# the review



### the review

The official magazine of the Michigan Municipal League

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Muskegon supporters gather at the city's Together Rising sculpture. The "Love Muskegon" viral marketing campaign was started by a group of young professionals who wanted a brewery to locate in their city. The anonymous crew started showing up at city events with a logo they created, handed out by people in green body suits.

Cover photo by Riversedge Photography



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The official magazine of the Michigan Municipal League

Volume 87, Number 2

#### Better Communities. Better Michigan.

The Michigan Municipal League is the one clear voice for Michigan communities. Our goals are to aid them in creating desirable and unique places through legislative and judicial advocacy; to provide educational opportunities for elected and appointed officials; and to assist municipal leaders in administering community services. Our mission is that of a nonprofit, but we act with the fervor of entrepreneurs to passionately push change for better communities and a better Michigan.

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### EXECUTIVE DIRECTOR'S MESSAGE DANIEL P. GILMARTIN

#### Messaging & Technology

This issue of *The Review* will explore one of the eight assets of our Center for 21st Century Communities: Messaging and Technology. Our cover story is a great example of what a handful of committed individuals can do in a community when they put their minds (and bodies) into it. The 'Love Muskegon' campaign is a lot of fun and it's making a difference. What started as a quirky event has become a significant community asset.

Here's the recipe for success:

- Start with a historically important city
- Take a group of caring young people looking to attract an out-of-town brewery to the community
- Add in some swimsuits, bikinis, and frigid lake temperatures
- Stir in some branding principles and a touch of organizational structure
- Bake until ready

The result is a heavy increase in community pride, a fresh new brand to build around, and a new connection between a city and its people that friend and community building expert Peter Kageyama says, "gives everyone permission to have a love affair with their community."

Peter has written an article for us on loving your city that contains a very uplifting message. We have also assembled some municipal examples of technology utilization in Battle Creek and Jackson, and a citizen engagement website in the village of Lake Isabella. Further, Anthony Minghine, the associate director of the League, looks at revenue sharing and Michigan's broken financial model and the shocking amount of money our local governments have lost.

The League has been hard at work on messaging of our own—partnerships, to be exact. We all talk about the importance of collaborating and working together, but what does that really mean? When we started to think about the idea of a proactive legislative agenda, we naturally migrated toward the concept of a partnership. Over the last decade, state disinvestment in communities has been staggering. We've lost \$6 billion in statutory revenue sharing in the last decade. While local property tax values took a large hit during the recession, the state compounded the problem by not funding revenue sharing at the statutorily required levels. We have not measurably increased transportation funding in more than 15 years. The partnership has been broken, and we think it's time to regroup.

The state must work with communities to reinvest in Michigan. Michigan's communities will lead this state's comeback by focusing on the critical areas outlined in our Partnership for Place: Funding for the Future; Michigan in Motion; Place for Talent; and Strength in Structure. We look forward to partnering with the state to advance legislation that will focus on community reinvestment.

Mayors and managers from some of the state's largest cities met with the League's lobbying staff in January to discuss how to best prioritize the new Partnership for Place (the focus of the January/February issue of *The Review*) policy agenda in the coming year.

This agenda is so important to us that we built our Capital Conference agenda on it. The 2014 Capital Conference is the place to learn how this proactive agenda will help drive the future for Michigan communities in the key areas of municipal funding, transportation, talent retention, infrastructure, and development. Come to Lansing and learn firsthand how polices enacted at the state level affect governance at the local level. Breakout session topics include: reforming PPT, blight and redevelopment, and lobbying.

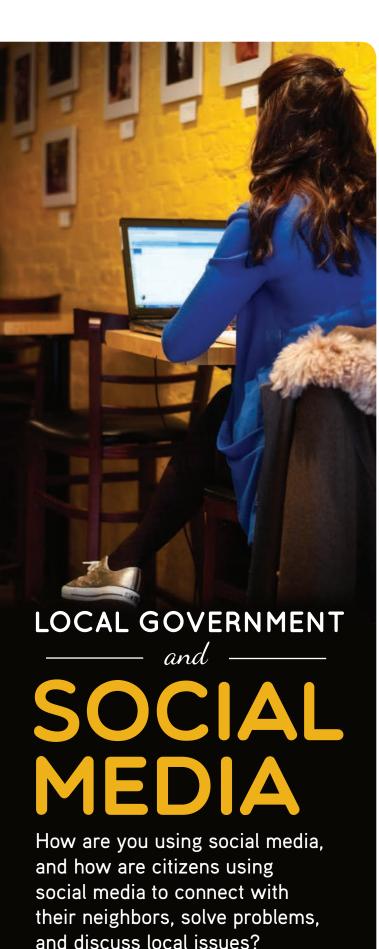
The Capital Conference is also the start of the new Community Excellence Award (CEA) competition. The CEA is the League's most prestigious community award. It is your opportunity to highlight local success stories and best practices, and to share innovative community programs or projects on a statewide platform. Has your community led or supported a program or project that had a significant positive impact? Could another community adapt this project to meet a similar challenge? If so, share it with your peers! Michigan communities all benefit through learning about each others' success.

The Capital Conference is March 18-19 at the Lansing Center. We hope to see you there.

Daniel P. Gilmartin League executive director and CEO 734-669-6302, dpg@mml.org

Saniel P. Lifmartin





ocal officials are increasingly determined to engage their constituents online. But local leaders sometimes overlook the first step they should take: mapping out how residents are using online technologies and how they are sorting themselves into online groups and networks. In that sense, online engagement is not so different from the traditional face-to-face work—to involve the public, you first need to map out where they are and what they belong to.

Some communities now have a full complement of blogs, listervs, news sites, and other online spaces that cover local news, politics, and community.

Neighborhood-level online spaces—sometimes called "hyperlocal" sites—are also growing rapidly. Government sites are also getting more traffic, and more people are asking for online opportunities to provide input to government, rather than simply downloading information from government.

The concern about the "digital divide," which used to focus on the relatively simple question of how many (and what kinds of) people had Internet access, has become much more complicated. Though the level of access continues to rise, there are still disparities, particularly between people of different income levels.

There are also important differences in the hardware people

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PLANNING FOR STRONGER LOCAL DEMOCRACY

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The Planning for Stronger Local Democracy: A Field Guide for Local Officials is a hands-on guide that lays out key questions for local governments to use to assess their community's engagement capacities.

are using to access the Internet. For example, younger people, people of color, and those with lower income levels are more likely to use cell phones and other mobile devices than desktop computers. Rather than focusing only on the question of who has Internet access, local officials need to understand what kinds of technologies will reach particular segments of the population. And above all, they need to know where people are gathered online, and how to connect and build relationships with those networks.

#### Specific Questions to Ask About Social Media:

- What are the main online spaces where people can find out, and comment on, what is happening in your city?
- Are there any neighborhood-level online forums?
- What is the general tenor of the discussion in these online spaces? Do they have well-established and wellenforced community guidelines governing the behavior of people who contribute posts or comments? Are people allowed to log in anonymously, or must they use their real names?
- What is your sense of whether and how different groups in your city—young people, seniors, recent immigrants, and underserved households—are using online technologies?

### CONNECTING NEIGHBORS TO SOLVE PROBLEMS

Boston, Massachusetts (pop. 645,000) Contact: Joseph Porcelli, Neighbors for Neighbors, 857-222-4420, jporcelli@neighborsforneighbors.org

eighbors for Neighbors is a communication platform that links 18 networks, one for each neighborhood in Boston, through a social networking medium. The organization does not have an issue base or policy agenda, but rather strives to empower neighborhoods to define those items on their own.

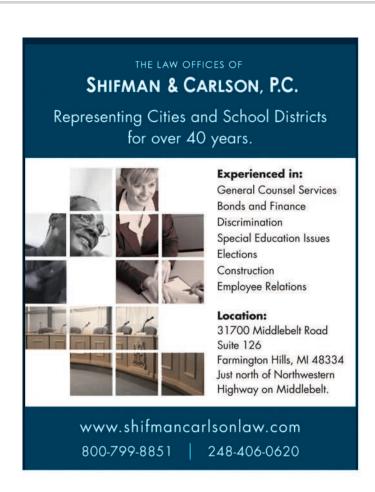
Many local stakeholders help enrich the discussions. City employees, police officers, nonprofit program coordinators, and other leaders share information and interact with members to help their constituents solve problems. Municipal personnel can also message all members to mobilize them around immediate threats, such as spikes in crime or public health hazards.

Through blogs, forum discussions, photos, videos, music, groups, and embeddable media, users can get answers to their questions, find solutions to their needs, promote community events, share media, and organize and participate in interest groups. Users also participate in neighborhood zone groups where they communicate about neighborhood happenings such as community projects, crime, block parties, and yard sales. The network enjoys over 6,500 visitors each month.

#### Potential Next Steps:

- Conduct a more comprehensive mapping project of local online spaces.
- Convene a set of local bloggers and other online leaders, and talk with them about the state of the local online community.
- Review the technologies being used at city hall, and consider whether they are sufficient for greater outreach and interaction with the public online.
- For up-to-date information on citizens' use of online technology and their expectations of government, see reports from the Pew Center for the Internet and American Life, and the Knight Foundation's work on the "Information Needs of Local Communities."
- Conduct a more comprehensive survey of Internet use in your community, to find out what kinds of people have access, what kinds of hardware they are using, and where they congregate online.

This article is excerpted from the National League of Cities publication "Planning for Stronger Local Democracy: A Field Guide for Local Officials," available at nlc.org.





By Tim Wolff

onnecting with and empowering residents is easier said than done. Traditionally, communities have relied on surveys to help gauge where their residents stand on certain issues. This method is built around the medium of mailing a survey to either all homes or a random sample, then hoping that recipients will take time to complete the survey and return it. Results would be tabulated and presented to community leaders—usually several months later. The ability of the citizen to engage was limited to responding to predetermined questions. Their input and ideas were isolated from the thoughts and opinions of their neighbors.

Through the use and implementation of technology, communities can now greatly increase citizen engagement. This use of technology vastly expands the ability of residents to have meaningful input on the planning and implementation of the goals of the community. What is even more exciting, is that many of these tools come at a very reasonable price, do not require long-term commitments to maintain systems, and can be managed "in-house" by even the smallest communities.

#### **SOCIAL MEDIA**

According to data released by the Pew Research Center in December of 2013, 73 percent of adults use social networking sites (data available at pewinternet.org). The data shows that over 7 in 10 homes across all income and ethnic demographics use some form of social media. The use of social media has been transformative to the political landscape and has clear implications on local government.

Other research done by Pew on the 2012 elections found that over one-third of social media users have used their social media accounts to encourage people to vote, promote materials related to causes they believe in, or post their own thoughts and commentary (data at pewinternet.org). Across the country, local communities are becoming more and more aware of the reality of what the data illustrates.

Many of these same communities also understand that when it comes to social media, their municipality or organization is a "brand." Just like any other brand, it needs to not only have a clear identity, but also be promoted in a coherent way. By

promoting their community events, local governments have been able to greatly expand the reach of their message by having their residents share and comment on what is posted through social media sites.

When it comes to using social media to connect with residents, the most common methods are Facebook and Twitter. Using a Facebook page to connect with your residents typically involves providing public service announcements, promoting events, and posting short surveys for residents to take. This is also a good way to provide links directly to stories in your local media about your community.

