

## 2009 Non-Mandated Expenditures Department Response

DEPARTMENT: Economic Development

DEPARTMENT HEAD / ELECTED OFFICIAL: Eric Stuckey, Assistant County Administrator

OCA TITLE: 040005 – Port of Greater Cincinnati Development Authority

*Hamilton County departments and agencies have the opportunity to respond and provide insight to the Office of Budget and Strategic Initiatives (BSI) initial assessment as to non-mandated services. This response form should be used for each specific BSI assessment; not a general response for entire department. Take as much space as necessary for each question.*

1. Are there elements of the BSI non-mandated services that you believe are mandated? If so, provide the specific Ohio Revised Code (ORC) citation, Code of Federal Regulation (CFR) and/or relevant case law information. Please be especially diligent if there is a specific service or staffing level prescribed by law.

Pursuant to ORC 4582.21 through 4582.59, the Board of County Commissioners and the City of Cincinnati Council has formed the Port of Greater Cincinnati Development Authority. This is not a mandated entity, but is commonly used in urban settings across the state and the country to assist in development and re-development projects.

2. Who are the recipients of the service or activity for the non-mandated service? How many recipients? Please note any internal customers, other county departments, jurisdictions, businesses, etc. If the service is geographic specific (i.e., a satellite probation office), please identify the neighborhood, township or municipality.

The annual \$350,000 County contribution to the Port Authority is part of an agreement approved by the Board of Commissioners and the Cincinnati City Council creating a reconstituted Port Authority Board and related economic development functions. The Port Authority works with communities throughout the county on development and redevelopment projects with special attention to brownfield redevelopment. Given this focus, much of their work is with the City of Cincinnati and the first-ring suburbs. To date, the Port Authority report direct involvement in the creation and retention of over 5,400 jobs and private investment in the county of \$610.7 million.

3. Are there county revenues associated with the non-mandated services? If so, please provide the methodology for any lost revenues. Please consider state or federal reimbursements, grants, fees, etc. Please note if the service or activity is included in the county's indirect cost plan.

The Port Authority works to facilitate grant funding opportunities for development and redevelopment projects throughout the county through such sources as Clean Ohio.

4. If the county did not provide the non-mandated service, is there the potential for increased expenditures in another jurisdiction within Hamilton County? If so, please list the specific municipality and/or township.

Additional costs could shift to the City of Cincinnati, who along with the County committed to annual funding and is a co-founder of the Port Authority.

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5. Does the non-mandated service include Board of County Commissioner policy via resolution or motion?

**This contribution was part of the agreement by the Board of Commissioners and City Council that was passed on August 13, 2008. The Commissioners recently passed a resolution setting their 2009 budget goals. In this resolution, the Board identifies economic development as a top policy priority and called for "more effective and robust County economic development efforts." The resolution also states that the "County has underfunded proactive economic growth" in the past.**

6. Are there contracts or agreements that preclude the elimination of a non-mandated service? If so, please provide the specific language as to termination and/or amendment terms.

**The annual contribution of \$350,000 was part of the agreement by the Board of Commissioners and Cincinnati City Council that was passed on August 13, 2008.**

7. What are the equipment/non-personnel expenditure considerations with discontinuing a non-mandated service? (i.e., surplus equipment).

**N/A.**

8. Do any of the non-mandated services include employees represented by a bargaining unit? If so, please note the union and provide information as to reduction-in-force and job abolishment considerations.

**No.**

9. For positions within non-mandated services, are there are special circumstances that preclude a traditional job abolishment process? Separation costs will be addressed centrally including leave balance payouts, unemployment compensation and severance (based on current Commission policy).

**N/A. Positions potentially impacted are those of the Port Authority, not Hamilton County.**

10. In addition to positions associated with non-mandated services, the Budget Office included a review of management layers, support staff, and currently vacant positions. Please comment on the impact of eliminating these positions.

**N/A.**

11. What is the performance impact of not providing the non-mandated service? For example, wait times, waiting lists, case loads, operating hours and other consequences of not providing the service.

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The County would be in violation of its funding commitment as contained in the August 2008 agreement with the City of Cincinnati (attached).

12. Are there any alternatives that result in savings to the general fund?

**Not that we are aware of.**

13. Are there more efficient ways to deliver a mandated service that may allow for the savings to offset the cost of a non-mandated service?

**No.**

14. Is there an opportunity to transfer any non-mandated expenditures to another funding source (i.e., restricted fund or grant)?

**In the past, all or part of the County's funding for the Port Authority has come from riverfront funds. This may not be practical now since the Port's role in riverfront-related projects has greatly diminished.**

15. Does your department have any fees that could be raised to offset the cost of a mandated service?

**No.**

Other Considerations and Comments: