



**Department
of State**

The Municipal Restructuring Fund

Your Presenters



Mark Pattison



Robert Roeckle

April 6, 2016



Department
of State

The Municipal Restructuring Fund

Mark Pattison, Robert Roeckle

April 6, 2016

Our Experience

Since 2005, DOS has allocated \$85 million to over 450 projects to increase shared services and enhance efficiency in services to produce cost savings.

Local governments have estimated that the long-term savings from these projects will exceed \$600 million.

Governor Lehman (1935)

“Today we have 62 counties, of which five are included in the great city of New York. We have 60 cities, 554 villages. There are 932 towns and approximately 8,100 school districts. In addition there are 2,540 special districts created for special purposes.”

What do we have today?

What's different

We have:

- Designed the MRF using innovative techniques from the private sector
- Sought to institute a truly collaborative process
- Continuously asked for your input

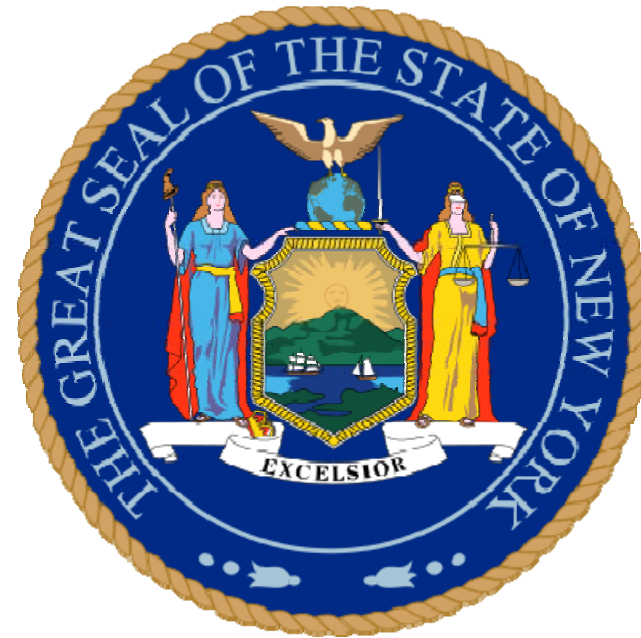
The MRF

The RFA

- Continuous recruitment
- Non-competitive
- Release Date: February 2, 2016
- Proposals Due: Tuesday, March 15, 2016 and July 12, 2016
(for first two rounds of funding)

Eligible Applicants

- Local Governments
 - Counties
 - Cities
 - Towns
 - Villages
- School Districts



Local Government entities that may Partner

- Special improvement districts
- Fire districts
- Public libraries
- Association libraries
- Public library systems
- Water authorities
- Sewer authorities
- Regional planning and development boards, and
- BOCES



Potential Projects

- Regionalization of services
- Countywide service consolidation
- General government restructuring/consolidation
- Department reorganization among multiple local governments
 - Police department consolidation
 - Updating technology among multiple local governments
 - Highway programs that work across municipal boundaries
 - Multi-municipal fire departments

