



# City of Oak Park

"The Family City"

**Mayor**  
Marian McClellan  
**Mayor Pro Tem**  
Angela Diggs Jackson  
**Council Members**  
Michael M. Seligson  
Paul H. Levine  
Emile J. Duplessis

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December 21, 2011

Michigan Department of Treasury  
Office of Revenue and Tax Analysis  
PO Box 30722  
Lansing, MI 48909

**RE: Compliance Form 4887 Consolidation of Services for Oak Park, Michigan**

The City of Oak Park is pleased to submit its form 4887 compliance documents as per Public Act 63 Section 951 Part 3B, Category 2, so we may continue to receive our revenue sharing under the Economic Vitality Incentive Program or EVIP.

**The following required documents for the City of Oak Park are included with this letter:**

- Proposal to increase the existing level of cooperation, collaboration and consolidation within the jurisdiction or with other jurisdictions with estimates of the potential savings.
- A listing of previous services consolidated with the cost savings realized from each consolidation listed.

The information attached is readily available on the City of Oak Park's municipal website at <http://www.oakpark-mi.com> for the perusal of citizens, other units of government and interested parties. We will provide printed copies to any resident on request. All the documentation necessary to comply with the EVIP requirements is otherwise included with this letter.

We look forward to the receipt of the critically important EVIP funds from the State of Michigan. We trust you will contact us if you need additional information or clarification.

Sincerely,

Richard A. Fox  
City Manager

## Economic Vitality Incentive Program Certification of Consolidation of Services

Issued under authority of Public Act 63 of 2011. Filing is mandatory to qualify for payments.

Each city/village/township applying for Consolidation of Services payments must:

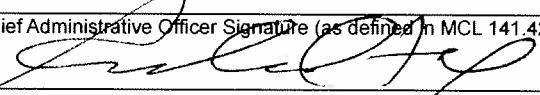
1. Certify to the Michigan Department of Treasury (Treasury) that the local unit listed below has produced and made readily available to the public, a plan to increase its existing level of cooperation, collaboration, and consolidation of services (either within the jurisdiction or with other jurisdictions). The plan shall include a listing of any previous services consolidated with the cost savings realized from each consolidation and an estimate of potential savings for any new service consolidations being planned.
2. Submit to Treasury a copy of the plan to increase cooperation, collaboration, and consolidation of services.

This certification, along with a cooperation, collaboration, and consolidation plan, **must be received by January 1, 2012** (or the first day of a payment month) in order to qualify for that month's payment. Post mark dates will not be considered. For questions, call (517) 373-2697.

### PART 1: LOCAL UNIT INFORMATION

Local Unit Name Oak Park	
Local Unit Code 63214	Local Unit County Oakland
Contact Name Richard Fox	Contact Telephone Number (248) 691-7410

### PART 2: CERTIFICATION

<i>In accordance with Public Act 63 of 2011, the undersigned hereby certifies to Treasury that by January 1, 2012, the above mentioned local unit has produced and made readily available to the public a plan to increase cooperation, collaboration, and consolidation of services. The plan for cooperation, collaboration, and consolidation of services is attached to this signed certification.</i>	
Chief Administrative Officer Signature (as defined in MCL 141.422b) 	
Title City Manager, RICHARD FOX	Date 12/21/2011

Completed and signed forms (including required attachments) should be e-mailed to: [TreasORTA@michigan.gov](mailto:TreasORTA@michigan.gov)

If you are unable to submit via e-mail, mail the completed form and required attachments to:

Michigan Department of Treasury  
Office of Revenue and Tax Analysis  
PO Box 30722  
Lansing MI 48909

Treasury Use Only		
EVIP Eligible	Y      N	Certification Received Plan Received
Final Certification		
		EVIP Notes

# City of Oak Park, Michigan



## *Cost Effective Resource Management*

*Collaborative Efforts*

*With*

*Other Governmental Units*

*And*

*Private Entities*

In Compliance with Public Act 63 of 2011

Prepared By  
Office of City Manager  
Oak Park, Michigan  
December 21, 2011

## Introduction

The collapse of the housing market has had dramatic impact on all aspects of life for Americans. Responsible individuals find themselves trapped by financial instruments and archaic banking rules that were not designed to properly function in any other atmosphere than a continued growth of housing values. Institutions have been slow to adapt to circumstances and resistant to change.

Manufacturing has long been the backbone of the Michigan economy, particularly manufacturing related to the production of automobiles. The effects of global competition and choices by management, labor and government affecting the workplace have been devastating to state economy.

Local governments country-wide have been hard hit and those in Michigan are among the most severely impacted. Supporting revenues for local units of government are directly related to housing values and most are still reeling from tax revenue declines that have still not hit bottom. The prospect of ever returning to the level of financial resources available before the housing market collapse is dim. Without changes in state legislation recovery will be further hampered by tax reforms that restricted revenue growth while at the same time allowed revenue declines to free fall.