Twitter offers a more condensed way to connect with residents. Posts on Twitter are limited to 140 characters. This requires users to post shorter status updates than can be done with Facebook. As with posts on Facebook, Twitter posts (or tweets)

can contain links to other items of interest on the web. This allows users to greatly expand their content beyond the limited number of characters in a post. A common practice is to use both Facebook and Twitter as part of an overall strategy to link back to content on your municipality's website. In both cases, users can publically reply and comment on your posts which allow the municipality to openly dialog with interested parties.

#### **SMARTPHONE APPS**

Another avenue that is growing in terms of use among larger local governments is having an "app" (application) for the community. Smartphone apps commonly include such information as: a community calendar of events; directions to important community locations; and polling information for elections. Likewise, apps can allow citizens to make service requests.

By far the most common app is one with the ability of citizens to report potholes. Blight reporting is another popular feature that allows citizens to bring neighborhood concerns to local officials in a convenient manner. Many of the existing apps allow residents to take a picture of their concern and send it, along with the location, to municipal staff for their attention. Additionally, through the use of a smartphone's GPS (global positional system), certain apps allow the phone to receive emergency alerts issued by the community or regional emergency management center.

Smartphone apps also can be used to enhance the overall level of community involvement. This is done by allowing

outside community organizations the ability to use the municipality's app as a hub to highlight volunteer opportunities and events that residents can connect with.

#### **ENGAGEMENT WEBSITES**

A new tool has grown in popularity which allows for a high level of citizen engagement. It is the use of a dedicated citizen engagement website for a particular project or plan. These websites act as a virtual town hall where community members can interact and share ideas with each other. Topics and ideas are refined in an open setting with community leaders validating ideas and suggestions submitted by community members.

In 2013, the village of Lake Isabella used a community engagement website designed by MindMixer as the main method of gathering community input on drafting a new master

plan. Websites like the one used by Lake Isabella allow community leaders to create a broad base of topics for the community members to refine, and suggest additional ideas to complement each other. Through the village's website, residents were allowed to suggest their own ideas on improving the community and have those ideas directly refined by other members of the community on the website, rather than simply by staff and board members.

The resident input highlighted several key quality of life issues for the community. Of high interest was the long-term health and condition of the lake. Several residents discussed the idea of dredging the lake, and one went further, suggesting we could do an even larger dredging project if the soils from the lake bottom were collected into a single location in the lake to make an island rather than being trucked to an off-site disposal location.

Another well-discussed topic was the possibility of developing a sewer system in either all or part of the community. Presently, all homes in Lake Isabella use private septic systems to handle

their onsite wastewater needs. At the time that the village was using the engagement website, community leaders had proposed building a sewer system on one side of the lake. The area of the community where the sewer system was proposed has numerous residential lots that are unbuildable without a sewer system. The village's engagement website allowed the owners of those unbuildable lots to voice their input alongside community members that had homes in the proposed project area. This was very important since many of the owners of the unbuildable lots live outside the community and hope to one day develop their property and move to Lake Isabella.

By promoting their community events, local governments have been able to greatly expand the reach of their message by having their residents share and comment on what is posted through social media sites.

Over the course of the summer. the [village of Lake Isabella's] engagement website had nearly 400 visitors. Lake Isabella representing pop. 1,681 almost 25 percent of the community.

Over the course of the summer, the engagement website had nearly 400 visitors, representing almost 25 percent of the community. Community members that participated in the project liked the ability to participate in an open forum at their convenience. This was a very valuable project for Lake Isabella as it allowed all segments of the community equal access and input in the planning process. Lake Isabella promoted the engagement website through the village website, traditional newsletter, postcard mailings, and Facebook.



#### CONCLUSION

The resources which are available to communities continue to grow in terms of digitally connecting with their residents in a relevant manner. As a society, our use of social media continues to grow, and with that so does the opportunities for local government to build new bridges with their residents.

Tim Wolff is the manager of the village of Lake Isabella. You may reach him at 989-644-8654 or tim@lakeisabellami.org.

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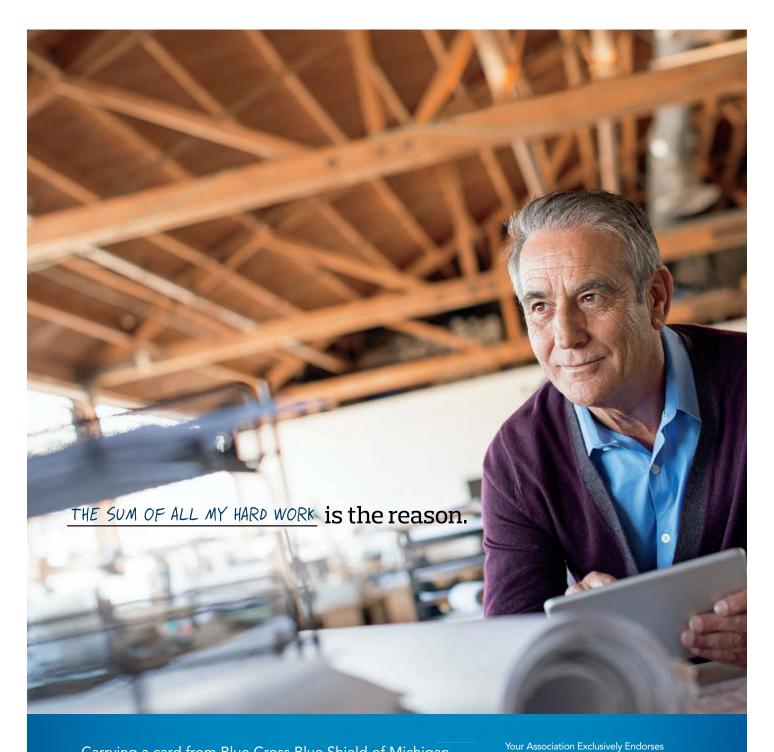


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# TECHNOLOGY

### HELPS BATTLE CREEK

ACCOMPLISH MORE WITH LESS

By Sarah Bajek



#### LIKE MANY CITIES ACROSS THE COUNTRY HIT HARD BY THE ECONOMY,



Battle Creek was seeking to do more with less. In 2007, the city began

looking for a new ERP solution to replace their costly system, which was approaching the end of its lifecycle. The city was looking for an easy-to-use solution that offered online self-service tools for employees and citizens, and current technology to simplify maintenance and provide more options in the future. "ERP" stands for Enterprise Resource Planning solution—a full suite of integrated business management software including financial management, human resources, and utility billing application.

Officials invited employees to participate in evaluating vendors and solutions. "It was a city-wide decision," said Purchasing Agent Christine Huff. "After seeing New World's software in multiple demonstrations, key users from every department found it to be the best solution by far to meet our needs."

New World worked closely with the city to bring the new financial management and payroll solutions live quickly to meet the city's short timeline. And to help make the move easier for employees, an internal Change Management Liaison Team comprised of individuals from various departments helped throughout the implementation. With constant support from New World, the team helped employees understand and adapt to the changes brought on by the new software. The completely integrated web-based solution with built-in electronic workflow has met many of the city's goals, including: streamlining business processes, reducing paperwork, and offering more access to information for employees and citizens.

#### **DOING MORE WITH LESS**

"Like many cities, we are taking a close look at our processes and services to find better ways of doing business. Using New World's software to its fullest capabilities is going to help us create tremendous efficiencies in areas where we are stretched thin," said Linda Morrison, finance services manager. Instead of printing and manually routing purchase orders and copies of quotes, the city now scans all supporting documents and attaches them through New World's software.

Advanced workflow in the software electronically routes all purchase requisitions to the required individuals for approval, freeing employees' time and ensuring all necessary departments are included in the purchasing process. These changes have helped the purchasing department better track purchasing activity while saving valuable time and eliminating errors and the cost of managing unnecessary paperwork.

"We have been able to successfully make these improvements to our purchasing process because employees understand how to use the new system," said Huff. "Even people that are not computer-savvy are learning about the workflow and catching on to the software quickly."

The suite of software is also allowing the city to leverage their current investment in Microsoft training and solutions, including Microsoft Office applications. The easy-to-use software has allowed city departments to run reports and access information on their own, eliminating the need for the finance department to run, print, and distribute monthly reports.

New World is helping the city further improve reporting with Logos.NET Business Analytics, a revolutionary tool for analyzing data, forecasting, and more. It allows employees to retrieve, analyze, and present information in a way that was not possible before. For instance, users can pull data to manipulate, trend, and graph; they can also create and save, and re-run ad-hoc reports.

#### **WORKFLOWS AND CHECKS & BALANCES**

The city has also found that the complete integration between New World's applications is reducing human error by ensuring data is only entered once and is tied to all related information. Checks and balances, automatic alerts, and workflow built into the software keeps employees aware of tasks or items that require attention. "New World's solutions are helping us automate processes that would otherwise take up a considerable amount of time," explained Chief Information Officer Dan Ryan.

#### **NEW WORLD SYSTEMS**

A leader in local government software for more than 30 years, New World provides a proven solution

to 1,000 customers, including Financials, HR/Payroll, Utilities, Community Development, and Business Analytics. What's unique about New World's software is that it is 100 percent designed for, and sold to, local government.



#### **PAPERLESS PAYROLL**

In 2009, the city implemented a completely paperless payroll process, saving more than \$100 per week. The city has required direct deposit of payroll for 10 years but was still sending paper remittance stubs to more than 600 employees each week.

"We realized many employees never even opened the paper stubs we were sending them," said Marcia Wentworth, special projects task leader. "Each week there was a cost for materials and an accountant who would put effort into printing, folding, and distributing these stubs." The city eliminated printed paystubs and directed employees to access their personal information, including benefits, address, emergency contacts, pay history and more, online through the secure web portal. For employees without home computers, the city installed kiosks where individuals can view or print their pay stub.

It took months of announcements, encouragement, and training, but the effort was more than worth the benefits of eliminating paper. "Reconciling a payroll bank account is certainly a lot easier when we do not have to write checks," said Morrison. "And, we're encouraging people to use eSuite for more than just looking up their pay stubs. They can use it for direct deposit changes, building a contact list, and more. By empowering our employees, we are also freeing up time that would normally be spent processing paper or fielding calls for personnel information."

CHECKS AND BALANCES, AUTOMATIC ALERTS, AND WORKFLOW BUILT INTO THE SOFTWARE KEEPS EMPLOYEES AWARE OF TASKS OR ITEMS THAT REQUIRE ATTENTION.

#### PARTNER FOR THE FUTURE

The city is looking forward to offering citizens the option of paying utility bills online. And, as they have made their payroll completely paperless, city officials plan to institute direct deposits and electronic pay stubs for vendors, further adding to its savings. "New World has been very responsive to our requests and software suggestions," said Ryan. "They are one of the most organized companies I have ever worked with, and the technology behind their solutions allows them to move quickly and make changes to respond to our needs. Regular and reliable software developments add to the great value we receive for the software maintenance we spend." The city has been actively involved in New World Systems' Software Advisory Groups, playing an integral role in guiding the future development of New World System software.

Sarah Bajek is the marketing communications manager for New World Systems. You may reach her at 248-269-1000 x1260 or sarah.bajek@newworldsystems.com.



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## Unlocking Prison City

How Jackson is using information technology to increase citizen interaction with local government

BY DEREK DOBIES

hen people think of Jackson, they think of the state prison; and to many outsiders, we're known as Prison City. It's a stigma that slams doors to collaborative interaction, and an impression that permeates to city hall itself.

We've searched for a way to unlock those doors, and we hope citizen engagement, through new information technology, will be our key.

New information tools have transformed many industries in the past several years, but have rarely been applied to interactions between local governments and their citizens. Despite pioneering by organizations like Code For America and rapid development of information tools like SeeClickFix and BlightStatus, such innovation was out of reach for cash-strapped cities like Jackson.

But in May of 2013, the Jackson City Council was approached with an opportunity: approve a three-year partnership with the University of Michigan School of Information (UMSI) to study and improve how citizens engage with their local governments and nonprofit organizations through the design and implementation of new information tools. Needless to say, the vote was unanimous.



Led by UMSI Professor Cliff Lampe, the project, dubbed Citizen Interaction Design, involves more than two-dozen students partnering each semester with various municipal agencies to solve community problems with information technologies.

The city provides workspace, access, and both context and mentorship for students engaged in these projects. The hope is to extend traditional project-based learning through a constructive, collaborative model. Novel aspects of Citizen Interaction Design include:

- Long-term partnership with a city to facilitate sustainable projects.
- Use of professional staff to supplement student work.
- Ongoing work throughout the year, relieving semester timeline limitations.
- Dedicated administrative staff that will manage projects.
- Co-learning opportunities for students and city partners.

UMSI first worked with the city to craft two citizen surveys, one online and one mailed. The intent was to gather data on where citizens went for news and information, the technology they used, their rating of city government performance, and issues of concern.



With those surveys as context, UMSI then interviewed city administration and leadership to develop a range of government-centric problems that could be mitigated by application of information technologies. That range of need was narrowed to ten team projects that launched early this year:

#### **CHILD IMMUNIZATION**

While state law requires school districts to uphold the "first day exclusion" immunization policy, most don't in fear of funding decreases due to low enrollment numbers. The student team will join with the County Health Department to develop information systems with school districts to ensure that the policy is enforced and students are fully immunized.



The Citizen Interaction Design project launched in January. It connects UMSI students with city departments and public organizations to solve community problems with information technologies. The city provides workspace, access, and both context and mentorship for students engaged in these projects. The hope is to extend traditional project-based learning through a constructive, collaborative model.

#### **TIPS BY TEXT**

While Jackson offers a tip hotline for voice calls, there is no common channel of communication for tips for investigating crimes. Students will work with the Jackson Police Department to develop an anonymous, simple electronic tip submission system that is audience appropriate and contextually relevant to public-police relations.

#### WHERE IS THE BUS WHEN?

Jackson Area Transportation Authority (JATA) provides bus service on routes and schedules printed and distributed on the buses, but with limited reach on newer media channels. Students will work with JATA to identify better ways to engage potential and current riders of the bus to answer the simple question: "When will the bus come and where will it take me?"

#### **DOWNTOWN CONSTRUCTION EXHIBIT**

Starting in the fall of 2014, streetscaping and new park construction will be a centerpiece of downtown as the main street is torn up for a sewer project. Students will work with the city engineer to turn this construction project from a transportation obstacle into an entertainment/education display on how the city works.

#### MAPS & APPS

Brownfield sites, road construction projects, property information, and polling locations all help citizens better understand their community, especially when presented visually. Students will work with the Geographical Information Systems (GIS) department to map data in a way it can be consumed by the public so they can better understand problems and priorities.

#### **CONNECTING WITH CITIZENS**

The city subscribes to Blackboard Connect, a mass notification system with a variety of mechanisms for distributing and collecting information from citizens. Students will help develop a strategy to better train departments in online community management and utilize Blackboard Connect, in conjunction with other communication tools, to engage citizens.

#### **CONSUMABLE PROPERTY INFORMATION**

The Neighborhood & Economic Operations (NEO) Department maintains extensive information on property in the city, which can be used to explain development issues and activities like blight remediation and demolition. Students will work with NEO to make property data more available, accessible, and understandable to the public, and display the data in a format that gives narrative to community decisions.

#### MASTER PLAN PUBLIC INVOLVEMENT

The city is working with a planning firm to update its master plan, which includes collecting input from residents, businesses, and other stakeholders on their concerns, goals, and vision for the city. Students will work with the city and the firm to find new and innovative ways to increase public participation in the master planning process.

#### **DIGITAL CEMETERIES ARCHIVE**

Currently, an index card filing system tracks ownership and occupancy of graves, along with grave sites from

the mid-1800s penciled into log books. Students will work with the parks, recreation, & cemeteries department to develop a process for digitally archiving this information and a method for direct public access to cemetery records.

#### **OPEN DATA POLICY**

Some cities have established open data policies, but many contain boiler-plate language that doesn't fit the local context, or the specific obstacles that face staff. Students will work with the vice mayor to craft an open data policy to help determine how to expand access to public data and the process for doing so while minimizing privacy concerns.

Through the partnership with UMSI, teams of students will design and develop information tools and processes for the city to support topics such as a digital cemeteries archive, and public access to information on blight and property remediation.

Jackson is committed to not only helping with the success of the program, but ensuring the long-term sustainability of the projects. Every project may not be successful, but that is the cost of innovation in local government. As we find solutions that work, we'll open source that success to municipalities across Michigan.

Maybe other cities don't need help digitizing their cemetery records, or their citizens can find the bus on their own; but each and every unit of local government has its own set of problems. Confronting them with information technology tools allows us to improve efficiencies, reduce costs, and better involve citizens in the process of governing.

Technology has the potential to revolutionize not only how we approach community problems, but how we envision government itself. Using information technology to engage our citizens in the success of our community is our key to unlocking Prison City. It can be yours, too.

For more information on the UMSI Citizen Interaction Design partnership, visit citizeninteraction.org

Derek Dobies is the vice mayor of the city of Jackson, and helped spearhead the partnership with UMSI. You may contact him at 517-618-1452 or derekdobies@gmail.com.





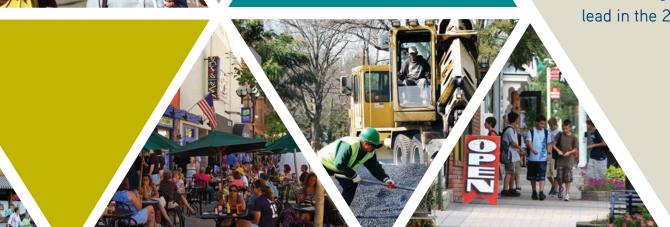


MARCH 18-19, 2014 • LANSING CENTER, LANSING

A Plan for Better Communities for a Better Michigan

At this year's Capital Conference, you'll quickly realize that every speaker, session, and workshop will generate targeted discussion on the main issues facing our communities as they struggle to prosper and grow in the years ahead, and the proactive policies that can drive that positive change.

From the challenges of blight and redevelopment to sustainable funding for local services and transportation, the 2014 Capital Conference agenda is all about providing the tools, resources, and knowledge needed to lead in the 21st century.



#### **Conference Sessions Include:**

#### **Putting Talent in Place**

The newly formed Talent and Place Caucus is a bi-partisan group of legislators seeking to increase awareness about the importance of attracting and retaining talent as a fundamental aspect of placemaking. Learn how the League plans to work with these lawmakers on specific legislation advancing the goals of the Partnership for Place agenda.

#### **Crowdfunding the Future**

Kickstarter, Indiegogo, Upstart...We've all heard how online crowdfunding has helped people fund projects that may never have gotten off the ground otherwise. Learn how Michigan's new crowdfunding law is bringing this creative approach to economic development into the "real world." Crowdfunding can encourage entrepreneurship and business growth in local communities trying to create vibrant places. Hear both a local and an investor perspective on what it is, how it works, and how to put this economic development tool to work in your community.

#### PPT: Fixed or Fiction?

Ever since the Legislature passed extensive changes to the personal property tax (PPT) on the last day of the 2012 lame duck session, the League has been working with local government officials and members of the business community on reforms that would "fix" the many outstanding issues and problems.

#### Fixing the Future of Municipal Finance

Everyone knows Michigan's municipal finance system is broken—but how do we fix it? Join State Department of Treasury officials and members of the local government funding task force for a discussion on sustainable solutions.

#### Streets That Add Value to Your Community

A panel of experts will discuss the importance of building streets that promote livable, walkable, and vibrant communities, and explain the economic benefits that accrue as a result of creating urban environments which support multiple modes of transportation. These principles are in line with today's demand for a sense of place within our communities and to live within walking distance of daily amenities.

#### **Community-University Partnerships**

Learn how Michigan's 15 public universities and their public education partners are enabling the transformational changes needed to build a sustainable and diverse workforce for our 21st century knowledge-based economy, by creating places that will attract and retain talent, produce economic and cultural innovations, and build entrepreneurial networks and infrastructure.

### Register at cc.mml.org

#### **AGENDA**

#### **TUESDAY, MARCH 18**

8:00 am-2:00 pm Remaking Main Street: How to Design Walkable Urban Thoroughfares\*

9:00 am-Noon Driving the Food Truck Future\*

Placemaking in Practice\*

9:00 am-1:00 pm Charting the Course

for Municipalities: Increasing Community Development by Increasing Educational Attainment\*

9:00 am-4:30 pm MAMA Annual

Advanced Institute\*

10:00 am-1:00 pm MML Board of Trustees

Meeting & Lunch

Noon-6:00 pm Conference Registration

1:15-2:15 pm Governance

Committee Meeting

2:15-3:45 pm Capital Conference Welcome

Wetcom

4:00-5:30 pm Regional Roundtables

5:30-7:30 pm MML Liability & Property Pool Capital Conference

Capital Conference Kick-Off Party

5:45-6:30 pm EOA Board Meeting

#### **WEDNESDAY, MARCH 19**

7:30 am Registration Open

7:30-8:30 am Continental Breakfast

7:30 am-3:15 pm

MWIMG Eggs & Issues Breakfast

Annual Expo

8:30-9:45 am General Session

9:45-10:15 am Networking Break

10:15-11:30 am Breakout Sessions

11:30 am-1:00 pm Awards Luncheon

1:00-1:30 pm Dessert Break

MBC-LEO Annual Meeting

1:30-2:45 pm Breakout Sessions

2:45-3:15 pm Networking Break

3:15-5:00 pm General Session

5:00-7:00 pm Legislative Reception

<sup>\*</sup>Additional fee



### Be Better

# Storytellers. By Peter Kageyama

oday cities have more media outlets and opportunities than ever before. From a highly segmented and voracious print and television market, to an exponentially increasing number of social media platforms, we have more avenues for communication than ever before and at speeds that can give you whiplash faster than you can say "Justine Sacco." She is the young PR professional who made a racially insensitive tweet before boarding a plane for Africa. By the time she landed twelve hours later, her tweet had gone viral, there were thousands of comments, there were countdown websites to her arrival (and return to social media) and she had been fired by her firm. For better or worse, a tweet can change the direction of your life or your city. Just ask Justine Sacco.

Along with the power to disseminate information at unprecedented levels, we are generating mountains of data about our cities, much of it in real time.

These facts and figures document every aspect of our communities and our lives in them. We use these data points all the time to make the case about our cities. "Crime rate drops five percent" or "downtown

occupancy rates at 98 percent" are typical examples of the data we use to promote our places. But in using all this data, we often forget that most people do not remember facts and figures, they remember stories. Instead of giving me data about why your city is great, tell me a story that makes me believe your city is great.

Greg Burris is the city manager of Springfield, Missouri. I met him at the state's annual gathering of city managers in 2013. He related a story to me about the importance of being better storytellers. Early in his tenure as city manager, Burris was in one of the regular meetings he had with the city's department heads. He overheard the public works guys talking about something interesting that had happened that week. A woman had called the city in a panic because her elderly mother, who suffered from dementia, had apparently flushed her jewelry, including her wedding ring, down the toilet. The family could not find the jewelry and wanted to know if the public works department (who managed the sewer system) could help.

Every day, cities do amazing things— things that if citizens knew about, they would say "wow" and/or "thank you."

They researched her neighborhood and found the schematic for the area. They sent some workers into the sewers to check a catch basin and sure enough they found the jewelry and the precious ring. The family was of course ecstatic. Burris said he about jumped out of his chair asking the public works guys why they had not made a big deal about this. They said they were just doing their job

and not looking for applause. He told his department leaders that this was not about taking a bow, but rather showing the community that their city works. All the data in the world is not worth a great story like the public works department finding this woman's wedding ring. People would remember that story and feel better about their city because of it.

Most of the time, the city makes the news for something they did wrong or failed to do. Traditional media, ever quick to trumpet the latest murder, death, crime, or scandal, gives us a very lopsided view of our communities. Every day, cities do amazing things—things that if citizens knew about, they would say "wow" and/or "thank you." But these stories rarely make the news cycle. So it is upon us, cities and concerned citizens alike, to become better storytellers, so we can build more confidence in our citizens and counter act the daily barrage of negative stories that our traditional media pumps out.

Burris made sure that each department had the authority to tell their stories via social media and through the city's communications team. But he didn't just empower them, he challenged them to find and tell the better story. Social media has given us more outlets for all our data, but more information does not beget better storytelling. In addition to

providing technology and media training, we should also be providing training in how to be better storytellers. Does your city or department have a chief storyteller? Stories have an arc: a beginning, a middle conflict, and an end. They have heroes, they have villains, they have challenges that are overcome. They have heart. A press release is not a story. But behind the press release, buried in the facts and figures, there may be a really interesting story that needs to be told.

Some will say that the medium does not lend itself to storytelling, but I like to think of it as a creative challenge. Remember the famous short story often attributed to Ernest Hemingway: "For sale: baby shoes, never worn." Heartbreaking, and it even could have fit in a 140 character tweet. So a Vine can be a six second movie, Instagram a postcard, and by comparison your Facebook page can practically be a novel! Tell better stories with your data—people will remember you, the story, and maybe even the data!

Peter Kageyama is the author of For the Love of Cities and the forthcoming Love Where You Live from which this is adapted. Visit Peter's Facebook page at facebook.com/fortheloveofcities.

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#### Saginaw and E-Bay

The city of Saginaw has an e-Bay store for selling used equipment and items confiscated by the police department. Sale proceeds are returned to the original purchasing fund, which generates income for the city. The city is stocking up its e-Bay store inventory with lots of interesting items.

"Some of the most popular items are the used cell phones, and of course the traffic signals always sell quickly, too," commented Debbie Buck, public information officer.

The city is able to list up to six cars a year on e-Bay without paying a listing fee. Special accommodations will be made to view vehicles prior to sale, and photographs are available also.

Those interested in viewing and bidding on any of the items mentioned can access the city's store on e-Bay, or go to the city website at www. saginaw-mi.com.

### Sterling Heights Honored for Service Sharing Initiatives

Macomb County Executive Mark Hackel honored Sterling Heights with a Certificate of Community Excellence for its involvement in consolidating the police, fire/rescue, and EMS dispatch services and for playing a key role in initiating the exploration of combined fire services with other nearby municipalities.

#### Seven Cities Named U of M Dearborn's eCities 2013 Best Practices Communities

U of M Dearborn College of Business's eCities is an annual research study that examines community-level factors that influence entrepreneurship, economic development, and job growth. Local communities who participate in the project receive benchmarking reports showing their performance at creating inviting business environments and encouraging entrepreneurial growth. The focus of the project is to learn and share the "best practices" to attract entrepreneurial development and create business growth. Understanding the best practices and utilizing these concepts across Michigan will have a positive impact on the state's economic future.

The 2013 Best Practices cities are: Imlay City, Madison Heights, Midland, Mount Pleasant, Sterling Heights, Sturgis, and Tecumseh. Best practices designees are communities that the panel of entrepreneurs found had concise, compelling, unique, and relevant messages.

Feedback from entrepreneurs is made available to all communities that respond to the survey.

### New Crowdfunding Legislation

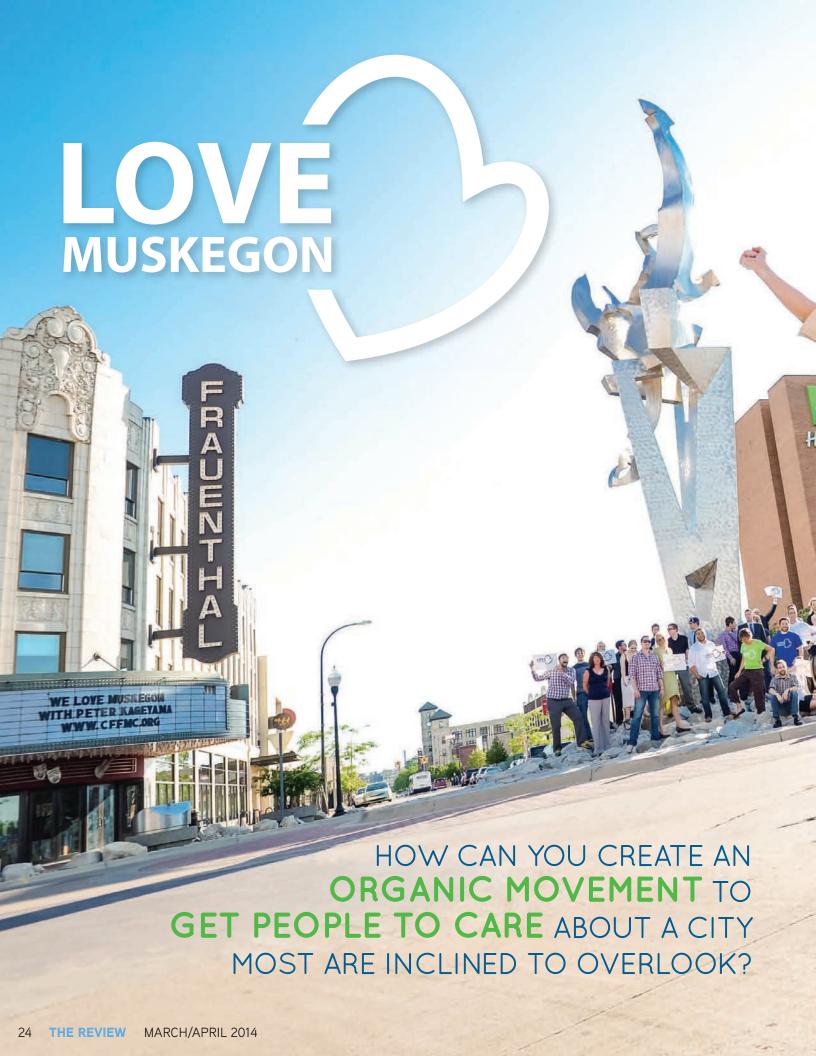
In December, the Michigan State Senate, at the urging of the Michigan Municipal League and its partners, passed a bill that creates a new vehicle for

crowdfunding of business activities. The new law will essentially allow smaller investors to invest in businesses similar to how securities agents buy shares in publicly traded industries. This new funding option for business start-ups and for those seeking non-traditional capital infusions should prove to be a valuable tool for businesses in our state and the communities in which they're located.

### New Digital Billboard Legislation

On January 30, the governor signed HB 4629, a bill to regulate digital billboards, into law. This bill was created in most part to deal with issues that were presented to MDOT from a federal audit done on the Highway Advertising Act. Issues such as the definition of digital billboards and the definition of nonconforming billboards had to be addressed in order for the state to keep a portion of its federal transportation funding.

As PA 2 of 2014, this change in law creates a mechanism for regulating digital billboards and continues to allow a local unit of government to create a more stringent policy than that at the state level if they so choose. The word "operation" was also added into what can be regulated by the local unit of government to ensure that digital billboards would be encompassed in that definition. There were many amendments to the legislation but the local control piece and the addition of "operation" remained a part of the finished product.





o show their love for their community and to attract an out-of-state brewery looking to relocate in Michigan, a small group of residents stripped down and jumped in icy winter waters with signs spelling out "Love Muskegon." The simple gesture spawned an anonymous group of young professionals who came up with a brand and started distributing materials with the phrase at events around the community. "The campaign gives everyone permission to have a love affair with their community," stated national community development expert, Peter Kageyama. "That is so important."

The Knight Foundation's Soul of the Community Survey has shown why loving your community matters. The study found that residents' attachment to their city corresponds to the success of the city. In a small but important way, the "Love Muskegon" campaign has inspired everyday citizens to switch their discourse from "What are they going to do for us?" to "What can we do for the community?"

#### **Project Scope**

Dozens of businesses and hundreds of residents were able to show that every-day people can have an impact on how people view their community, especially an older, urban city. The anonymous campaign grew into dozens of positive, community-oriented events.

#### Accomplishments

Organizers developed an open-sourced logo that became widely dispersed throughout the community;

- They developed a series of new events including a weeklong event, "Love Muskegon Week," and a summer solstice wine tasting party;
- A community foundation and residents jointly developed a \$500 micro-grant program;
- They created a framework for new and existing activities with a common brand around "Love" of their city;
- They were able to get 400 people to show up to the photo shoot for a statewide promotional video shoot more than any other city;
- They inspired people to get Muskegon-themed tattoos; and
- A crew of anonymous residents now show up at city-related events passing out 'Love Muskegon' materials.

#### **Budget/Funding**

There was little to no cost, outside of the limited cost of printing stickers, fliers, and other marketing materials. Since there was no formal organization behind the campaign, all money spent on printing marketing materials came from small donations made by individuals.

#### **Equipment**

Social media, stickers, bumper stickers, fliers, and other marketing materials were used.

#### Organization

There is no formal organization. The "Love Muskegon" message is perpetuated by a small, anonymous group of individuals initially inspired to recruit an out-of-state brewery to their community. While the term grew in popularity and started appearing in more places, the group has maintained its anonymity, preferring to have the simple message speak for itself.

### ACTIONS TAKEN Develop a Core Group of Organizers

Work to come up with a core group of organizers who will take the lead on promoting the message around your city. The group needs to be made up of true believers in the city who are willing and able to use their energy and creativity to spread the good word about your community. The group does not need to be highly structured. Your goal is to be out in the community pushing a message and inspiring others, not keeping meeting minutes or drafting bylaws. The Muskegon group saw benefits in keeping the make-up of the group anonymous to avoid personal politics or preconceived notions of motivations.

#### Come Up with a Simple Brand

Think of a slogan and brand that is simple, effective, and accessible. The Muskegon group had a very simple



message that was affirming and something anyone could identify, "Love Muskegon." The actual brand is a clever play on local geography and the state of Michigan, which is simple and effective enough for anyone to appreciate.

### ...THE "LOVE MUSKEGON"

CAMPAIGN HAS INSPIRED EVERYDAY CITIZENS TO SWITCH THEIR DISCOURSE FROM "WHAT ARE THEY GOING TO DO FOR US?" TO "WHAT CAN WE DO FOR THE COMMUNITY?"



#### Make the Brand Available

The goal of a community campaign like Muskegon's is to get as many people involved as possible and to inspire a sense of ownership. To accomplish this, the Muskegon group made all of their materials open-sourced, or free to the public to use without concern over rights or trademarks. The more people and groups use the moniker and message, the more the campaign and its purpose will spread throughout the community.

