,687	1,237
Massillon city	32,149	13,140	31,325	12,677	31,007	12,110
Nimishillen township	9,652	3,590	9,098	3,270	9,492	3,073
Osnaburg township	5,616	2,243	5,886	2,253	5,781	2,095
East Canton village	1,591	662	1,629	664	1,742	667
Remainder of Osnaburg township	4,025	1,581	4,257	1,589	4,039	1,428
Paris township	5,728	2,307	5,969	2,315	5,907	2,215
Minerva village (part)	1,942	812	2,031	856	2,226	915
Remainder of Paris township	3,786	1,495	3,938	1,459	3,681	1,300

(continued)

B-1

Stark County (continued)

Population For Cities, Villages, and Townships: 2010, 2000, and 1990

Name	2010		2000		1990	
	Population	Households	Population	Households	Population	Households
Perry township	28,353	11,633	29,167	11,569	30,307	11,269
Navarre village (part)	50	23	0	0	---	---
Remainder of Perry township	28,303	11,610	29,167	11,569	---	---
Pike township	3,961	1,638	4,088	1,604	3,931	1,446
East Sparta village	819	328	806	315	771	303
Remainder of Pike township	3,142	1,310	3,282	1,289	3,160	1,143
Plain township	52,540	22,326	51,997	21,399	49,181	19,455
Meyers Lake village (part)	152	98	85	59	115	72
North Canton city (part)	17,488	7,557	16,369	7,114	14,748	6,291
Remainder of Plain township	34,900	14,671	35,543	14,226	34,318	13,092
Sandy township	3,675	1,431	3,679	1,416	3,630	1,341
Magnolia village (part)	712	280	617	244	591	240
Waynesburg village	923	361	1,003	391	1,068	397
Remainder of Sandy township	2,040	790	2,059	781	1,971	704
Sugar Creek township	6,546	2,425	6,740	2,446	6,489	2,271
Beach City village	1,033	419	1,137	456	1,051	409
Brewster village	2,112	816	2,324	855	2,307	850
Wilmot village	304	118	335	124	261	103
Remainder of Sugar Creek township	3,097	1,072	2,944	1,011	2,870	909
Tuscarawas township	5,980	2,373	6,093	2,261	6,251	2,225
Washington township	4,626	1,758	4,791	1,766	4,765	1,705

--- Denotes that entity did not exist as currently structured as of April 1, 2010, Census Day.

Source: 2010 Census Summary File 1, U.S. Census Bureau.

B-2

REQUEST FOR QUALIFICATIONS

BUILDING DEPARTMENT SHARED SERVICES FEASIBILITY STUDY

Background: The Stark County Regional Planning Commission (SCRPC) is requesting qualifications from firms to evaluate the service level impacts and potential financial savings of shared services of the County and City Building Departments. The County Building Department provides administration, plan review and inspections for residential and commercial projects in Stark County except in the Cities of Canton, Massillon, Alliance and North Canton. Each City Building Department provides residential and commercial plan review and inspection for their respective city. In addition to these services, some City Building Departments provide inspection services on rental properties, nuisance abatement, water services, plumbing and fire protection. Firms submitting qualifications will be evaluated based upon related experience, technical factors and cost of services.

Review services to be provided: The RFQ is for a shared services feasibility study of the building departments within Stark County. The selected firm shall provide the following services:

1. Conduct an assessment of the existing services provided by each building department.
2. Evaluate possible service level improvements associated with a consolidation of the departments. Initial focus is to be on Stark County and North Canton; however, all are to be evaluated.
3. Provide analysis of the financial effect of consolidating the building departments, and various methodologies of doing so.
4. Evaluate equitable income distribution options for the involved political subdivisions associated with a consolidation.
5. Survey various multi-jurisdictional building department management models in Ohio. Evaluate alternatives for a consolidated City/County Building Department. Recommend preferred management model which is most cost effective and provides optimum service level.

The response to this Request for Qualifications should identify the project approach and the experience and expertise of the firm and principal staff to complete the work. The proposal should include anticipated schedule and time/material cost estimates for the services outlined in the RFQ. The consolidation study is to be completed within 120 days of the contract execution.

Final selection: The contract awarded will be between the SCRPC and the firm, and must conform to all applicable federal, state and local laws. All proposals serve as the basis for selecting the firm. SCRPC will exercise their right to negotiate the terms of the agreement to allow the best price.



Mary Taylor, CPA
Auditor of State

CITY OF NORTH CANTON
PERFORMANCE AUDIT

JANUARY 6, 2009

D-1



Mary Taylor, CPA
Auditor of State

To the Residents, Mayor, and City Council of the City of North Canton:

In January 2008, the City of North Canton requested a performance audit to assess its Administration and City management; safety services; street operations; and civic center. The City also requested the audit include the development of a five-year financial forecast. The administration and City Council requested the performance audit to help identify costs savings and opportunities to optimize efficiency.

The audit provided an independent assessment of select City services and administrative processes, and identified opportunities to optimize operational and service levels. The recommendations in the audit are intended to assist the City in its efforts to prepare for its projected financial condition.

An executive summary has been prepared which includes the project history; a City overview; the scope, objectives and methodology of the performance audit; and a summary of recommendations, issues for further study, and financial implications. This report has been provided to the City of North Canton, and its contents discussed with the appropriate officials and City management. The City has been encouraged to use the results of the performance audit as a resource in further improving its overall operations, service delivery, and financial stability.

Additional copies of this report can be requested by calling the Clerk of the Bureau's office at (614) 466-2310 or toll free at (800) 282-0370. In addition, this performance audit can be accessed online through the Auditor of State of Ohio website at <http://www.auditor.state.oh.us/> by choosing the "Audit Search" option.

Sincerely,

Mary Taylor

Mary Taylor, CPA
Auditor of State

January 6, 2009

Executive Summary

Project History

The City of North Canton (the City) engaged the Auditor of State’s Office (AOS) to conduct a performance audit to review and evaluate its administration and operations in order to increase effectiveness and efficiency based on leading practices and comparisons against peer cities. The performance audit was designed to identify areas of strong performance and areas where efficiency could be improved. Recommendations were then developed to optimize operational and service levels, and to assist the City in its efforts to prepare for its projected future financial condition. Assessments were based on leading practices, industry standards, and comparisons to operations in cities of similar size and demographics.

City Overview

The City of North Canton is located in Stark County, has approximately 16,755 residents, and covers 7.15 square miles. The City employs approximately 112.6¹ full-time employees and its 2008 total budgeted allocation was \$35.4 million. North Canton is a home-rule municipal corporation operating under the laws of the State of Ohio. The City’s charter, its municipal constitution, was originally adopted on November 8, 1960, but has been amended several times since. Legislative authority is vested in a seven-member Council, of which four members are elected from wards and three are elected at-large. Council members are elected for two year terms in the odd numbered years through a nonpartisan election process. The North Canton City Charter establishes that the responsibility for administration of the City shall be with the Mayor, who is an elected official, and the Director of Administration, who is responsible to the Mayor for the general administration of the affairs of the municipality.

City departments include Police, Fire and Emergency Medical Services, Engineering, Permits and Inspections, Finance and Income Tax, and the service departments, which include streets, storm and sanitary sewer operations, parks management and water distribution functions, recreation activities, and water purification. Recreation also oversees the Civic Center, which is a historic house and gazebo situated on seven acres.

For over 100 years, the City had been home to the Hoover Company, the City’s largest employer. Over the past several years, employment levels have declined as a result of the downsizing of operations and elimination of corporate offices by Hoover’s parent company, the Maytag Corporation. In early 2006, Maytag and all of its subsidiaries were acquired by the

¹ Staffing numbers are based on staffing levels reported by North Canton as of February 28, 2008.

Whirlpool Corporation. On January 31, 2007, Techtronic Industries (TTI), a Hong Kong based company, acquired the Hoover Company from Whirlpool. On April 2, 2007, TTI announced that it would be closing the North Canton facilities and that it would honor the current labor agreement which guarantees 800 jobs until June of 2008.

The City has a 1.5 percent income tax, of which 30 percent of the first 1.0 percent tax rate (after paying all costs associated with the collection of the income tax) is used for capital improvements and 70 percent of the first 1.0 percent is used for general operations of the City. The remaining 0.5 percent of tax may be used for either general operations of the City or capital improvements. In the past, the City has been able to use 50 percent of its income tax collections for capital projects. However, as the cost of general operations has increased at a greater pace than income tax collections, the amount directed to capital improvements has been reduced to the minimum amount allowed.

Because of the loss of its largest employer, the City has experienced a diminishment in its revenues. Coupled with increasing costs of doing business, this revenue reduction has placed the City on precarious financial footing. For several years, the City has been able to forego assessments and cost recovery measures; however, it may have to revisit these decisions in order to remain financially viable through the next decade. Without changes in its operations and revenue collections, North Canton faces deficits starting in 2010 which grow to a sizeable sum at the end of 2012. Avoiding this deficit while continuing to offer its residents an acceptable level of services will require the City and its constituents to consider alternatives to traditional services and make difficult decisions about the future of City operations.

Subsequent Events

Since completing the fieldwork for this audit, North Canton has created a new Assistant Law Director position to improve its collection of delinquent taxes. Upon being appointed, this individual will act as an independent contractor working on a contingency basis to collect the delinquent taxes via garnishments. Amounts identified for garnishment were reported at approximately \$63,000.

North Canton's Finance Director has begun to collect information and proposals to upgrade or replace the City's financial software. The Finance Director indicated his goal is to provide departmental supervisors and the Administration more access to real-time information regarding budgets, purchase orders, and pertinent financial information. He believes that the new technology will assist departments in being more efficient and eliminate delays in obtaining financial information that is viewed as crucial to daily decision-making processes.

The Finance Director also indicated that he is reviewing, with Bond Counsel, the City's existing debt to determine if any savings can be generated by aggregating its debt into a General

Obligation bond. The City is examining future water projects and its Water Bonds to see if a Water refunding issue capitalizing on low interest rates would be beneficial.

The Superintendent of Utilities, Services, and Recreation reported that efforts to cross-train staff in the various service departments began during the audit and that the City is actively providing cross-training to staff in all of the service departments.

The City of North Canton held a town hall meeting in October 2008 to share information about the City's financial situation and discuss options to improve its financial stability. During the meeting, the Finance Director provided an updated forecast for General Fund revenues and expenditures that shows a General Fund deficit in all four years of the forecast, and a cumulative deficit of nearly \$5 million in 2012.

Objectives, Scope and Methodology

Performance audits are defined as engagements that provide assurance or conclusions based on an evaluation of sufficient, appropriate evidence against stated criteria, such as specific requirements, measures, or defined business practices. Performance audits provide objective analysis so that management and those charged with governance and oversight can use the information to improve program performance and operations, reduce costs, facilitate decision making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability. Based on discussions with the client and reviews of client documents, the following areas were assessed during this project:

- **City Administration:** including financial and human resource management practices, community development, and permitting;
- **Police, Fire and Emergency Medical Services (EMS):** including analysis of organizational structure and staffing, workload measures and benchmark comparisons, facility management, and an examination of outsourcing experiences in other jurisdictions (EMS and Dispatch);
- **Service Department:** including an evaluation of staffing and workload compared to industry and peer standards, and an examination of services offered to residents in comparison to similar cities; and
- **Parks and Recreation:** including an evaluation of programming and Civic Center management options.

The performance audit of the City was conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS). These standards require that AOS plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. AOS believes that the evidence obtained provides a reasonable basis for the audit findings and conclusions based on the audit objectives.

Audit work was conducted between February 25, 2008 and August 30, 2008, and data was drawn from fiscal years 2005, 2006, and 2007. To complete this report, auditors gathered and assessed data from various sources pertaining to key operations, conducted interviews with City personnel, and assessed requested information from North Canton and the peer cities. AOS, with input from City administrators, selected three peer cities which were used for comparison purposes. The selected cities were the City of Fairview Park (Cuyahoga County), the City of Perrysburg (Wood County), and the City of Wadsworth (Medina County). Peers were selected on a variety of demographic and operational statistics including population, tax base, median income, size, unemployment rate, major industries, and services provided.

Also, external organizations and sources were used to provide comparative information and benchmarks. They included the Government Finance Officers Association (GFOA), the State Employment Relations Board (SERB); the United States Communities Government Purchasing Alliance, the Society for Human Resources Management (SHRM), the Minnesota Office of the Legislative Auditor (MOLA), the Economic Development Administration (EDA), the American Society for Public Administration (ASPA); the State of Ohio Fire Marshal; the U.S. Fire Administration, Federal Emergency Management Administration; the International Association of Chiefs of Police; the Ohio Office of Criminal Justice Services; and other related leading practices. Information used as criteria (peers, benchmarks, or leading practices) was not tested for reliability, although it was reviewed for reasonableness.

The performance audit process involved significant information sharing with the City, including preliminary drafts of findings and proposed recommendations related to the identified audit areas. Furthermore, periodic status meetings were held throughout the engagement to inform the City of key issues impacting selected areas, and to share proposed recommendations to improve or enhance operations. Throughout the audit process, input from the City was solicited and considered when assessing the selected areas and framing recommendations. Finally, the City provided verbal and written comments in response to the various recommendations, which were taken into consideration during the reporting process. Where warranted, the report was modified based on the City's comments. In addition to the report, auditors communicated less significant issues separately to the City administration.

The Auditor of State and staff express their appreciation to the cities of North Canton, Perrysburg, Fairview Park, and Wadsworth for their cooperation and assistance throughout the course of this audit.

Noteworthy Accomplishments

Noteworthy accomplishments acknowledge significant accomplishments or exemplary practices. The following summarizes a noteworthy accomplishment identified during the course of the audit. Additional detail pertaining to this accomplishment is presented in the report.

Use of Volunteer Fire Fighters: The City employs volunteer fire fighters to augment its full-time fire department staff. Because volunteers are paid on a per-run basis, this practice has proved cost effective for the City. North Canton has maintained a predominantly volunteer department, while comparably sized cities have transitioned to full-time departments.

Conclusions and Key Recommendations

Each section of the audit report contains recommendations that are intended to provide the City of North Canton with options to enhance its operational efficiency and improve its long-term financial stability. In order to obtain a full understanding of the assessed areas, the reader is encouraged to review the recommendations in their entirety. The following summarizes the key recommendations from the performance audit report.

Administration and City Management

In the area of financial systems and strategic planning, the City should:

- Develop a strategic plan to help it better articulate its program and funding decisions. The City's plan should include a mission, goals, performance measures and a method to monitor progress toward achieving its goals. The goals in the strategic plan should be linked to the City's capital plan, financial forecast, and annual budget.
- Evaluate the different services that could potentially be outsourced within its service and safety departments and determine if outsourcing these services would benefit the City. In order to evaluate whether this would be beneficial, the City should first determine what services it would outsource, the cost of outsourcing the services, the cost savings from either the reduction in City staffing or cost avoidance of hiring additional staff, and the benefit of the potential reallocation of staff to other City departments.
- Implement the performance audit recommendations contained in this report to help offset deficit spending and to avoid deficits beginning in 2010. However, because the recommendations do not fully address deficit spending or potential deficits, the City should explore revenue generating options to offset shortfalls.

- Develop policies on debt issuance and management and debt level and capacity. In conjunction with the policies, the City should consider reducing its debt payments for the Fairways of North Canton. Specifically, the City should consider making debt payments that are no larger than the revenue received from lease payments, minus the issuance cost and interest payments, which will allow for additional funds to be directed to City services.
- Negotiate a limited wage increase for all bargaining and non-bargaining employees. Specifically, the City should limit negotiated wages increase to zero percent in 2010 and 1 percent in 2011 and 2012. Limiting the negotiated wage increases will help reduce future liabilities and limit future deficits.

In the area of human resources, the City should:

- Negotiate an increase in the employee contributions for health insurance benefits to 10 percent, which is the SERB average for employee contributions for cities in Ohio.
- Renegotiate provisions within its employee bargaining agreements that exceed peers or industry standards. These provisions are costly to the City and successful renegotiations could result in significant savings.
- Develop a more detailed policy on patterns of sick leave abuse and negotiate to include language in its contracts on what constitutes a pattern of abuse. To identify potential patterns of abuse, the City should begin actively monitoring the use of sick leave through monthly management reports.

In the area of economic/community development, the City should:

- The City should monitor the implementation of economic development planning recommendations developed by the North Canton Economic Development Task Force and any future recommendations from the Master Redevelopment Plan for the City. The Master Redevelopment Plan should be codified to increase the likelihood that recommendations will be implemented.

In the area of permitting, the City should:

- Review its fee schedule on an annual basis to determine if fees are appropriate for the work being conducted. Furthermore, the City should develop a formal policy on setting fees. By developing a formal policy on fee setting and establishing a formal schedule to analyze fees, the City can ensure that it is recouping the desired level of its costs for providing these services to residents.

- Improve the effectiveness of its property maintenance and building inspections by requiring all rental property owners to obtain an annual Certificate of Occupancy, requiring exterior inspections, and completing fee-based point-of-sale inspections for all home sales.

Safety Services

In the area of the fire and emergency medical services department, the City should:

- Develop and implement a fee schedule that allows the Fire Department to recoup its costs for providing fire prevention and emergency medical services. Furthermore, the City should adopt policies that outline the manner in which fees and charges are established, and the extent to which fees will cover the cost of the service provided. This should help stakeholders develop a better understanding of the cost of services and assist the City in determining the appropriateness of fees.
- Explore alternative service-delivery practices, such as service consolidation or privatization, as well as non-traditional funding options for emergency medical and fire suppression services. The City should determine which approach best fits the needs of the community and the extent of its resources, and it should structure Fire Department accordingly.