The preceding is not meant to lament the condition of Michigan cities nor shift blame but rather to illustrate the severity of the situation. Communities have experienced revenue declines at an unprecedented rate and the declines are likely to be permanent. We have what we have and our survival depends on our ability to live within our means.

Local governments must find new ways to deliver public services. Oak Park has been hard at work finding ways of providing services at lower costs through wage and benefit concessions, personnel reductions and modifications to procedures. New sources of revenue and reductions in service levels are options continuously examined.

The sharing of services with other entities has the capability to provide long term solutions, reducing costs for individual participants while maintaining service levels within the community's expectations.

## The Law

On June 21, 2011, Governor Rick Snyder signed into law Public Act 63 of 2011. The Act requires multiple steps by local units of government to remain eligible for distribution of a portion of the State tax collections formerly distributed as state revenue sharing.

### **P.A. 63 OF 2011 SECTION 951 - ECONOMIC VITALITY INCENTIVE PROGRAM**

Sec. 951. (1) From the funds appropriated in part 1 and in section 1201(2) to the economic vitality incentive program, \$5,000,000.00 is to be used for assistance grants to cities, villages, townships, and counties to offset the costs associated with mergers, interlocal agreements, and cooperative efforts for those cities, villages, townships, and counties that elect to combine government operations. Grant funding shall be available for mergers, interlocal agreements, and cooperative efforts that occur on or after October 1, 2011. The department of treasury shall develop an application process and method of grant distribution.

(2) From the funds appropriated in part 1 and in section 1201(2) to the economic vitality incentive program, \$210,000,000.00 is to be used for grants to cities, villages, and townships such that, subject to fulfilling the requirements under subsection (3)(a), (b), or (c), each city, village, or township that received a payment under section 950(2), 2009 PA 128, greater than \$4,500.00 will be eligible to receive a maximum of 67.837363% of its total payment received under section 950(2), 2009 PA 128, rounded to the nearest dollar. For the purposes of this subsection, any city or village that according to the 2010 federal decennial census is determined to have population in more than 1 county will be treated as a single entity when determining the payment received under section 950(2), 2009 PA 128.

**(3) Cities, villages, and townships eligible to receive a potential payment from the allocation under subsection (2) may qualify to receive economic vitality incentive program payments under 1 or more of the following 3 categories:**

(a) Category 1, accountability and transparency, requires each eligible city, village, or township to certify that by October 1, 2011, it has produced, and has made readily available to the public, a citizen's guide and a performance dashboard of its local finances, including a recognition of its unfunded liabilities. Each city, village, and township applying for a payment under this category shall submit a copy of the citizen's guide and a copy of the performance dashboard to the department of treasury by October 1, 2011.

(b) Category 2, consolidation of services, requires each eligible city, village, or township to certify that by January 1, 2012, it has a plan with 1 or more proposals to increase its existing level of cooperation, collaboration, and consolidation, either within the jurisdiction or with other jurisdictions. A plan shall include a listing of any previous services consolidated with the cost savings realized from each consolidation and an estimate of the potential savings for any new service consolidations being planned. A plan shall be made readily available to the public. Each city, village, and township applying for a payment under this subdivision shall submit a copy of the cooperation, collaboration, and consolidation plan to the department of treasury by January 1, 2012.

## **Oak Park History**

Over the past several years Oak Park has been hard hit by declining revenues. Nearly 25% of the city's workforce has been eliminated and it faces the prospect of additional changes in the coming months and years.

Oak Park has a long history of finding ways to provide maximum value for its citizens' tax dollars. Shared services where practicable have been part of the city's operational plans for almost 60 years.

**Prior and current shared service programs:**

*Many of the following cooperative ventures have been initiated both to allow broad-based input into problem solving and to eliminate duplications of administrative and operating costs. Some activities could not even be engaged in but for the participation of multiple jurisdictions. Estimated cost savings are included where they can be reasonably, and not arbitrarily, determined.*

Southeastern Oakland County Resource Recovery Authority (SOCRRA)

*Since 1953*

Participating communities/organizations:

Oak Park, Berkley, Village of Beverly Hills, Birmingham, Clawson, Ferndale, Hazel Park, Huntington Woods, Lathrup Village, Pleasant Ridge, Royal Oak ,Troy.

Founded in 1953, SOCRRA is a municipal corporation formed to collect, process and distribute compost, recyclable goods and other solid wastes. The collaborative agreement has reduced duplication of services, saved money and provided an open channel of communication among the member communities. In recent years, SOCRRA has negotiated contracts for rubbish collection, recycling and brush collection. Annual savings is based on a comparison of current costs with individual community contractual agreements previously awarded.

*Oak Park estimated annual savings:* *\$62,000*

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Leaf collection/composting

Participating communities/organizations:

Oak Park, Ferndale.

An intergovernmental agreement between Oak Park and Ferndale allows for the use of Ferndale's storage yard for leaf drop off and transfer to the SOCRRA compost yard.

*Oak Park estimated annual savings:* *\$25,000*

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Summer and winter road maintenance  
Participating communities/organizations:  
Oak Park, Oakland County Road Commission.