#### Get Out in the Community

In our electronic age, it is easy to set up a social media presence and consider that your outreach strategy. Just as it was before social media, it is important to be an active presence in the community. The Muskegon group had anonymous boosters wear full body green suits and show up at events with "Love Muskegon" materials. The group also allowed different entities to use the "Love Muskegon" name in the promotion of community events around town.

#### Find Simple Ways to Inspire

Beyond just spreading positive messages, it is important to use your campaign to inspire and support actual actions. The local community foundation used the "Love Muskegon" banner in a microgranting campaign, which allocated \$500 for nine small citizen-driven neighborhood improvement projects in the community. Partnerships like this allowed the campaign to be associated with demonstrable action and change.

### LESSONS LEARNED Don't Trademark

For the campaign to become viral, avoid squabbling over ownership of the message and branding. Create a simple message that can't be misconstrued and let people run with it.

#### Keep the Leadership Anonymous

By keeping the organization and leadership of the movement anonymous, you can avoid the headaches of detractors making assumptions about the campaign based on the participants. Anonymity allows people to focus on the campaign and not get caught up with what the intentions of the organizers may be.

#### **Avoid Official Affiliations**

You want people in the community to focus on the campaign and feel like it is theirs. If your campaign becomes affiliated with established organizations, it is easy for the public to construe that a particular partner organization owns the project, and not the community.

#### Recruit Positive People

If you want a campaign about loving your community to go viral, you're going to need positive people to make up your team to help move the cause forward.

For more information on the Love Muskegon case study, contact Heather Van Poucker, Director of Information & Policy Research at 734-669-6326 or hvanpoucker@mml.org.

To see a full listing of the League's Case Studies please visit placemaking.mml.org.





# 

By Anthony Minghine

here have been a lot of high profile robberies over the years. The Lufthansa robbery, D.B. Cooper highjacking, the Antwerp Diamond Caper...but these crimes look amateurish compared to the state of Michigan's Great Revenue Sharing Heist. The state has managed to pinch over \$6 billion in revenue sharing from local government over the last several years. Those numbers would even get Bernie Madoff's attention.

Michigan's broken municipal financing model is almost a cliché.

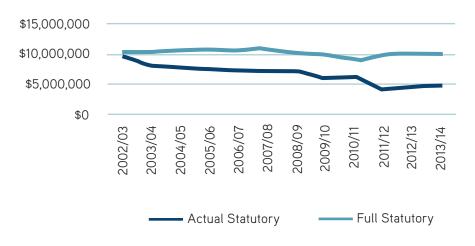
Talking about budget numbers and deficits in the *billions* of dollars can cause us to lose perspective. The fact is, there are a record number of local governments that find themselves in the midst of a financial crisis. Is it the result of mismanagement, neglect, or incompetence? Or is it the result of a dramatic disinvestment by the state in local government? I suggest the latter.

In my view, there are three major factors that have led communities to the financial brink: post retirement costs; a steep decline in property values; and a dramatic reduction in state revenue sharing. The third factor will be the focus of this article.

Post retirement costs are a huge issue that locals are grappling with. Change here is difficult at best: local governments are hamstrung with contracts and laws that make transformation slow. The property tax declines local governments have experienced could not have been anticipated to the degree they occurred. and are certainly out of the control of anyone in this state. Statutory revenue sharing, on the other hand, has been unilaterally taken by the state to solve its budget issues. It's a fact. Revenue sharing is paid from sales tax revenues, which have been a remarkably stable source of income, and have in recent years experienced significant growth.

#### **CITY OF PONTIAC**

Annual Revenue Sharing Loss



#### Breaking Down the Numbers

Hopefully you'll stick with me, as I'm about to drop the "b" word. From 2003-2013, sales tax revenues went from \$6.6 billion to \$7.72 billion. Over that same period, statutory revenue sharing declined from over \$900 million annually to around \$250 million. The state is now in an enviable position—revenues that exceeded expectations. It is posting

### PROJECTED REVENUE TAKEN 2003-2014

Allen Park	\$8,440,088
Alpena	\$4,371,700
Dearborn	\$31,320,463
Detroit	\$732,235,683
Farmington Hills	\$20,488,283
Ferndale	\$9,772,967
Flint	\$54,868,096
Grand Rapids	\$72,854,201
Hamtramck	\$13,301,632
Lincoln Park	\$17,147,092
Marquette	\$6,907,445
Melvindale	\$5,865,221
Pontiac	\$40,533,681
Saginaw	\$30,329,283
Southfield	\$21,904,790
Traverse City	\$4,307,187
Warren	\$45,961,823

large surpluses but has failed to take steps to restore local funding.

In fact, the state is trumpeting its sound fiscal management and admonishing local governments for not being as efficient. What the state fails to mention is that it balanced its own budget on the backs of local communities. This would be like me taking your money to pay my bills, and then telling you that you need to be more responsible with your household budget. In fairness, the state did experience revenue declines out of its control, much like locals experienced with property tax declines. It is different, though, in one important way—local communities couldn't take money from others and push those tough decisions down to someone else.

What is most shocking is the difference those revenue sharing dollars would have made at the local level. As I stated at the onset of this article, we now have a record number of communities facing financial emergencies. It's easy to blame local

leaders, but you must consider all the facts. In most cases, communities that currently face large deficits would in contrast have general fund surpluses.

#### Let's Get Specific: Four Cities' Cuts

So what does it mean to specific communities? For Allen Park, an \$857,000 deficit in 2012 becomes a surplus of over \$5 million and would grow to a projected surplus of \$7.3 million by 2014. Hamtramck's deficit of \$580,000 would have been a surplus of \$8.7 million. Flint will have lost \$54.9 million dollars by the end of 2014. The deficit in its 2012 financial statements is \$19.2 million. Flint could eliminate the deficit and pay off all \$30 million of bonded indebtedness and still have over \$5 million in surplus. In Detroit, a city facing the largest municipal bankruptcy in history, the state took over \$700 million to balance the state's books.

This data begs the question: did municipalities ignore their duty to manage or did someone else change the rules of the game and then throw a penalty flag at them? I see yellow flags all over the playing field. Post-retirement benefits are a huge expense and burden to local government, but we must not ignore the reality—the promises were made with a different expectation from the state as it relates to sharing sales

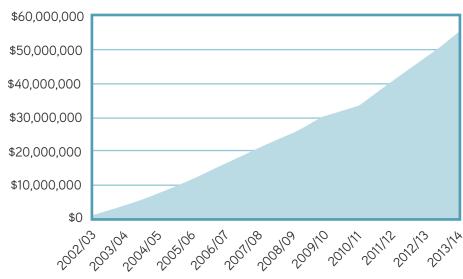
tax revenue with local government. It's a fact that the state has broken that promise. State leaders excused themselves from making tough choices, instead using local money to pay their bills. In the process, they have created most, if not all, of the financial emergencies at the local level.

The numbers don't lie. Revenue sharing is the only factor that anyone has had direct control over during these difficult financial times. It is time for the state to shift gears and start investing in local government again. Hardships at the local level weren't created by a lack of cooperation or collaboration. I would humbly submit that local governments invented the concept and the state is very late to the table. Local government officials have done, and will continue to do, their part to be prudent managers, but the goal cannot be to hang on and survive. Our goal must be to ensure that our cities are vibrant places that people will choose to live in, and that can only happen if the state fulfills its promise and responsibility to invest where the rubber meets the road, and that is at the local level.

Anthony Minghine is the associate director of the League. You may reach him at 734-669-6360 or aminghine@mml.org.

#### **CITY OF FLINT**

#### Cumulative Revenue Sharing Losses



## SEING THINGS DIFFERENTLY:

PRIORITY BASED BUDGETING



By Jon Johnson and Chris Fabian

hallenges facing local governments today literally require a new way to see. It's as if our vision has been blurred by the extraordinary stress of managing in this complex economic environment. Whether attempting to rebuild in a post-recession climate, or persevering through another year of stagnating or declining revenues, the challenge remains: how to allocate scarce resources to achieve our community's highest priorities. Through the new lens of priority based budgeting, which provides powerful insights, local governments are making significant breakthroughs.

The June 2008 edition of *PM* magazine introduced this new budgeting process, which unveiled a way for local governments to spend within their means by continuously focusing on the results most relevant to their communities and the programs that influence those results to the highest possible degree.

The concept involved leveraging each tax dollar so programs with the greatest impact on results were distinguished from programs with a lesser influence. Six years later, priority based budgeting has proven to be successful in more than 60 communities that have chosen to follow this initiative. Communities that have embraced it have redefined the notion of return on investment—it's a "return on results," a societal return, where each dollar is evaluated in terms of its influence on the community.

#### A VAST NEW PERSPECTIVE

As more communities began reaping the anticipated benefits of this new way of seeing, however, something unexpected also happened. The data assembled by communities to help evaluate their programs' overall priority opened up fascinating revelations about the programs themselves, all of which has created a vast new perspective.

Putting the scoring criteria to use raises such questions as: Are the programs mandated? Are there other entities providing a similar service? Do they pay for themselves?

Here are more intriguing questions:

- What is the local government uniquely qualified to provide, for the maximum benefit to citizens for the tax dollars they pay?
- What are the appropriate programs to consider partnerships with other community service providers?
- What services might the local government reach consensus about "getting out of the business" of providing?
- Where are there apparent overlaps and redundancies in a community where several entities are providing similar services?
- Where is the local government potentially competing against businesses in its own community?

Priority based budgeting enables local governments to truly see more clearly which programs are of the highest relevance. All will contribute to the local government's ability to allocate its resources to its highest priorities and focus on delivering high-quality services that reflect what the community expects from it.

#### THE RELIANCE FACTOR

One evaluation criterion used in priority based budgeting is the degree of *reliance* the community has to provide a particular program. Too often, the perception is that there are no other options available for residents, businesses, or visitors to receive a particular service except through the local government they pay taxes to support.

In these times of fiscal constraint, wouldn't it be beneficial to talk about programs for which there might be alternatives available so that constituents could still avail themselves of these services, without relying entirely on the limited resources of the local government?

Inarguably, a local government should be the only game in town for many programs. It's preferable not to give residents a choice as to whom they call to patrol the streets, arrest criminals, collect taxes, or install traffic lights.

But imagine if residents could call anyone to fix that pothole in front of their houses or even do it themselves? Is the city or village the only way someone can take a yoga class, play softball, rent a DVD, participate in an afterschool program, or have yard waste removed?

In determining a program's overall importance, it seems logical to consider the degree of reliance the community has on the local government and evaluate specifically whether:

- There are no other providers except the local government.
- There are other public-sector entities, nonprofit agencies, or civic groups that provide a similar service.
- There are other private-sector businesses that provide similar service.

With this information at a program level, a local government can talk about the level of dependency the community really has on it to provide specific services, and if there are other options, and aggressively explore those opportunities.

#### **CONTEMPLATING CONSOLIDATION**

With every level of government and most nonprofit agencies struggling to address declining revenue streams, looking for opportunities to partner to provide services seems to be a win-win proposition. In an era where taxpayers are concerned about the costliness of duplicated and redundant services, being able to identify ways to consolidate programs and share in their delivery is simply common sense.

With the data collected through the program-scoring process in priority based budgeting, local governments can clearly see where these partnering opportunities exist and then actively pursue those conversations—putting costeffective service delivery ahead of retaining total control. Adjoining cities, counties, school districts, and special districts can consider consolidating such services as fleet maintenance, information technology, facility maintenance, bomb squads, K-9 units, dispatch, internal audit, recreation programs, and building inspections to name a few.