In the area of the police department services, the City should:

- Consider outsourcing dispatch services to one of the area's dispatching centers. This would help ensure that the City receives dispatching at the desired service levels but in a more cost efficient manner.
- Consider purchasing mobile data terminals (MDTs) for the Police Department's fleet. A portion of the cost of this purchase could potentially be offset by grant funds. In conjunction with the purchase of MDTs, the Police Department should develop a formal technology plan.
- Explore other models of service delivery for its police service, such as cross training, altering its patrol methods and transportation practices, using vehicle refurbishments, and employing fuel contracts. Furthermore, the City should periodically evaluate service delivery alternatives by performing a cost/benefit analyses and researching opportunities to consolidate services with neighboring governments or outsourcing functions. Decisions on outsourcing and consolidation should also include community input to determine the impact of potential operational changes.

Service Departments

In the area of City services, the City should:

- Conduct an annual survey that would effectively gauge overall citizen satisfaction with City services. The survey should measure community expectations and should be used to measure performance of the service departments and satisfaction with the services it provides, identify improvements that may be needed, and help prioritize City functions and services. If the City decides to alter its level of services, the survey should be used to determine which services are most important to its citizens.
- Consolidate its various service functions into one Public Utilities/Operations Department that is overseen by a single administrative position. To facilitate the consolidation, employees within the various functions should continue to be cross trained to work in several service areas. The City should also use performance data to reassess staffing levels after consolidation to determine areas warranting staffing changes. By having a single department staffed by cross-functional employees, the City will be able to better manage and allocate employees to its critical service-related tasks.

In the area of performance measurement/planning for services, the City should:

- Develop and implement a street cleaning plan that includes a level of service statement detailing the location (routes), frequency, and time of various street cleaning activities. The plan should be updated annually to ensure the current routes allow for the most efficient street sweeping operations. In addition, once performance data is tracked, the Superintendent of Utilities, Services, and Recreation should review street sweeping operations against external benchmarks to determine if operations and staffing levels are efficient.

In the area of street services and operations, the City should:

- The Streets operation should reduce its salt usage to levels comparable to peer cities and create a formal plan regarding salt usage. The City should adopt the Salt Institute's recommended practices for snow and ice control to help it reduce salt usage. In conjunction with reducing its salt usage, the Department should evaluate its salt purchasing process to ensure the City is paying the best available price.
- Document its snow and ice control practices in a formal snow and ice control plan. This plan should detail the level of service provided, prioritize streets to be cleared with specific timelines, and assign staff accordingly for snow and ice control events. In addition, the City should assign only one staff person to each truck used for snow and ice control events during a shift.

In the area of civic center operations, the City should:

- Formulate a business plan to promote the Civic Center to help it become a self-supporting entity. The business plan should include business and community feedback regarding the Center, including changes needed to make the facility more attractive for surrounding businesses or organizations, methods to advertise the Center's availability and potential uses, and a timeline for the Civic Center to become financially self-sufficient. If the Civic Center fails to become self-supporting, the City should take steps to sell or donate the facility.

Issues for Further Study

Auditing standards require the disclosure of significant issues identified during an audit that were not reviewed in depth. These issues may not be directly related to the audit objectives or may be issues that the auditors do not have the time or resources to pursue. The following summarizes the issues requiring further study.

Technology: The City uses computer software from Creative Microsystems, Inc. (CMI) in a number of departments, including the Permits and Inspection Department. While this system, which is used to track permit, inspection and contractor registration data, generally meets the needs of this Department, it was last upgraded in 1999 and does not have web-enabled report generation capability. Also, CMI does not appear to have effective report generation capability. For example, Department staff input permit and inspection data into the system, but the system does not generate a report showing the total number of inspections. Instead, staff must view and print inspection data screen by screen. Therefore, in order to compile a total for reporting purposes, the Department estimates the number of inspections by doubling the number of permits. This estimation likely results in inaccurate data being provided to City administrators. In addition, system generated reports cannot be modified, so in order to generate a customized report, staff input data manually. The City should evaluate whether issues related to using the software warrant an upgrade of the system or whether additional training and support is needed to assist the staff in the Permits and Inspection Department in using the software's capabilities.

Auxiliary Service Force: The City should analyze the benefits of establishing an auxiliary service force to augment its Police Department. Several law enforcement agencies throughout Ohio have established auxiliary forces as a way to increase personnel to cover extra shifts for functions such as sporting events and security duty. This has helped these agencies control overtime costs while maintaining typical levels of service. While some minimal administrative costs are associated with establishing an auxiliary force, this may be offset by reductions in overtime needed for non-core functions.

Summary of Financial Implications

The following table summarizes the performance audit recommendations that contain financial implications. These recommendations provide a series of ideas or suggestions that the City should consider. Some of the recommendations depend on labor negotiations or collective bargaining agreements. Detailed information concerning the financial implications, including assumptions, is contained within the individual sections of the performance audit.

Performance Audit First-Year Savings and Costs Implications

	Estimated First Year Savings	Annual Revenue Enhancements
Recommendations Not Subject to Negotiation		
R2.11 Reduce debt payment for the golf course to match revenue generated.	\$125,000	
R2.16 Monitor and develop stricter policies for sick leave.	\$47,000	
R3.1 Develop fire department inspection/permit fee schedule.		\$82,400
R3.6 Outsource dispatching services.	\$230,000	
R3.7 Create fee schedule for crossing guard services.		\$40,000
R4.5 Reduce salt purchase price and usage.	\$68,000	
R4.6 Reduce Streets overtime costs.	\$19,000	
R4.9 Assist Civic Center in becoming self-supporting.	\$63,000	
Subtotal of Recommendations Not Subject to Negotiation	\$552,000	\$122,400
Recommendations Subject to Negotiation		
R2.12 Limit negotiated wage increases to 0.0 percent in 2010, 1.0 percent in 2011, and 1.0 percent in 2012.	\$150,000	
R2.13 Increase health insurance employee contribution to 10 percent.	\$89,000	
R2.15 Re-negotiate costly provisions in the collective bargaining agreements.	\$371,000	
Subtotal Subject to Negotiations	\$610,000	
Total General Fund Impact of Performance Audit Recommendations	\$1,162,000	\$122,400

Source: AOS Recommendations

of taking a 1 megabyte (MB) or smaller photo, Internet connectivity, an established method for auction payments, the ability to issue receipts for purchases, and an established place for buyers to pick up purchased items. Online auctions increase bid competition, reduce advertising and mailing costs, reduce storage space, and enhance web presence. The City should survey its departments to determine interest in these programs.

By not participating in a purchasing consortium, the City may not be receiving the lowest prices for goods. The lack of a purchasing card program increases the volume of purchase approvals, which creates extra work for fiscal staff. By not using online auctions, costs to store the inventory of surplus equipment increases and the City does not have ready access to a large list of buyers, which increases competition.

Alternative Service Options and Contract Management

R2.8 The City should evaluate the different services that could potentially be outsourced within its service and safety departments and determine if outsourcing these services would benefit the City. In order to evaluate whether this would be beneficial, the City should first determine what services it would outsource, the cost of outsourcing the services, the cost savings from the reduction in City staffing or cost avoidance of hiring additional staff, and the benefit of the potential reallocation of staff to other City departments.

To evaluate the costs and benefits of outsourcing, the City should follow the steps recommended by the Government Finance Review. Furthermore, the City should use surveys and town meetings to collect feedback from its residents about the issue of outsourcing and the services provided (see also Service Departments). By regularly assessing the level of services offered, as well as the costs and benefits of outsourcing certain services, the City can ensure that it is offering its services in a cost effective manner and meeting citizens' needs.

The City does not outsource any of its operations, except for sanitation services, but has reviewed the potential for outsourcing its grass cutting operations in the past. According to *Best Practices in Public Budgeting: Develop Programs and Evaluate Delivery Mechanisms* (GFOA, 2000), governments should develop programs and services that are consistent with policies and plans and should evaluate alternative delivery mechanisms. Maricopa County, Arizona has set a countywide competitive analysis policy to ensure that all operations function at a level consistent with the County's strategic goals. This policy requires the following components be reviewed as part of a competitive analysis:

- Identification of services for analysis;
- Approval authority;
- Compliance with County policies and procedures;

- Employee relations impact;
- Fiscal review and evaluation; and
- Operations.

Many cities have chosen to outsource service and safety operations to promote efficiencies and realize cost savings.

The City of Weston, Florida contracts out all park maintenance, class/program instructors, and park concession stand operations, as well as all non-managerial staff in the parks and recreation services. Performance measurements are included in the contracts which enable the City to monitor the work and ensure it is being conducted appropriately. According to the City of Weston, the benefits of contracting out the services include:

- Fixed cost for the term of the contract—most of the contracts are for three years with renewal options;
- Personnel issues—these are the responsibility of the contractor. There are no labor unions, group health insurance, or workers' compensation issues to manage;
- Contracts are procured through competitive, sealed bids—this ensures the best possible price; and
- Underperforming contractors are easier to replace than poor performing employees.