Oak Park performs street sweeping, litter collection, grass cutting and snow and ice removal on roads under the jurisdiction of the Oakland County Road Commission

*Oak Park estimated annual savings:* *\$40,000*

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Summer road maintenance  
Participating communities/organizations:  
Oak Park, Michigan Department of Transportation

Oak Park performs litter collection and grass cutting on roads under the jurisdiction of MDOT.

*Oak Park estimated annual savings:* *\$3,400*

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Wood chip disposal  
Participating communities/organizations:  
Oak Park, Oak Park School District.

As opposed to paying for compost disposal Oak Park delivers wood chips to the Oak Park school district for their landscaping use.

*Oak Park estimated annual savings:* *\$2,500*

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Courts & Law Enforcement Management Information System (CLEMIS)

*Since 1982*

Participating communities/organizations:

Oak Park, Addison Township, Auburn Hills, Berkley, Beverly Hills, Bingham Farms, Birmingham, Bloomfield Hills, Bloomfield Township, Brandon Township, Village of Clarkston, Clawson, Commerce Township, Farmington, Farmington Hills, Fenton (Oakland), Ferndale,, Franklin, Groveland Township, Hazel Park, Highland Township, Holly, Holly Township, Huntington Woods, Independence Township, Keego Harbor, Lake Angelus, Lake Orion, Lathrup Village, Leonard, Lyon Township, Madison Heights, Milford, Milford Township, Novi, Novi Township, Oakland County, Oakland Township, Orchard Lake Village, Orion Township, Ortonville, Oxford, Oxford Township, Pleasant Ridge, Pontiac, Rochester, Rochester Hills, Rose Township, Royal Oak, Royal Oak Township, South Lyon, Southfield, Southfield Township, Springfield Township, Sylvan Lake, Troy, Walled Lake, Waterford Township, West Bloomfield Township, White Lake Township, Wixom, Wolverine Lake

CLEMIS is a centralized regional database used to analyze criminal activity, manage police reports and comply with state and federal reporting requirements. Participating organizations share criminal identification data and criminal activity analysis. Membership fees are based on the number of sworn officers on each community’s force.

*Estimated savings:*

*Immeasurable – communities could not accomplish this individually.*



There are several other multi-jurisdictional projects in which the City of Oak Park participates. Quantitative benefits are difficult to define but the qualitative benefits of the projects clear. But for the cooperative efforts the services could not be provided.

The summaries come directly from the SEMCOG AgileGov site (<http://www.semco.org/data/agilegov.cfm>) where links to additional information can be found.

### Enterprise GIS – Oakland County

*Since 1998*

Shared Services since 1998 - The Oakland County Enterprise GIS is a multi-faceted program that supports and promotes coordinated "location-based" data development and access across jurisdictional and departmental boundaries. This county funded program provides a series of coordinated information gathering and sharing activities conducted by more than 10 County agencies and 62 local cities, villages ...

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### OakNet

*Since 2000*

Shared Services since 2000 - OakNet is a metropolitan area network built on a county owned redundant path fiber optic backbone. The network also includes extensive use of multiple leased circuits for geographically dispersed locations and additional redundant connections. The regional system provides more than 400 miles of high-speed broadband connectivity to 120 sites including ...

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### OakVideo

Shared Services - The Oakland County video arraignment project, called OakVideo, is a unique system to anything currently in use today. A project of CLEMIS (Courts and Law Enforcement Management Information Systems), it uses video conferencing equipment to connect district and circuit courts, the prosecutor's office, jail booking facilities, law enforcement agencies ...

Oakland County Purchasing

## **Proposed future collaborative agreements:**

### Oakland County Sub-Regional Library for the Visually and Physically Impaired

Oak Park Public Library is interested in providing library services to the visually and physically impaired in Oakland County as a sub-regional library under the direction of the National Library Service (NLS). Currently this service is being provided by the Oakland County Library in Pontiac. The City of Oak Park is in negotiation with Oakland County and NLS for approval of the transfer.

Moving the service minimizes the impact of changes to the SMART bus system by bringing the program to area that will maintain quality public transportation options. The program benefits from recent renovations to the Oak Park Public Library facility and a newly-trained operating staff.

Oakland County benefits with savings in administrative support and operating staff. Oak Park benefits as the recipient of federal, state and county funding for the provision of the service.

*Oak Park estimated annual savings:* *\$200,000+*

### Creation of an Authority Merging Oak Park & Ferndale Recreation Programs

In November 2011, the cities of Eastpointe and Roseville approved ballot issues creating an authority to manage consolidated municipal recreation operations. Representatives from Oak Park and Ferndale are engaged in discussions to promote a similar concept for our two communities.

The real, significant loss of tax dollars puts every service provided by the local government to its citizens under a microscope. Services across the board are being scaled back and in some cases completely eliminated. Reaching a collaborative agreement for recreational services may well be the difference between having a program and not having one. Eliminating duplication of effort in programming and program administration will result in cost savings for each community.

*Oak Park estimated annual savings:* *\$100,000+*