Partnering with civic organizations to provide afterschool programs and senior programs, as well as sponsoring parades, festivals, fireworks, movies in the park, and other events that bring the community together also provide ways to conserve limited resources without sacrificing programs.

What about those programs for which a private-sector provider has been identified? These are areas truly worth exploring to ensure that the local government is indeed the right service provider and is not in competition with private businesses, especially if one of the community's stated objectives is to stimulate the local economy.

THE DATA ASSEMBLED BY
COMMUNITIES TO HELP
EVALUATE THEIR PROGRAMS'
OVERALL PRIORITY OPENED
UP FASCINATING REVELATIONS
ABOUT THE PROGRAMS
THEMSELVES, ALL OF WHICH
HAS CREATED A VAST NEW
PERSPECTIVE.

#### **PAYING FOR PROGRAMS**

For most local governments, it has become a question not of what we want to provide, but rather, what can we afford to provide. Simply raising taxes to cover increased costs to offer a program, much less add programs, is not the answer taxpayers are looking for. The priority based budgeting process identifies programs along with their associated costs. It also documents any program revenues, including fees for services, grants, or assessments that are specifically charged to recoup the cost of offering that service. The evaluation criteria allows the local government to identify which programs have some form of full or partial cost recovery and to what level.

For programs identified by the process as a low priority, budget discussions can explore several options. Where cost recoupment is appropriate, it seems reasonable to look at fees for services in order to continue offering these programs.

Where a local government knows a low-priority program is at best self-imposed and that there are private businesses offering a similar service, wouldn't it be obvious to strongly consider charging the end user the program's full cost, including administrative and overhead costs, in order for the program to continue to be offered?

#### **SEEING DIFFERENTLY**

We in local government are currently under such stress that we long for a destination when the economy recovers, when our resources are abundant, and there is less pressure to find more.

The new lens of priority based budgeting makes it possible to:

- See how to align scarce resources with the highest priorities of our communities.
- See the most appropriate service provider for the programs we offer.
- See what services residents are willing to pay for.
- See public and private-sector partnerships ripe for leveraging.
- Ultimately see a new way of determining which services our local government is best suited to provide—services that have the greatest impact for the resources within the community's means.

Jon Johnson is co-founder of the Center for Priority Based Budgeting. You may reach him at 720-361-3710 or jjohnson@pbbcenter.org.

Chris Fabian is co-founder of the Center for Priority Based Budgeting. You may reach him at 720-361-3710 or cfabian@pbbcenter.org.

# Priority Based Budgeting Training Seminar April 9, 2014

Local governments continue to face previously unknown financial and political pressures as they struggle to develop meaningful and fiscally prudent budgets. Revenues are at best stable (or even declining), while demand for services continues to increase. Citizens believe that government budgets are "fat" and that this is ample waste to "cut." Civic leaders more often than not, focus on "across the board" cuts that spreads the pain equally—but also encourages mediocrity rather than excellence. Priority Based Budgeting is a unique and innovative approach being used by local governments across the Country to match available resources with community priorities, provide information to elected officials that lead to better informed decisions. meaningfully engage citizens in the budgeting process and, finally, escape the traditional routine of basing "new" budgets on revisions to the "old" budget. This holistic approach helps to provide elected officials and other decision-makers with a "new lens" through which to frame better-informed financial and budgeting decisions and helps ensure that a community is able to identify and preserve those programs and services that are most highly valued.

#### Cost Per Person Member Rate: \$120

Nonmember Rate: \$165

#### About the Speakers

Experts from the Center for Priority Based Budgeting

#### Agenda

Check-in 8:30 am; Begin 9:00 am; Lunch; Adjourn 4:00 pm

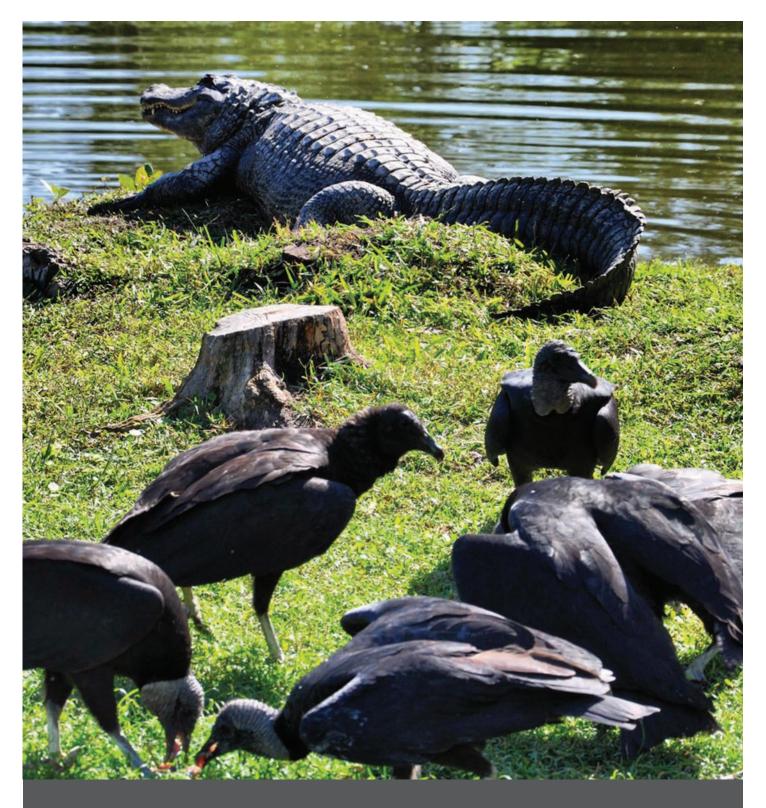
#### Location Information

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For directions to this location, please visit www.mml.org.

### **Education Credits Approved For This Program** 6 EOA





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municipality with property on which a wireless telecommunications provider could put equipment is in an enviable position. Having property to lease can provide valuable income to a municipality. Many municipalities already are leasing space to telecommunications providers on municipal property, such as on water towers. But water towers are not the only place these providers are interested in. Growing demand for sites to lease has led telecommunications providers to get creative in finding sites. If a provider has not yet asked your municipality to lease municipal property for telecommunications equipment, they will likely ask you soon, as demand is exploding.

#### Several factors drive the growing demand:

- Providers want to improve service quality;
- Providers want to expand their service area; and
- 3 Providers are providing new services—beyond cellular services—that also rely on locating equipment on towers.

Experts expect that large cellular providers like Sprint, Verizon Wireless, and AT&T will need *thousands* more cell sites as part of their new, faster, high-speed Internet (4G or LTE) services. Some have predicted Sprint alone will want another 15,000 to 18,000 new cell tower sites and the demand

is hitting Michigan urban and rural areas as providers want to expand their service area and improve their service quality. How does a provider expand its service area or increase its service quality? That's right—by leasing more cell sites. The demand for more cell sites is also fueled by this: cell sites are needed by both cellular phone providers and those providing a relatively new type of service called wireless Internet service. In 2011 alone, wireless Internet demand caused the number of "cell sites" (areas where providers install telecommunications equipment that they use to provide their services) to increase by 12 percent—and many of those sites were on municipal-owned property, or on a tower the provider builds on municipal-owned land. Seeing a perceived shortage of cell sites, some service providers are even looking at other tall structures in areas of need—even large structures such as a gas station sign.

To seal the deal on these telecommunications leases, reputable providers use written leases ("Cell Site Leases"). Municipalities should agree to lease property only through a written lease. In fact, the law requires some leases be in writing. But even if a municipality receives a proposed Cell Site Lease in writing, do not rush to sign. The dollars will be there whether you sign right away or carefully review and negotiate the lease proposal. Cell Site Leases present many issues that a municipality would be wise to review carefully. Below is a list of some of the factors that a municipality would do well to consider before signing on the dotted line.

- Term. The term of the Cell Site Lease means how long the agreement will last—i.e., how long the municipality has to let the provider use the property and how long the provider must pay the municipality rent. Consider whether you want the lease to have a long or short initial term. Consider the advantages of each approach. You might also consider what happens after the initial term expires—do you want the lease to automatically renew at the same rent amount or at an increased rent amount?
- Rent Amount. Location, location, location. Put simply, consider your leverage. If a provider strongly wants to lease space in your area and there are few suitable alternative areas, you likely have more leverage negotiating rental amounts. If you are unsure of the market rate for a Cell Site Lease, consider speaking to others knowledgeable on the subject to find out.
- **The Leased Site.** The lease should specify exactly what property the provider (the tenant) may use. In other words, how much of the municipality's property do you want to let the tenant use? Providers will often seek rights to use space on the tower for equipment, space on the ground to put other related equipment, and rights to access its equipment. Watch for providers asking for rights to use more property than they really need. A related item to consider is what type of access rights to give the provider. Providers often strongly push to have the municipality grant it an easement to get to and from the tower. Should you agree to that? Or should you grant some other access right—such as a license or a right of way? There is a big difference between granting an easement for access, and granting a license or right of way for access. Another item to consider here is whether to allow the provider access to its equipment unsupervised or only when a municipal official is present.
- **Right to Terminate.** This means a municipality's right to cancel the lease. Signing a lease that says the tenant will pay a set dollar amount per month is great on the surface. But what happens if something goes wrong during the lease? The municipality will want to do its best to ensure it has rights to end the lease under appropriate circumstances.
- Indemnity. This is a fancy word in many leases that really just means "pay for." The typical indemnity scenario is this: a person or company not part of the lease will sue one of the parties to the lease. A typical indemnity clause would require one contracting party (say, the municipality) to pay for any damages that the other contracting party (say, the provider) has to pay that third party in the third party's suit against the provider in certain situations. You might consider if a municipality even has the right to agree to an indemnity clause. And even if it has the right to do so, should the municipality agree to such a clause in the lease? And if it agrees to one,

- consider if that clause might impact the municipality's other rights—such as governmental immunity. Indemnity clauses are complicated and should receive a lot of thought.
- The Equipment Allowed. The Cell Site Lease should specify exactly what equipment the tenant may put on the leased site: model number, frequency, etc. The municipality should also consider whether it can—or should—require the tenant to get a separate approval from the municipality before the provider may install the equipment the lease initially allows, or when the provider wants to change equipment after it is initially installed. The lease should also cover when, if ever, the tenant may repair or change the initially installed equipment.
- equipment on sites that already contain equipment of other providers. There is good news and bad news with this. The good news is that allowing multiple providers to lease space can generate additional revenue. But be careful. There could be a hidden trap. In that scenario, the municipality should consider whether it has any existing leases with other providers that limit the municipality's rights to lease space near that area to others. All prior leases should be considered when negotiating a new lease with a new tenant who wants to lease space near where an existing tenant is leasing space.

#### Interference With Other Tenants' Equipment.

Interference is one of the most important items in a tele-communications equipment lease to consider—for all parties. This rears its ugly head most commonly when a municipality leases space on its property to multiple providers. When that happens, there is the possibility that one provider's equipment may interfere with another's equipment—and degrade the service quality of one of the providers. A municipality should carefully consider the rules it wants to apply if one provider's equipment interferes with another's equipment.

A municipality with property on which a wireless tele-communications provider could put equipment is in an enviable position.



If a provider has not yet asked your municipality to lease municipal property for telecommunications equipment, they will likely ask you soon, as demand is exploding.