Several items must be considered when determining whether to outsource. According to *Make or Buy, Using Cost Analysis to Decide Whether to Outsource Public Services* (Government Finance Review, 2004) the National Advisory Council on State and Local Budgeting recommends that the following factors be considered when evaluating whether to outsource a service:

- **Service quality and control** - including safety and reliability, ability to control service levels and who receives the service, ability of the government to make internal changes to improve its own performance, ability to change the delivery mechanism in the future, and risk of contractual nonperformance and default;
- **Management issues** - including the quality of monitoring, reporting, and performance evaluation system; public access to information; and ability to generate or sustain competition in service delivery;
- **Impact on stakeholders** - including government employees, customers, and taxpayers; and
- **Statutory and regulatory issues** - including impact on federal and state legal and regulatory requirements, and liability.

The Government Finance Review recommends using outsourcing as a potential way to reduce costs. Services may be outsourced to private firms, non-profit organizations, or other governments that can provide the services more efficiently. In some cases, outsourcing can result in significant cost savings over the long run. However, governments should be cautious, as outsourcing can end up increasing a government's total costs. Service decisions often have both financial and non-financial considerations associated, all of which must be assessed before changing services. Basic steps to determining the cost effectiveness of outsourcing are listed below:

- **Define the service:** Specify the quality and quantity of the service and the output and outcomes that are expected. This is necessary so that there is an apples-to-apples comparison between the service the government is already providing and the service proposed by outside contractors.
- **Calculate the in-house costs that could be avoided by outsourcing the service:** To determine the costs that would be saved, first itemize the full cost of the service, including all of the direct and indirect costs. Then use this list of costs as the basis from which to determine the specific costs that would be saved if the service was outsourced. It is important to remember that many fixed costs – overhead costs in particular – will remain the same even though the resources behind those costs are not being used.
- **Calculate the total costs of outsourcing:** The costs of outsourcing include the contractor's bid price, the government's contract administration costs, and the government's transition costs, less any new revenue generated from outsourcing. To be consistent throughout the analysis, only new costs should be counted, not the costs that would be incurred regardless of who provides the service.
- **Compare the cost savings from outsourcing to the costs incurred:** If the costs saved are significantly greater than the costs incurred, then outsourcing may make financial sense.

By evaluating different delivery mechanisms such as outsourcing, the City can better determine the most operationally and cost efficient manner to provide key services. If the City elects to continue providing the service in-house, the analyses recommended by the Government Finance Review would benefit the City by identifying areas for improved efficiency and effectiveness. The City and its bargaining units could use the results to streamline its service delivery to be competitive with private sector vendors.

R2.9 Once the City has identified any services it desires to outsource as recommended in R2.8, it should develop policies and procedures for the procurement and management of contracted services as outlined by the National State Auditors

City of North Canton

Department of Economic Development

Memo

To: Brenda Sarsany
From: Eric Bowles, Director of Economic Development/Permits and Development.
Date: February 22, 2012
Re: Permits and Inspection Data for Grant Application

Permits and Development data for 2011:

- 712 Building Inspections for Certified Building Department Staff (Building, Electrical, Plumbing and HVAC)
- Total value of building permits (construction) in 2011 \$5,754,750.74
- Issued 1,327 permits in 2011
- Issued approximately 300 nuisance complaints 2011
- Collected \$266,305.91 in permit, zoning, building, license, fire water and sewer fees in 2011
- Permits and Development payroll in 2011 \$154,901.94
- Requested Payroll in 2012 - \$222,000.00

Attached with this memo please find the following:

- 2011 Expenditures
- 2006 to 2010 Department five year cost analysis
- 2011 Permits report
- 2011 building Permits Value of Construction Report

E-1

ACCOUNT #	DESCRIPTION	2010 EXPENDITURES	2011 EXPENDITURES	2012 REQUEST
4. COMMUNITY DEVELOPMENT				
DEPARTMENT OF LICENSES & PERMITS				
101.413.5100	SALARIES & WAGES	\$ 166,569.99	\$ 154,901.94	\$ 222,000.00
101.413.5103	OVERTIME	223.07	851.08	500.00
101.413.5110	P.E.R.S.	23,284.37	21,503.38	32,000.00
101.413.5112	HEALTH INSURANCE	38,071.44	14,111.76	19,000.00
101.413.5113	LIFE INSURANCE	249.32	270.13	300.00
101.413.5114	MEDICARE	1,656.70	1,596.90	2,600.00
	TOTAL PERSONNEL	230,054.89	193,235.19	276,400.00
101.413.5200	MISC SERVICE & INCIDENTALS	296.81	464.07	1,000.00
101.413.5205	POSTAGE	931.23	654.39	693.00
101.413.5210	TRAVEL & TRAINING	1,900.33	776.00	2,000.00
101.413.5215	TELEPHONE	1,334.66	988.84	1,100.00
101.413.5216	ELECTRIC SERVICE	2,604.79	2,504.35	2,800.00
101.413.5217	GAS SERVICE	391.68	548.75	600.00
101.413.5218	CELL PHONES/PAGING	919.19	823.58	1,000.00
101.413.5223	COPIER LEASE	-	-	1,300.00
101.413.5225	PROFESSIONAL SERVICES	4,447.50	5,700.00	7,000.00
101.413.5228	MICRO FILMING	-	-	500.00
101.413.5229	CONTRACT PAYMENTS	3,495.00	2,330.00	4,500.00
101.413.5230	MAINTENANCE OF EQUIP	2,009.34	2,531.44	3,300.00
101.413.5231	MAINTENANCE OF FACILITIES	174.65	80.00	500.00
101.413.5233	GENERAL INSURANCE	1,210.00	1,210.00	1,400.00
101.413.5300	OFFICE SUPPLIES	1,920.53	2,108.22	2,200.00
101.413.5301	PERMITS LIBRARY	310.50	274.45	1,600.00
101.413.5310	GASOLINE PRODUCTS	1,506.76	1,976.46	2,500.00
	TOTAL OPERATING COSTS	23,452.97	22,970.55	33,993.00
101.413.5500	EQUIPMENT	2,343.99	6,200.00	3,700.00
	TOTAL CAPITAL	2,343.99	6,200.00	3,700.00
	TOTAL LICENSES & PERMITS	\$ 255,851.85	\$ 222,405.74	\$ 314,093.00
		-2.48%	-15.04%	29.19%

ACCOUNT DETAILS:

- 101.413.5100 Budget for 2012 will have a Full year Dir of Permit & Development salary & fringes
added 2 PT employees to 2012 budget - PT Bldg & Plumbing Inspector and Inter/PT Nusains Inspector
- 101.413.5223 Copier cost shared with Engineering/P&I/ED \$1,300
- 101.413.5230 Dept maintains 3 vehicles
- 101.413.5231 Roofing & Painting of Engineer

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CITY OF NORTH CANTON
 PERMITS AND INSPECTION DEPARTMENT
 FIVE YEAR COST ANALYSIS
 MARCH 18, 2011

CLASSIFICATION	YEAR				
	2010	2009	2008	2007	2006
LICENSE & PERMITS: REVENUE:					
GENERAL FUND	\$178,477	\$193,074	\$154,156	\$118,368	\$133,506
FIRE OPERATING FUND	0	0	0	0	0
WATER REVENUE FUND	33,772	37,139	47,615	118,036	80,913
SEWER REVENUE FUND	46,222	38,040	48,120	69,961	156,180
PERMIT FEE FUND	1,747	2,095	2,022	1,493	1,415
REQUIRED DEPOSITS FUND	275	268	107	337	409
PERMITS COLLECTIONS	\$260,493	\$270,616	\$252,020	\$308,195	\$372,422
EXPENDITURES:					
WAGES	\$166,793	\$164,972	\$163,942	\$173,391	\$200,882
BENEFITS	64,450	64,550	66,447	58,420	79,537
OPERATIONS	24,943	29,100	21,885	21,779	14,361
EQUIPMENT	2,344	5,290	321	478	3,934
TOTAL EXPENDITURES	\$258,529	\$263,913	\$252,595	\$254,069	\$298,713
EXCESS (DEFICIT) FUNDS	\$1,963	\$6,703	(\$575)	\$54,126	\$73,709