- Insurance. Most Cell Site Leases state specific insurance minimum limits for both parties. A municipality should ensure that the proposed insurance limits are reasonable and investigate whether they would cause the municipality more expense. It might also consider having its insurer review any proposed insurance clause.
- **Tower Maintenance.** A municipality should ensure that the Cell Site Lease spells out exactly who (municipality or the tenant) has to maintain what. In other words, if the lease allows the tenant-provider to put equipment on the municipality's water tower, who has to maintain the tower? And who has to pay for the tower's maintenance costs?
- **Letter of Credit.** A municipality might consider asking the tenant to provide a letter of credit to the municipality to ensure there are funds available to correct any damage that the tenant causes during the lease.
- Lease Amendments. Often, the signing of the initial lease is not the end of the story. It is very common for one party to want to change some lease terms, whether due to technology changes or other reasons. Any changes should be done in writing—preferably, through a written amendment to the original Cell Site Lease. Amending by verbal discussions is very, very dangerous—and could be unenforceable in some circumstances.

Cell tower leases can be profitable for municipalities. But rushing to sign a cell site lease can also bring peril. With a little caution up front, municipalities can often reach a mutually rewarding agreement that benefits both parties and keeps both parties out of the courtroom.

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# **ONBoardMI.org:**

# Tracking Boards and Commissions

ocal governments rely on appointed boards and commissions for advice, ideas, and assistance in achieving public goals. Unfortunately, many residents are unaware of these bodies or don't understand how to engage with them. The Michigan Suburbs Alliance, a 501(c) (3) nonprofit organization that works to promote metropolitan solutions, hopes to change this with OnBoardMI.org.

For local officials, OnBoardMI.org is a secure database that staff can use to more easily manage information about appointed boards and commissions. For residents, it's a website they can use to find information about these bodies and get involved. The Suburbs Alliance received a grant from the John S. and James L. Knight Foundation to build a prototype version of OnBoardMI.org, in order to gauge the feasibility of and interest in the project. To ensure the site meets the needs of local governments, Ferndale, Ypsilanti, and Washtenaw County have signed on to participate and help guide its development.

The idea for OnBoardMI.org was developed by representatives from 23 metro Detroit communities that participate in the Suburbs Alliance's Millennial Mayors Congress. The Congress wanted to see local governments do more to engage young people, so they created a set of best practices designed to help communities provide more comprehensive information on their own websites. OnBoardMI.org was envisioned as both a tool to

support the implementation of these best practices as well as a one-stop-shop for information.

OnBoardMI.org launched in February, and Ferndale, Ypsilanti, and Washtenaw County are already taking advantage of it, centralizing information like board descriptions, memberships, meeting times and term expirations. By collecting feedback from staff and residents in these communities, the Suburbs Alliance hopes to expand OnBoardMI.org's functionality and open the site to communities across the region and state.

"The city of
Ferndale is very
excited to be selected
to participate in the
OnBoardMI.org pilot
program. We have
found the program very
intuitive and easy to



use. We hope the project will be expanded as this is a great tool to increase transparency and promote more participation in our city boards and commissions," said Ferndale Deputy City Clerk Marne McGrath.

Interested in learning more about or participating in OnBoardMI. org? Contact Program Manager Emily Thompson at the Michigan Suburbs Alliance at 313-444-4830 or emily@suburbsalliance.org.

# Michigan Suburbs Alliance

In 2002, representatives from 14 metro Detroit suburbs unanimously agreed to form the Michigan Suburbs Alliance. Together, they sought to harness the power of southeast Michigan's 1.9 million inhabitants to demand an end to the systematic disinvestment in older cities. These mayors and city managers founded the Michigan Suburbs Alliance as a 501(c)(3) nonprofit coalition of southeast Michigan's mature suburbs. At the Suburbs Alliance, we bring cities together to solve the region's most pressing challenges, and our municipal members play a key role in setting our priorities and direction. When your community becomes a member of the Suburbs Alliance, you're also becoming a leader in the region.

www.michigansuburbsalliance.org

# IDEAS IN TECHNOLOGY

# Cemetery Management

leading provider of software and mapping solutions to the cemetery industry since 1979, Pontem Software is pleased to announce its strategic partnership with webCemeteries.com which makes possible the integration of Pontem's Burial Data Manager, Online Burial Search, and GIS mapping features with webCemeteries.com's Living Memorials and suite of cemetery mobile applications.

This new partnership has been marked by the successful launch of a collaborative project for the city of Winter Park (FL) cemeteries. Pontem's Online Burial Search, hosted on the city's website, now features a Living Memorial Page for each person where families can share memories, stories, photos, and videos of their loved ones. Winter Park's branded mobile app allows visitors to search for an individual, receive GPS navigation to the grave, and view Living Memorial page information.

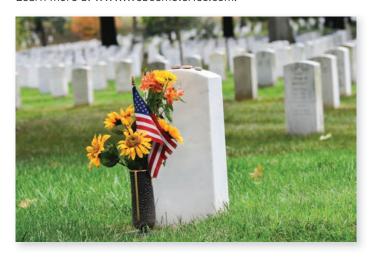
In addition to these public services, Pontem cemetery clients can also now leverage mobile technology for their field work. Using webCemeteries.com's integrated Field Office and Tree mobile applications, cemetery staff can use GPS navigation, view scanned documents, create work orders, upload inspection photos, view available inventory, survey trees, and record tree maintenance issues all from the field.

The Winter Park project has been received with enthusiasm by cemetery visitors and garnered considerable positive news coverage from local media outlets including the *Orlando Sentinel* and the local Fox News TV affiliate.

To see the app in action, search for "WPC Explorer" on any Android or iPhone. The application also is accessible via any Android-based or iPad tablet device.

Based in Eaton Rapids, MI, Pontem Software (www.pontem. com) provides a complete line of flexible, affordable, easy to use cemetery records management software solutions for more than 600 municipal, private, and religious cemeteries large and small across North America. Products include a powerful data manager with integrated image and document management, integrated Standard or Esri™-engineered GIS mapping, an online burial search with genealogical and location information, a self-serve kiosk option, data and mapping conversion services, and more.

webCemeteries.com is based out of Virginville, PA. Over the past seven years the company has worked with hundreds of cemeteries across America, offering custom cemetery technology solutions including on-site document scanning, online GPS Living Memorials, and cemetery mobile applications. Learn more at www.webcemeteries.com.



# Pontem Software

Since 1979, Pontem® Software has developed flexible, affordable, and easy to use software solutions for municipal governments backed by unparalleled customer support. Our powerful fund accounting, property tax, and cemetery management suites are a number one choice among municipal officials, and all upgrades, including next generation product releases are provided free of charge as part of our annual support plan. View our complete line including AssessPro, the newest CAMA property assessing tool certified by the state of Michigan in more than a decade at www.pontem.com.

# IDEAS IN TECHNOLOGY

# Municipal Success Story

range Village, Ohio, an affluent village of 3,300 people outside of Cleveland, was looking for ways to capitalize on its current assets and anticipated future revenue.

## **Cell Tower Information**

The village currently has a cell tower on village property owned and operated by AT&T as a tenant with Orange Village as the landlord. AT&T pays the village \$1,650 per month rent. The village receives \$875 per month for its share of a T-Mobile co-location on the cell tower. Village public safety forces also use the tower for communications services.

# Background

Orange Village had been approached in the past by other companies seeking to take over cell carrier rent in exchange for an upfront lump-sum payment.

### Summary

The village decided it was ready to enter into an agreement if its terms could be met. "APWireless had the most flexible and innovative approach," said Chris Miller, a partner at Ice Miller, special legal counsel on behalf of Orange Village. Miller has represented municipalities and other public entities on telecommunications issues for the past fifteen years across Ohio and in other states around the country.

"To be honest, I haven't always been in favor of these types of deals where forward rents are exchanged for an upfront sum. However, in dealing with APWireless, their flexibility really made a difference and they were clearly the easiest company to work with. Orange Village had some special circumstances, such as the need for public safety equipment on the tower and certain unique transfer/assignment of ownership concerns. Unlike the other companies we talked to, AP was willing to work with the village on all our specifics, and at the end of the day saw the most value in our tower. This was reflected in the \$230,000 check they wrote to the village, about 20 percent more and with better terms and conditions than any of the offers made by the competition," said Miller.

In addition to the upfront lump sum, APWireless also will be sharing revenue from future carriers that are brought to the cell tower. Unlike other companies competing with them, APWireless was willing to share 75 percent of any future new carrier revenue with the village.

Where competitors wanted terms of fifty years, APWireless was willing to negotiate a deal for an initial term of only twenty years, with an option for a second ten-year term. In the second term, the village's revenue share will be 50 percent of all rents received.

"Economically, APWireless was ahead of the pack and put the best deal on the table," said Miller.

"The deal that APWireless structured for Orange Village is a perfect example of how we can customize a transaction to meet the specific needs of our client," stated Eric Overman, chief executive officer. "APWireless is leading the industry with innovative solutions that enable us to maximize the cash payout

while providing the flexibility that public entities need on certain deal points."

# **APWireless**

APWireless helps municipalities turn their cell site leases into cash. During the last 10-15 years, municipalities have leased both rooftop space and land to wireless carriers. The carriers have placed antennae on these cell sites, and usually pay monthly rent for the use of the site. APWireless is offering to pay a significant, up-front lump sum for the right to receive future cell site rent for a negotiated term period. Subject to "due diligence" standards, APWireless will provide this payment relative to leases with most major wireless carriers and tower companies. www.apwip.com

By Caroline Weber Kennedy

# **BRANDED:** Kalkaska Connects

# What's the point behind branding?

One need only look as far as the Pure Michigan campaign to get it. It encapsulates our love for our state in a way that communicates to others what they can truly expect here. The Pure Michigan brand has effectively replaced the dirty, industrial image the world associated with Michigan. According to Longwoods International, from 2006-2012 the campaign generated 14.2 million out-of-state trips to Michigan. Those visitors spent \$4.1 billion at Michigan businesses and paid \$287 million in Michigan taxes while on those trips, primarily in sales tax.

Branding, done right, has significant economic impact. When it comes to your own community—do others see it through the same loving lens as you? If not, good branding can help.

# **Getting Started**

Village Manager Penny Hill (and immediate past president of the Michigan Local Government Managers Association), was inspired by a series of policy forums hosted by the Michigan Municipal League in 2005. The purpose of the series was to inform, as well as to inspire, a different way of thinking in the development of a blueprint for

moving our state's communities forward in a new and creative direction.

It was this information that Hill used as an overall directional guide when the village began working to amend its master plan to become a wellfunctioning and attractive 21st century community. The village simultaneously became involved with the Grand Vision—a holistic, regional approach to economic development in northwest Lower Michigan.

In other words, much work precipitated Kalkaska's branding effort; it was not done in a vacuum, but rather with a greater regional approach. Where does Kalkaska fit? What is its unique role and niche within the greater area? The village, in conjunction with their Downtown **Development Authority** (DDA) launched a community-wide branding contest. They contacted the local school system and marketed through the local newspaper asking for "artists, photographers, and creative minds" to provide inspiration on updating Kalkaska's slogan and artwork.

## And the winner is...

The Kalkaska DDA in 2011 recommended the winning entry to the village, which concurred. The chosen entry was designed by Kalkaska resident Jennifer Jackson. Kalkaska is proud home to the annual National Trout Festival, celebrated opening day, the last Saturday every April. This year marks the 78th annual celebration. Kalkaska is the site of the headwaters

pop. 2,020





of the Boardman River, one of only ten "Blue Ribbon" trout streams in Michigan.