2011 Building Permits Value of Construction

	NOB	AOB	MC	NR	AR	MR	TOTAL	
Jan	\$0.00	\$0.00	\$7,900.00		\$187,000.00	\$8,476.50	\$203,376.50	5
Feb	\$0.00	\$106,000.00	\$727.34	\$0.00	\$40,000.00	\$8,770.00	\$155,497.34	6
March	\$0.00	\$30,000.00	\$3,500.00	\$225,718.00	\$24,000.00	\$59,340.00	\$342,558.00	21
April	\$476,000.00	\$	\$11,600.00	\$507,969.00	\$59,000.00	\$152,436.55	\$1,207,005.55	36
May	\$0.00	\$0.00	\$0.00	\$0.00	\$122,600.00	\$110,859.00	\$233,459.00	26
June	\$0.00	\$0.00	\$0.00	\$0.00	\$67,200.00	\$95,624.00	\$162,824.00	24
July	\$0.00	\$562,800.00	\$4,050.00	\$0.00	\$0.00	\$197,836.86	\$764,686.86	42
August	\$0.00	\$29,150.00	\$241,000.00	\$0.00	\$189,600.00	\$172,065.00	\$631,815.00	39
Sept	\$30,000.00	\$485,500.00	\$26,000.00	\$0.00	\$31,500.00	\$111,863.75	\$684,863.75	25
Oct	0	\$9,200.00	\$24,100.00	\$299,900.00	\$13,300.00	\$122,013.74	\$468,513.74	35
Nov	\$0.00	\$360,000.00	\$47,500.00	\$0.00	\$25,470.00	\$73,050.00	\$506,020.00	19
Dec	\$0.00	\$38,000.00	\$173,720.00	\$0.00	\$161,077.00	\$21,334.00	\$394,131.00	16
	\$506,000.00	\$1,620,650.00	\$540,097.34	\$1,033,587.00	\$920,747.00	\$1,133,669.40	\$5,754,750.74	294

5-1

DEPARTMENT TAX BUDGET FOR THE YEAR 2012

(Revised Code, Sec. 5705.28)

STARK COUNTY

BUILDING INSPECTION FUND FUND 157

Approved By:

Date:

Dept Organ Code	Code	Acct. Code	Classification	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Certificate 2011	Request 2012
46	0000	52000	CASH BAL JAN 1	436,946.83	492,576.38	335,835.70	151,621.90	367,702.98	
46	0000		CHARGES FOR SERVICES						
46	0000		BUILDING INSPECTION	891,823.32	672,996.22	571,909.43	814,585.28	654,000.00	
46	0000	58000	OTHER REVENUE						
46	0000		BUILDING INSPECTION	264.09	0.00	0.00	0.00	0.00	
			TOTAL REC & BAL	1,329,034.24	1,165,572.60	907,745.13	966,207.18	1,021,702.98	
46	0000	61000	PERSONAL SERVICES-SALARIES & WAGES						
46	0000		BUILDING INSPECTION	0.00	0.00	0.00	0.00	414,500.00	
46	0000	61300	PERSONAL SERVICES-REGULAR FULL TIME						
46	0000		BUILDING INSPECTION	0.00	0.00	0.00	0.00	0.00	
46	0000	61700	PERSONAL SERVICES - GENERAL PAYROLL						
46	0000		BUILDING INSPECTION	438,347.53	469,833.44	435,032.72	374,285.09	0.00	
			Total Personal Services	438,347.53	469,833.44	435,032.72	374,285.09	414,500.00	

Stark County LGIF Building Departments Shared Services Feasibility Study

Match (In-kind) costs already expended by SCRPC Staff from October 1, 2011 – March 1, 2012 on building department shared services planning:

Brenda Sarsany, SCRPC Chief of Planning:
56 hours @ RPC reimbursement rate of \$59.30/hr = \$3,320

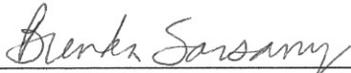
Robert Nau, SCRPC Executive Director:
30 hrs @ RPC rate of \$98.94/hr = \$2,968

Total: \$6,288

We certify that the above is a true and accurate representation of actual hours worked in the time period as listed above.



Robert Nau, SCRPC Executive Director

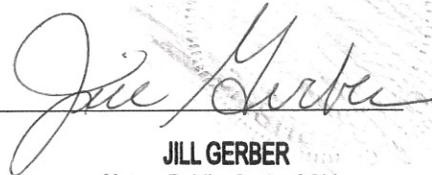


Brenda Sarsany, SCRPC Chief of Planning

THE STATE OF OHIO, COUNTY OF STARK, SS:

BE IT REMEMBERED, that on the 29 day of February, Two Thousand and Twelve, (2012) before me, the undersigned, a Notary Public, in and for said State, personally came Robert Nau / Brenda Sarsany and acknowledged the signing thereof to be their voluntary act and deed, for the uses and purposed herein mentioned.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal on the day and year aforesaid.



JILL GERBER
Notary Public, State of Ohio
My Commission Expires 06-29-2014

Local Government Innovation Fund Program

Application Scoring

Lead Applicant	Stark County Regional Planning Commission
Project Name	Stark County Bldg Depts Shared Services Feasibility Study

<input checked="" type="checkbox"/>	Grant Application
-------------------------------------	--------------------------

or

<input type="checkbox"/>	Loan Application
--------------------------	-------------------------

The Local Government Innovation Fund Council
77 South High Street
P.O. Box 1001
Columbus, Ohio 43216-1001
(614) 995-2292

G-1

Local Government Innovation Fund Project Scoring Sheet

Section 1: Financing Measures

Financing Measures	Description	Criteria	Max Points	Applicant Self Score	Validated Score
Financial Information	<i>Applicant includes financial information (i.e., service related operating budgets) for the most recent three years and the three year period following the project. The financial information must be directly related to the scope of the project and will be used as the cost basis for determining any savings resulting from the project.</i>	Applicant provides a thorough, detailed and complete financial information	5	<input checked="" type="radio"/>	
		Applicant provided more than minimum requirements but did not provide additional justification or support	3	<input type="radio"/>	
		Applicant provided minimal financial information	1	<input type="radio"/>	
		Points	5	0	
Repayment Structure (Loan Only)	<i>Applicant demonstrates a viable repayment source to support loan award. Secondary source can be in the form of a debt reserve, bank participation, a guarantee from a local entity, or other collateral (i.e., emergency rainy day, or contingency fund, etc.).</i>	Applicant clearly demonstrates a secondary repayment source.	5	<input type="radio"/>	
		Applicant does not have a secondary repayment source.	0	<input type="radio"/>	
		Points	0	0	
Local Match	<i>Percentage of local matching funds being contributed to the project. This may include in-kind contributions.</i>	70% or greater	5	<input type="radio"/>	
		40-69.99%	3	<input type="radio"/>	
		10-39.99%	1	<input checked="" type="radio"/>	
		Points	1	0	
Total Section Points				6	0

Section 2: Collaborative Measures

Collaborative Measures	Description	Criteria	Max Points	Applicant Self Score	Validated Score
Population	<i>Applicant's population (or the population of the area(s) served) falls within one of the listed categories as determined by the U.S. Census Bureau. Population scoring will be determined by the smallest population listed in the application. Applications from (or collaborating with) small communities are preferred.</i>	Applicant (or collaborative partner) is not a county and has a population of less than 20,000 residents	5	<input checked="" type="radio"/>	
		Applicant (or collaborative partner) is a county but has less than 235,000	5	<input type="radio"/>	
		Applicant (or collaborative partner) is not a county but has a population 20,001 or greater.	3	<input type="radio"/>	
		Applicant (or collaborative partner) is a county with a population of 235,001 residents or more	3	<input type="radio"/>	
		Points	5	0	
Participating Entities	<i>Applicant has executed partnership agreements outlining all collaborative partners and participation agreements and has resolutions of support. (Note: Sole applicants only need to provide a resolution of support from its governing entity.)</i>	More than one applicant	5	<input checked="" type="radio"/>	
		Single applicant	1	<input type="radio"/>	
		Points	5	0	
Total Section Points				10	0

Local Government Innovation Fund Project Scoring Sheet

Section 3: Success Measures

Success Measures	Description	Criteria	Points	Applicant Self Score	Validated Score
Expected Return	<i>Applicant demonstrates as a percentage of savings (i.e., actual savings, increased revenue, or cost avoidance) an expected return. The return must be derived from the applicant's cost basis. The expected return is ranked in one of the following percentage categories:</i>	75% or greater	30	<input type="radio"/>	
		25.01% to 74.99%	20	<input checked="" type="radio"/>	
		Less than 25%	10	<input type="radio"/>	
		Points		20	0
Past Success	<i>Applicant has successfully implemented, or is following project guidance from a shared services model, for an efficiency, shared service, coproduction or merger project in the past.</i>	Yes	5	<input checked="" type="radio"/>	
		No	0	<input type="radio"/>	
		Points		5	0
Scalable/Replicable Proposal	<i>Applicant's proposal can be replicated by other local governments or scaled for the inclusion of other local governments.</i>	The project is both scalable and replicable	10	<input checked="" type="radio"/>	
		The project is either scalable or replicable	5	<input type="radio"/>	
		Does not apply	0	<input type="radio"/>	
		Points		10	0
Probability of Success	<i>Applicant provides a documented need for the project and clearly outlines the likelihood of the need being met.</i>	Provided	5	<input checked="" type="radio"/>	
		Not Provided	0	<input type="radio"/>	
		Points		5	0
Total Section Points				40	0

Section 4: Significance Measures

Significance Measures	Description	Criteria	Points Assigned	Applicant Self Score	Validated Score
Performance Audit Implementation /Cost Benchmarking	<i>The project implements a single recommendation from a performance audit provided by the Auditor of State under Chapter 117 of the Ohio Revised Code or is informed by cost benchmarking.</i>	Project implements a recommendation from an audit or is informed by benchmarking	5	<input checked="" type="radio"/>	
		Project does not implement a recommendation from an audit and is not informed by benchmarking	0	<input type="radio"/>	
		Points		5	0
Economic Impact	<i>Applicant demonstrates the project will promote business environment (i.e., demonstrates a business relationship resulting from the project) and will provide for community attraction (i.e., cost avoidance with respect to taxes)</i>	Applicant clearly demonstrates economic impact	5	<input checked="" type="radio"/>	
		Applicant mentions but does not prove economic impact	3	<input type="radio"/>	
		Applicant does not demonstrate an economic impact	0	<input type="radio"/>	
		Points		5	0
Response to Economic Demand	<i>The project responds to current substantial changes in economic demand for local or regional government services.</i>	Yes	5	<input checked="" type="radio"/>	
		No	0	<input type="radio"/>	
		Points		5	0
Total Section Points				15	0

Section 5: Council Measures			
Council Measures	Description	Criteria	Points Assigned
Council Preference	Council Ranking for Competitive Rounds	The Applicant Does Not Fill Out This Section; This is for the Local Government Innovation Fund Council only. The points for this section is based on the applicant demonstrating innovation or inventiveness with the project	
Total Section Points (10max)			

Scoring Summary			
		Applicant Self Score	Validated Score
Section 1: Financing Measures		6	0
Section 2: Collaborative Measures		10	0
Section 3: Success Measures		40	0
Section 4: Significance Measures		15	0
Total Base Points:		71	0

Reviewer Comments
<div style="text-align: right; margin-top: 20px;">G-4</div>

Application Checklist

Check off	Application Section Number	Application Section Name	Type	Policy	Application Materials	Round 1 Due Date
✓	0	Cover Page	All		Application Cover Sheet (Include Project Name)	3/1/2012
✓	1	Contact Information	All		Main Applicant: Name, Address, Phone Number(s) (Include Fax), Website (or Email Address), and Population Information	3/1/2012
✓	1	Contact Information	All		Application Contact Information: Name, Title, Address (Include County), Phone Number, and Email Address	3/1/2012
✓	2	Collaborative Partners	All		Collaborating Entity: Name, Address, Phone Number, and Email Address	3/1/2012
✓	2	Collaborative Partners	All		Collaborative Partner Contact: Name Address Phone Number, Email Address, and Population Information	3/1/2012
✓	3	Project Information	All		Project Description including the name of the project and a brief project description (limited to two pages single spaced)	3/1/2012
✓	3	Project Information	Grant	3.07/5.01	Identify Project Type as feasibility study, planning, or management project	3/1/2012
n/a	3	Project Information	Loan	3.07/6.01	Identify Project Type as demonstration project	3/1/2012
✓	3	Project Information	All	3.10	Identification of one (1) targeted approach: Efficiency, shared services, co-production, or merger	3/1/2012
✓	3	Project Information	All	3.08	Explanation of the anticipated return on investment based on the ratio of expected savings	3/1/2012
✓	3	Project Information	All	3.08	Explanation regarding the probability of the proposal's success	3/1/2012
✓	3	Project Information	All	3.08	Description of plans to replicate or scale the proposal to allow for the inclusion of other political subdivisions	3/1/2012
✓	3	Project Information	All	3.08	Identification of whether the proposal is part of a larger consolidation effort by the applicant or collaborative partner(s)	3/1/2012
✓	3	Project Information	All	3.08	Description of how the proposed project is responding to current substantial changes in economic demand	3/1/2012
✓	3	Project Information	All	3.08	Identification of intent to implement recommendations of a performance or any other audit	3/1/2012
✓	3	Project Information	All	3.08	Explanation of how project facilitates an improved business environment and/or promotes community attraction	3/1/2012
n/a	4	Financial Documentation	Loan	2.03/3.11	Proposal Request: Less than \$100,000 for single entity and less than \$100,000 per collaborative partner (limited to \$500,000 for applicants with collaborative partners)	3/1/2012
✓	4	Financial Documentation	Grant	2.03/3.11	Proposal Request: Less than \$100,000	3/1/2012
✓	4	Financial Documentation	All	2.06	Documentation of each in-kind match source	3/1/2012
✓	4	Financial Documentation	All	3.08	The percentage of local matching funds available	3/1/2012
✓	4	Financial Documentation	All	3.08	Three years of financial projections identifying anticipated savings	3/1/2012
n/a	4	Financial Documentation	Loan	3.08	Savings Description	3/1/2012
n/a	4	Financial Documentation	Loan	3.08	Expected Annual Savings	3/1/2012
n/a	4	Financial Documentation	Loan	3.08	Expected One-time Savings	3/1/2012
n/a	5	Supporting Documentation	Loan	3.06	Feasibility Study, Planning or Management Project Determination: Include Department Determination Letter	3/1/2012
✓	5	Supporting Documentation	All	3.08	Executed partnership agreements with other participating entities	3/1/2012
pending	5	Supporting Documentation	All	3.08	Resolution of support from the applicant's and/or collaborative partner's governing entity	3/1/2012
✓	5	Supporting Documentation	All	3.08	Audit, performance or other, conducted within the last five years	3/1/2012
✓	5	Supporting Documentation	All	4.01-4.03	Documentation from the 2010 U.S. Census identifying each municipality, county or township served applicant and any collaborative partners (scoring will be based on the smallest population giving preference to smaller governments)	3/1/2012
✓	5	Supporting Documentation	All		Self Score Assessment - Project Selection Methodology	3/1/2012
n/a	X	Submission Instruction	Loans	3.04	Pre-Application: Submit feasibility study, planning, or management project to the Ohio Department of Development for determination prior to submitting application	2/15/2012
✓	X	Submission Instruction	All	3.05	Application: PDF copy of application submitted to the Ohio Department of Development	3/1/2012

H-1



Office of the City Manager

March 13, 2012

Ms. Thea Walsh, Deputy Chief
Ohio Department of Development
Office of Redevelopment
77 South High Street
P.O. Box 1001
Columbus, Ohio 43216

RECEIVED

MAR 16 2012

OFFICE OF REDEVELOPMENT

Re: Local Government Innovation Fund

Dear Ms. Walsh,

The City of Louisville supports the application being submitted by the Stark County Regional Planning Commission for a feasibility study on shared service for the building departments within Stark County. The City of Louisville currently has a building official and department that regulates only one, two and three family residential structures. All other multi-unit residential and commercial or industrial structures are under the oversight of the Stark County Building Department. Our building official also serves as the City's code enforcement officer and provides other inspection services. The City Council does support the concept of shared services with the intent to maximize efficiencies while minimizing costs and views this feasibility study as an appropriate action to further that goal.

We look forward to completion of the study and commit to prompt participation when called upon to provide relevant information. We commend and support the Stark County Regional Planning Commission's effort to obtain financial assistance to complete this study, which we believe will provide valuable information to each of the entities now providing partial or full range of building department services. The information obtained thereby will help each entity to make good decisions based on facts, rather than opinions or emotional responses.

On behalf of the City Council and myself, I hope that the application will be viewed favorably. Please feel free to contact my office if I can be of any assistance.

Sincerely,

A handwritten signature in black ink that reads "E. Thomas Ault".

E. Thomas Ault
City Manager



April 2, 2012

Brenda Sarsany
Stark County Regional Planning Commission
201 Third Street NE Suite 201
Canton, Ohio 44702

RE: Application Cure Letter

Dear Brenda Sarsany:

The Ohio Department of Development (Development) has received and is currently reviewing your application for Round 1 of Local Government Innovation Fund program. During this review Development has determined that additional information is needed for your application. The identified item(s) requiring your attention are listed on the attached page(s). Please respond only to the issues raised. Failure to fully address all the identified items could lead to a competitive score reduction or ineligibility for Round 1 of the Local Government Innovation Fund program. **A written response from the applicant to this completeness review is due to Development no later than 5:00 p.m. on April 30, 2012.** Please send the response in a single email to lgif@development.ohio.gov and include "Cure—Project Name" in the subject line.

While this cure letter represents the additional information needed for Development review, the Local Government Innovation Council continues to reserve the right to request additional information about your application.

Thank you once again for your participation in Local Government Innovation program. Please contact the Office of Redevelopment at lgif@development.ohio.gov or 614-995-2292 if you have further questions regarding your application or the information requested in this letter.

Sincerely,

Thea J. Walsh, AICP
Deputy Chief, Office of Redevelopment
Ohio Department of Development

Local Government Innovation Fund Completeness Review

Applicant: Stark County Regional Planning Commission
Project Name: Stark County Building Departments Shared Services Study
Request Type: Grant

Issues for Response

1. Budget

Please provide a line item budget that includes at minimum: 1) the sources of all funds being contributed to the project include **all** sources—cash, in-kind, etc.; 2) the uses of all funds (provide a line item for each use); 3) the total project costs (including the funding request **and** the local match. Please be sure that all uses of funds are eligible expenses as set forth in the program guidelines.