Hill says, "'Kalkaska Connects' was selected as the slogan to exemplify the many and varied connections that make us successful as a region. We are connected through our infrastructure, such as transportation, broadband, and recreational trails. We are connected through the relationships formed with our regional partners, such as the Kalkaska DDA, the Kalkaska Brownfield Redevelopment Authority, the Kalkaska Memorial Hospital Authority, the Traverse City Chamber of Commerce, the Traverse Bay Economic Development Corporation, NorthSky Nonprofit Network, and many others. We are connected as a community, through the schools, the local hospital, local festivals and events (such as the nationally-recognized "Iceman" Cometh" bicycle race), and the Kaliseum, making Kalkaska a place that you can be proud to call home."

The village plays a unique role as the crossroads for the Grand Vision five-county area, hosting an average of 19,000 cars daily in this village of 2,020 population. With that kind of traffic, effective branding helps provide a reason for people to stop, shop, and explore. Perhaps just as importantly, in Michigan (the #1 Trail State in the Nation) the slogan also signifies Kalkaska's distinction as one of only 11 North Country Trail Towns in the U.S. North Country Trail Towns support hikers with services, promote the trail to its citizens and embrace it as a resource to

protect and celebrate. Trail partners encourage local residents with healthy outdoor activity and promote economic development by recognizing the support of area businesses. The North Country trail links New York to North Dakota, traversing 4,600 miles across seven states and through 12 national forests.

## **Next Steps**

The village then pursued and was awarded a "New Designs for Growth" grant of \$10,000 from the Michigan Northwest Council of Local Governments, used to develop the logo through the Land Information Access Association. After this, Kalkaska was hooked! They updated their website with the new branding, as well as maps, village letterhead and print materials, social media sites, police cars, light-pole banners and wayfinding signs.

The village refurbished their iconic trout fountain and held a rededication with about 50 residents rallying

around and attracting nearly 2,500 views, with all positive comments, on their Facebook page.

### To Be Continued

Still slated for action is the construction of monument signs at the entrances of three of the four highways that bring visitors to Kalkaska; development of a streetscape incorporating the village brand; and efforts by the business community to support the brand. The village has applied to the Michigan Economic Development Authority's façade improvement program and the planning commission is working on ordinances to help improve a sense of place. The village already has a snowmobile-friendly ordinance and is considering adoption of a complete streets ordinance.

Caroline Weber Kennedy is manager of field operations for the League. You may reach her at 906-428-0100 or ckennedy@mml.org.



Sue Jeffers is a legal consultant to the League. You may contact her at sjeffers@mml.org.

# Michigan Anti-begging Statute Declared Unconstitutional

# **FACTS:**

Grand Rapids' police arrested James Speet and Ernest Sims, two homeless adult residents of Grand Rapids, under an ordinance based upon the Michigan statute that criminalizes begging in a public place. Speet had been arrested on two separate occasions in 2011 for begging while holding signs that stated "Cold and Hungry, God Bless" and "Need Job, God Bless." On July 4, 2011 Sims was arrested for asking a person on the street: "Can you spare a little change?" Speet and Sims sued the Michigan Attorney General and the city of Grand Rapids alleging that the anti-begging statute violates, both facially and as applied, the First and Fourteenth Amendments of the federal constitution.

The Michigan anti-begging statute in question has existed since 1929. The statute provides that, in pertinent part, "[a] person is a disorderly person if the person is any of the following: ...(h) A person found begging in a public place." The statute criminalizes begging, making it a misdemeanor punishable, in part, for not more than 90 days in jail.

In part, the First Amendment provides protection against a statute that violates speech and conduct under certain circumstances. Basically, a challenge to a statute can be made on the basis that the statute violates the First Amendment on either a facial or as applied basis. The analysis provided in this case by the courts below was restricted to whether the statute was "facially invalid under the First Amendment."

# QUESTION 1:

Is begging a form of solicitation that the First Amendment protects?

# A: Answer according to the Federal District Court and the Sixth Circuit Court of Appeals:

YES. Although begging is not specifically defined in the statute, according to the Sixth Circuit, the term by its very definition encapsulates the solicitation for alms. Although the United States Supreme Court has not directly decided the question of whether the First Amendment protects soliciting alms when done by an individual, the Court has

held—repeatedly—that the First Amendment protects charitable solicitation performed by organizations. The Sixth Circuit noted that other circuits have held that begging is a type of solicitation protected by the First Amendment and that there is no justifiable distinction between "begging for one's self and solicitation by organized charities."

# QUESTION 2:

Does the statute, on its face, chill a substantial amount of activity protected by the First Amendment?

# A: Answer according to the Federal District Court and the Sixth Circuit Court of Appeals:

YES. The Sixth Circuit Court of Appeals found the statute unconstitutional, on its face, because it prohibits a substantial amount of solicitation, an activity that the First Amendment protects, but allows other solicitation based on content. A successful facial challenge is "momentous and consequential." It essentially "take[s] the law off the books completely." In this case, the plaintiff successfully met the challenge of showing substantial overbreadth: that the statute prohibits "'a substantial amount of protected speech both in an absolute sense and relative to [the statute's] plainly legitimate sweep[.]" The state's legitimate concern of regulating fraud, according to the Court, can be better served by a statute that, instead of directly prohibiting begging, is more narrowly tailored to the specific conduct, such as fraud, that it seeks to prohibit.

Speet v Schuette, No. 12-2213, Sixth Circuit Court of Appeals (August 14, 2013)

This column highlights a recent judicial decision or Michigan Municipal League Legal Defense Fund case that impacts municipalities. The information in this column should not be considered a legal opinion or to constitute legal advice.

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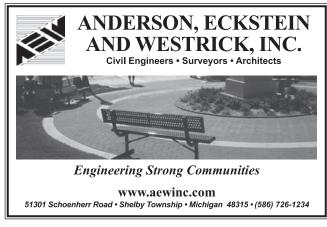
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# Water & Wastewater



Q: What can we do about councilmembers who miss council meetings? Is it possible for a councilmember to participate in a council meeting by phone or Skype?

A: This is a two-part question.

 If you want to deal with council absences, you can enact a provision in your council rules to address it or amend your city (or home rule village) charter to address it. The policy can say something like this:

### A. Council Rules

No city councilmember shall miss three (3) consecutive, unexcused regular meetings in a twelve (12) month period. Any violation of this provision shall result in the matter being reviewed by the Board of Ethics for appropriate action, including but not limited to removal from the city council. This provision recognizes the duty of city councilmembers to be in attendance to represent the citizens in matters concerning the city. An absence shall be excused only upon a quorum vote by the present city council.

### B. Charters

Most city charters contain a provision dealing with council absences. The most common is: four unexcused absences or missing 25 percent of meetings in a year results in a councilmember getting removed from office. Variations include three consecutive absences or 25 percent; 30 percent in a year; or seven consecutive meetings in a year. The League's charter database has a listing of all the city charters and what method they use. It is available at mml.org.

- C. General Law Villages (state statute is the charter)
  You can pass similar council rules as the example
  in A. Or, if you are having trouble finding enough
  residents to serve on council, you might consider
  reducing the number of trustees from six to four.
  This is done by ordinance. (For a sample ordinance,
  please visit mml.org)
- 2) Regarding the method of how a councilmember participates in a council meeting, the Open Meetings Act (OMA) regulates meetings of public bodies in Michigan. Most Michigan cities and villages do not allow councilmembers to vote unless they are physically present at council meetings.

The Legislature proposed adding an amendment to the OMA to specifically prohibit participation in a council meeting by Skype or teleconferencing. However, this Legislation while passing the House, is

still in committee as of this writing. Please seek the advice of your municipal attorney on using Skype or teleconferencing to participate in meetings.

[In Goode v. Michigan Department of Social Services, 143 Mich App 756 (1985), teleconferencing of social services hearings were found to comply with the OMA; and Michigan Attorney General Opinion #6835 of 1995 concluded that an intermediate school district representative could participate in a meeting through interactive television and comply with the Open Meetings Act.]

Q: We have a councilmember who abstains from voting. Don't councilmembers have a duty to vote on issues that come before the council?

A: This is a tough one. While councilmembers are elected to make decisions on behalf of their municipality, without a provision detailing the expectations of voting, there may be little you can do. Parliamentarians will tell you an abstention counts for the prevailing side. Some communities have handled abstentions of councilmembers by explicitly addressing it in their council rules.

Here is a sample provision:

### **Duty to Vote**

Election to a deliberative body carries with it the obligation to vote. Councilmembers present at a council meeting shall vote on every matter before the body, unless otherwise excused or prohibited from voting by law. A councilmember who is present and abstains or does not respond to a roll call vote shall be counted as voting with the prevailing side and shall be so recorded, unless otherwise excused or prohibited by law from voting.

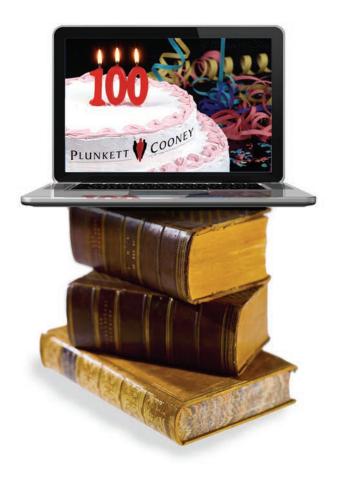
Conflict of interest, as defined by law, shall be the sole reason for a member to abstain from voting. The opinion of the city attorney shall be binding on the council with respect to the existence of a conflict of interest. A vote may be tabled, if necessary, to obtain the opinion of the city attorney.

The right to vote is limited to the members of council present at the time the vote is taken. Voting by proxy or telephone is not permitted.

The League's Information Service provides member officials with answers to questions on a vast array of municipal topics. Send your municipal inquiries to info@mml.org, or call 1-800-653-2483.

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# IMLAY

Imlay City, pop. 3,597

n the fall of 2010, the Imlay City Downtown Development Authority (DDA) entered the Michigan State University Land Policy Institute's "Creating Entrepreneurial Communities" program. Along with the DDA, the Chamber of Commerce and the city of Imlay City formed the SEED Group.

SEED stands for Small business, Entrepreneurs, and Economic Development. The SEED Group is now a team of volunteers that represent a variety of businesses and organizations in Imlay City. The Imlay City SEED Group is dedicated to bringing entrepreneurs into Imlay City while strengthening the businesses already established in the region. The group has gone through extensive training and attended conferences to gain the knowledge and resources to bring, maintain, and grow business in Imlay City.

The SEED Group hosts "Entrepreneur Meet Ups" which offer a relaxed networking atmosphere where established businesses and entrepreneurs can meet, share ideas and resources, and expand their networks. The SEED Group also encourages businesses and entrepreneurs to visit the DDA website or Ruth Hughes Library website for information regarding programs and resources available to businesses.

The DDA and Chamber promote a BUY LOCAL mentality which not only encourages citizens to shop locally, but also for area manufacturers to resource one another when possible. Imlay City has been identified two years in a row as one of eight top performing communities in the state at fostering entrepreneurial growth



and economic development in a study by researchers at iLabs, University of Michigan-Dearborn's Center for Innovation Research. Imlay City was also recognized as a five-star community.

In addition to performing well in the numerical portions of eCities 2012 and 2013, the eight top performing communities are recognized for programs that aid entrepreneurial growth. "The top performing communities understand what small businesses need to be successful," said Tim Davis, director, iLabs. "The communities communicate with their business owners and provide connections to broader resources and insight on trends."

Since the SEED Group began, it has had many successes. In 2013, Imlay City welcomed 18 new businesses, and had 2 large expansion projects, including Pinnacle Foods. All of these accomplishments add up to hundreds of new jobs and millions of dollars in investments within Imlay City.