Example:

Collaboration Village’s Project Budget

Sources of Funds

LGIF Request	\$100,000
Match Contribution (11%)	\$ 11,111
<hr/>	
Total	\$111,111

Uses of Funds

Consultant Fees for Study	\$111,111
<hr/>	
Total	\$111,111

Total Project Cost: \$111,111

2. Match

A minimum of 10% match is required for all projects. Matching funds must be 10% of the **total project cost** (not 10% of the funding request). Please document your 10% match and provide evidence of the contribution.

For **in-kind contributions**, please provide documentation as outlined in section 2.06 of the Local Government Innovation Fund program policies. Certification of in-kind contributions may only be made for past investments. Anticipated in-kind contributions must be certified **after** the contribution is made.

3. Resolutions of Support

Resolutions of support must be provided by the governing body of the main applicant and each collaborative partner. If the collaborative partner is a private entity with no governing body, a letter of support **for the project** is required.

4. Partnership Agreements

Partnership agreements must be signed by all parties listed as collaborative partners. Please provide a partnership agreement that at minimum: 1) lists all collaborative partners; 2) lists the nature of the partnership; and 3) is signed by all parties. Please note, partnership agreements must be specific to the project for which funding is requested.

RESOLUTION OF THE STARK COUNTY REGIONAL PLANNING
COMMISSION (SCRPC) AUTHORIZING SUBMISSION OF THE
LOCAL GOVERNMENT INNOVATION FUND APPLICATION
“STARK COUNTY BUILDING DEPARTMENTS SHARED
SERVICES FEASIBILITY STUDY”

WHEREAS, the Local Government Innovation Fund of the Ohio Department of Development has been designed to help create more efficient and effective service delivery within a specific discipline of government services for one or more entities; and

WHEREAS, the Local Government Innovation Fund promotes efficiency, coproduction, mergers and shared services among local governments; and

WHEREAS, the Local Government Innovation Fund facilitates a focused planning process and provides financial resources to qualified political subdivisions or qualified groups of political subdivisions; and

WHEREAS, shared services among building departments within Stark County has been discussed as a possible means of increased efficiency and effectiveness; and

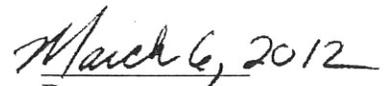
WHEREAS, a feasibility study of shared services will gather and analyze the data necessary for future coordinated planning.

NOW THEREFORE BE IT RESOLVED,

That SCRPC does hereby authorize the submission of a grant request of \$75,000 to the Local Government Innovation Fund for a Stark County Building Departments Shared Services Feasibility Study.



President, SCRPC



Date

MINUTES OF THE REGIONAL PLANNING COMMISSION MEETING
March 6, 2012

The Stark County Regional Planning Commission met in regular session Tuesday, March 6, 2012, 7:30 p.m., in the Stark County Regional Planning Commission Conference Room. A quorum of the Executive Committee was present.

RPC Members or Alternates

- | | |
|---|---|
| * Vince Marion, City of Alliance | * Bob Leach, Village of Magnolia |
| * Mort DeHoff, Washington Twp. | Ellis Erb, Lake Township |
| * Bob Fonte, CAC President | Galen Stoll, Lake Township |
| * David McAlister, Stark County Appointee | * Jim Benekos, City of North Canton |
| * Ronald Revlock, Stark County Appointee | Wayne Schillig, Marlboro Township |
| * Fred Abraham, Stark County Appointee | Troy Hansen, Village of Limaville |
| Pat Fallot, City of Louisville | * Tony Peldunas, Stark County Appointee |

Staff

Jeff Dutton, SCATS Technical Director
Beth Pearson, Chief of Community Development
Malia Watkins, Community Relations Planner
Robert Nau, Executive Director
Brenda Sarsany, Chief of Planning

Lynn Carlone, Community Development Admin.
Joe Underwood, Subdivision Engineer
Rachel Lewis, Regional Planner
Jill Gerber, Office Manager
Dave Thorley, Staff Attorney

Others

Scott Weckbacher, Perry Township
Michael Stackpole, Stackpole Engineering
Scott Hastings, JSG Development

*Executive Committee

1) PLEDGE OF ALLEGIANCE

President Vince Marion opened the meeting with the Pledge of Allegiance.

2) MINUTES OF THE FEBRUARY 7, 2012 MEETING

Leach moved, Abraham seconded, and the motion carried to **approve** the minutes of the February 7, 2012 meeting.

3) FINANCIAL REPORT

There being no questions or additions, the financial report for February 2012 will be filed for audit.

4) STAFF REPORT

- a. Adoption of the 2012 CDBG and HOME Program - Lynn Carlone, Community Development Administrator

Carlone stated the three-year CDBG program will run from July 1, 2012 through June 30, 2014. Stark County will receive funding of \$1,053,908 for FY 2012. This funding is almost a 21% decrease from the 2011 levels. This is the largest decrease they have had in the history of the CDBG program. It is unknown what will be received for FY 2013-14 as funding has been decreasing over the last several years.

An application workshop was held for all potential CDBG applications in September 2011, and applications were accepted until November 2, 2011. They received 23 applications from various Stark County municipalities, townships and non-profit agencies. The applications must meet one of the following national CDBG objectives in order to be eligible to receive funding: 1) benefit LMI persons or families; 2) aid in the prevention or elimination of slum and blight in the community; or 3) undertake an urgent need in the community. Within Stark County, only two projects have ever been undertaken as an urgent need in the community. All 23 applications were deemed eligible and reviewed by three staff members of the CDBG program and a five member review committee chosen by the public at their application workshop. The five member review committee included: Joe Iacino, representing large townships; Les Kamph, representing small townships; Eric Bowles, representing cities; Dave Harp, representing villages; and Paul Hess, representing county-at-large. The applicants requested a little over \$3.2 million in CDBG funding over the three-year period. Once the applications were reviewed and scores tallied, the projects were ranked according to the scores they received. After the application process was completed, the staff and review committee met again to discuss the results.

Carlone reviewed the details of the CDBG proposed funding plan based upon the 2012 funding decrease and unknown future funding levels. The following totals were proposed for the FY 2012 program: Stark County's sponsored totals at \$535,781; Public Service projects at \$44,112; Economic Development projects at \$30,251; and Infrastructure projects at \$443,085, which leaves a balance of \$679 to be put into a contingency account for project cost overruns.

The HOME program year covers the period of July 1, 2012 through June 30, 2013. HOME funding is for the purpose of providing quality affordable housing opportunities to LMI persons and households. This funding source can only be utilized for housing type of activities. Under the CDBG program, Stark County stands alone with the cities of Canton, Massillon and Alliance receiving their own entitlement funds to undertake CDBG in their communities. The Village of Hills and Dales does not participate. Under the HOME program, the City of Canton has a separate funding allocation, but Massillon and Alliance come together to form a consortium with Stark County. Stark County will receive a total FY 2012 allocation of \$687,383, which is a 17% decrease from last year.

An application workshop was held for all potential HOME applicants in November 2011 and applications were accepted until January 13, 2012. All three applications received were for Stark County funding. No applications were received for projects located in Massillon or Alliance.

Carlone provided a breakdown of how the funding would be used within the communities. Stark County will receive \$366,581, the City of Massillon at \$119,828, the City of Alliance at \$132,236, with 10% set aside for administration costs of \$68,738. Both the cities of Massillon and Alliance will be using their entire allocation for in-house programs, and no administrative funding will be provided to either one of those communities. The City of Massillon is requesting their funds of \$119,828 go towards their homebuyer and housing rehab programs, and the City of Alliance is putting their entire allocation of \$132,236 towards housing rehab.

Stark County's breakdown of funds included SMHA's Tenant Based Rental Assistance - HOME XI at \$79,404 and SMHA's Tenant Based Rental Assistance - HOPE III at \$102,852. Both programs had requested double the amount of funds allocated, so Stark County plans on funding the other half of these programs out of reallocated 2011 funds. The Homebuyers program in Stark County offers a Down Payment Assistance and Closing Costs program at \$50,000. The entire Housing Rehab amount of \$134,325 will be used for housing rehab on qualified homes bringing them up to code.

The last application was submitted by Testa Enterprises. They are proposing to build an elderly apartment complex in the Village of Hartville. Stark County is looking at funding that project out of reallocated 2011 funds, which is why it is not seen in this funding proposal. The total Stark County funding is \$366,581.

McAlister moved, Abraham seconded, and the motion carried to recommend **approval** of the proposed CDBG and HOME FY 2012 funding plan. (Detailed reports filed with the original minutes in the RPC office.)

5) TOWNSHIP ZONING AMENDMENTS

Rachel Lewis presented the staff review and recommendations on the following zoning amendment:

PE #1 — From B-2 Commercial to M-D Multi-Use Overlay

One parcel, totaling approximately 1.96 acres, located at the northeast corner of Lincoln Way East and Freeman Avenue in the SE ¼ Section 10, Perry Township. Present Use: Motel; Proposed Use: Mixed Use. Applicant/Owner: Jack Hawk/ GITA P Land Co.

Leach moved, McAlister seconded, and the motion carried to recommend **approval** of the proposed zoning amendment to M-D Multi-Use Overlay. The following facts were considered by the Commission in its decision:

1. The area surrounding the tract in question consists of a mixture of land uses. There is primarily low-density residential development to the north, east and northwest, and commercial properties to the south and southwest along Lincoln Way.
2. According to the application, the purpose of this zone change request is to allow "diversified opportunities of residential, office, and small services like retail in a planned environment affording possible live/work options."
3. The purpose of the M-D Multi-Use Overlay District, according to the Perry Township Zoning Resolution, is "to provide for a variety of residential, retail, service and commercial establishments, in close proximity, that are required to serve a dense and rapidly developing,

trading and commercial area. This district is also intended to accommodate those residents wishing to live, work and engage in retail trade in close proximity to major thoroughfares within Perry Township.”

4. The Stark County 2030 Comprehensive/Transportation Plan identifies the future land use of the area in question as developed urban living area.
 5. Several years ago, Perry Township rezoned all parcels along Lincoln Way one tract deep to the B-2 Commercial District, resulting in a somewhat irregular zoning district adjacent to several single-family neighborhoods. Since then, many amendments have been proposed to expand that commercial district, for which RPC has consistently recommended that the existing residential neighborhoods be protected.
 6. The area under consideration appears to be suitable for the Multi-Use Overlay District, according to the defined purpose of this district. The Multi-Use Overlay District would allow less intensive operations than currently permitted in the existing B-2 Commercial District, therefore reducing the potential for any detrimental effects on the surrounding residential properties.
- 6) SUBDIVISION ACTION

Rachel Lewis presented the Subcommittee’s recommendations on the projects reviewed.

Renewal of Preliminary Plan

The Apiary

NW ¼ Sec. 32, Jackson Twp.

Prospect Park

SW ¼ Sec. 33, Perry Twp.

Scotsbury Glen (revised)

SW ¼ Sec. 20, Jackson Twp.

Wellington Hills (revised)

NE & NW ¼ Sec. 10, Plain Twp.

Leach moved, Abraham seconded, and the motion carried to **approve** the *renewal of preliminary plans* for the above-noted projects.

Renewal of Site Improvement Plan

Biery Cheese Co. Addition (Revised)

(approx. 180’ x 236’, 185’ x 200’, 60’ x 50’ and 30’ x 80’ additions to main bldg., 40’ x 75’ fire suppression bldg., 95’ x 95’ garage, parking, and 95’ x 95’ future garage addition)
NW ¼ Sec. 3, Nimishillen Twp.

Abraham moved, McAlister seconded, and the motion carried to **approve** the *renewal of site improvement plan* for Biery Cheese.

Final Plat Review

Belden Whipple Plaza No. 2
(replat of lot 14 in Belden Whipple Plaza)
 SE ¼ Section 24, Jackson Twp.

Cond. Approval

Lake Cable Section "B-2"
(replat of part of lots 273-276 in Lake Cable Section "B")
 SW ¼ Section 14, Jackson Twp.

Approval

McAlister moved, Leach seconded, and the motion carried to **accept** the Subcommittee's recommendations on the above-noted *final plats*. The Commission also approved variances of Section 420 (no preliminary plan) for both Belden Whipple Plaza No. 2 and Lake Cable Section B-2.

Site Improvement Plan Review

The Pines
(12,794 sq. ft. addition, 23' x 42' addition,
parking and paving)
 SE ¼ Section 31, Plain Twp.

Cond. Approval

Stackpole Engineering- Conversion
(2,172 sq. ft. house conversion, parking
and sidewalk)
 NE ¼ Section 31, Lake Twp.

Cond. Approval

Turner Transmission (revised)
(40' x 80' storage garage)
 NW ¼ Section 25, Lawrence Twp.

Approval

Abraham moved, McAlister seconded, and the motion carried to **accept** the Subcommittee's recommendations on the above-noted *site improvement plans*. The Commission also approved a variance of Section 430.3.B.1 (north arrow orientation) for The Pines.

7) **TRAVEL REQUEST**

- a. ESRI User Conference - San Diego, CA - July 23-27, 2012
 Sean Phillips

Nau stated the estimated cost for this conference was about \$1,800. McAlister moved, Abraham seconded, and the motion carried to **approve** the travel for Sean Phillips to attend the ESRI User Conference in San Diego, CA.

8) **RESOLUTION OF AUTHORIZATION FOR**
LOCAL GOVERNMENT INNOVATION FUND (LGIF) GRANT

Nau stated the LGIF grant was submitted on March 1, but a 60-day window is provided to submit formal agreements. The application is for a feasibility study on shared services of Stark County's building departments. It is a \$75,000 grant request with a 10% local match, and the local match would be covered from in-kind services. The RPC is the named applicant of this grant based upon the fact the Commission is represented by all the political subdivisions in the county. Their immediate partners are Stark County and the City of North Canton in terms of the initial grant application, but they anticipate other political subdivisions being interested in sharing services if the study reveals the potential for cost

savings and increased services. They anticipate doing an RFP and hiring a consultant to complete the study under Regional Planning's direction. They currently have letters of support from North Canton, BIA, Greater Canton Chamber of Commerce and the Stark Development Board.

Leach moved, Abraham seconded, and the motion carried to **approve** the resolution authorizing submission of the Local Government Innovation Fund grant.

9) OTHER BUSINESS

The RPC Annual Dinner is March 21 with Bob Fonte being the featured speaker. Nau reminded everyone of the Sunshine Law Training being offered on April 26 at Exploration Gateway. Registration must be made online through the Attorney General's Office.

As there was no further business, the meeting was adjourned at 8:05 p.m.

Respectfully,

Vince Marion, President

Robert Fonte, Secretary

Brookins, Denise

From: Brenda Sarsany <BKSarsany1@co.stark.oh.us>
Sent: Tuesday, April 24, 2012 2:34 PM
To: lgif
Cc: Robert Nau
Subject: Cure- Stark County Building Departments Shared Services Feasibility Study

Thea,

We are in receipt of your letter requesting additional information for the above listed project. Please see the updated information as requested as "Issues for Response" below.

1. Budget: It appears we need to revise the budget slightly, as we apparently misread the match requirements and planned a match of 10% of the request, rather than of the total project. We know that more staff time than what was originally submitted will be required as the project unfolds, but were trying to estimate conservatively in what we listed for in-kind services.

Revised Project Budget

Sources of Funds:

LGIF Request:	\$75,000
Match Contribution (10%):	\$ 8,340
Total:	\$83,340

Uses of Funds:

Consultants Fee for Feasibility Study:	\$74,000
Legal Ad to publish RFQ for Study:	\$ 1,000
RPC Staff Time	\$ 8,340
Total:	\$83,340

Total Project Costs: \$83,340

2. Match: As noted above in the budget section, the match has been corrected to \$8,340 instead of \$7,533 to appropriately include a 10% match for our request of \$75,000. The match is provided through in-kind services of staff time by SCRPC staff. Time previously spent by SCRPC staff on building department shared services planning was already documented in the application at \$6,288 previously expended. The remaining \$2,052 will be time spent by SCRPC staff in working to select the consultant and then working cooperatively with the consultant during the feasibility study. Additional documentation of this time will be submitted as required after it has taken place.

3. Resolutions of Support: The Stark County Regional Planning Commission (SCRPC) Resolution of Support was emailed to your office on April 10th. I am assuming the resolution arrived after the Cure Letter was mailed. Our office received the Cure Letter on April 13th. Based on the conversation we had when we met with you, we chose to submit it as the SCRPC, since it is a permanent collaboration of local government entities. Also included with the resolution were the minutes of the meeting, showing who was present at the meeting when the resolution was passed.

4. Partnership Agreements: The SCRPC is applying as a single entity, on behalf of all the local governments represented by it. Because of this we did not submit a partnership agreement. We listed Stark County & North Canton as immediate project partners, for informational purposes, in that we plan to study their building departments first, and then hopefully scale the project from there. I see that perhaps we shouldn't have listed them in the "Collaborative Partners" section, because it then appears that a partnership agreement is lacking. As discussed and as noted above, SCRPC is applying as a single entity on behalf of its membership (all local governments represented by SCRPC).

Thank you again for meeting with us back in February with Commissioner Peter Ferguson and Jim Benekos of North Canton. We hope this answers any remaining questions and we hope to be working with the LGIF program. Please let me know if there is anything we've missed or been unclear on. Thank you again. bks

Brenda Sarsany
Stark County Regional Planning
Ph. (330) 451-7446
bksarsany1@co.stark.oh.us