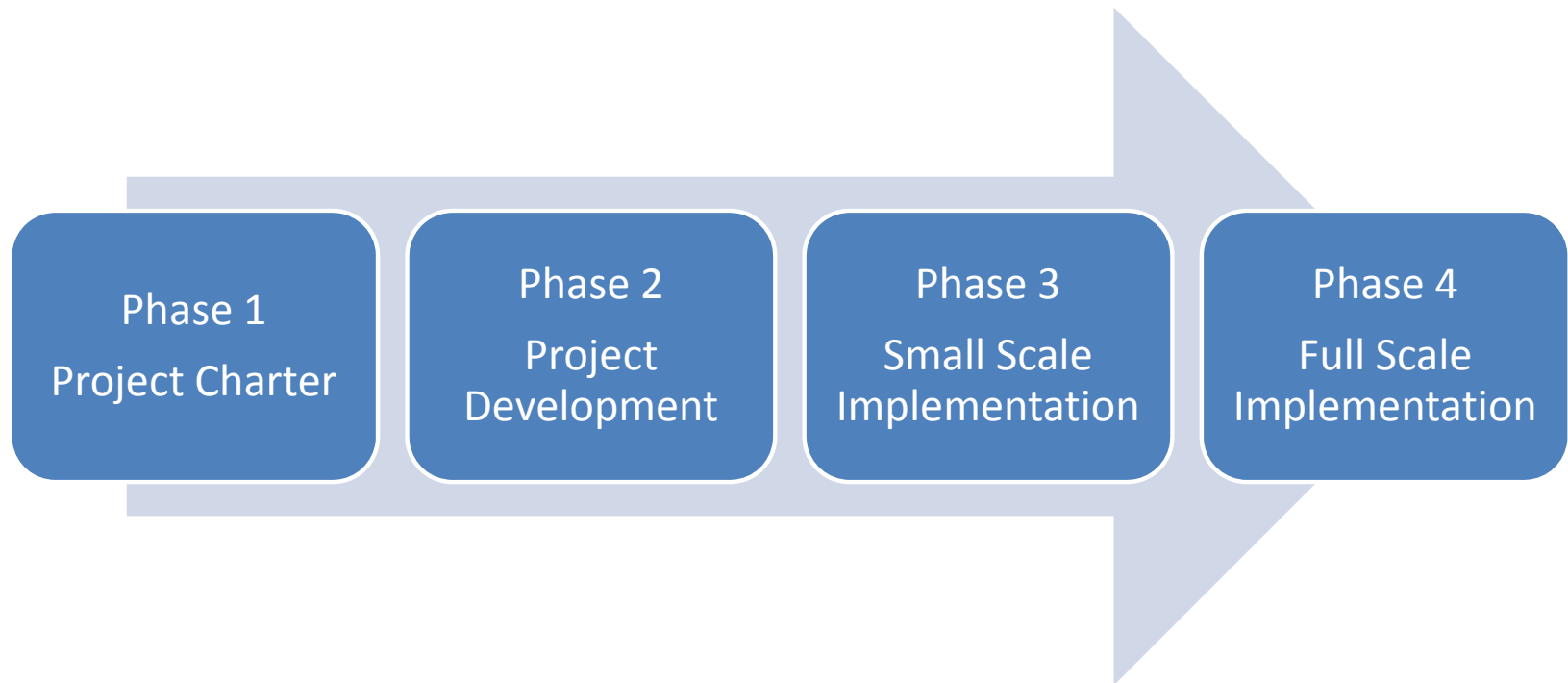


Two Project Tracks

- MRF projects will progress to readiness through one of two development tracks:
 - Venture Track
 - Fast Track.
- In each track, projects will be subject to a multi-Phase review and approval process.
- DOS will participate at each Phase to provide local governments and school districts with technical assistance



Venture Track



Fast Track

- Fast Track process for local governments with “shovel-ready” projects
- Must demonstrate the activities required under each Phase of the Venture Track
- Same evaluation Matrix as venture track



Phases of Funding Overview

Phase of Funding	Maximum Amount for a Project is based on the Tax Levy Impact and Implementation Award Calculation Worksheet (not to exceed Project Cost)
1. Project Charter	Upon completion of the Project Charter: 5% of the possible award amount (up to \$50,000) for Project Development (Phase 2)
2. Project Development	Upon completion of Phase 2: Up to 35% of the possible award amount for Small Scale Implementation (Phase 3)
3. Small Scale Implementation	Upon completion of Phase 3: Up to 60% of the possible award amount for Full Scale Implementation (Phase 4)
4. Full Scale Implementation	
Total	100%

Funding Model

- Applicants will project 10 years of savings starting at the completion of their project
- Awardees can receive up to 20% of the present value (PV) of that 10-year savings forecast, or the cost of their project, whichever is less.



Funding Model (example)

- A county projects a \$1 million dollar yearly savings from their proposed project.
- Ten-year savings = \$10 million
- PV of \$10M = \$7.5M
- 20% of \$7.5M = \$1.5M
- Award = \$1.5M or cost of the project, whichever is less



Phase 1 - Project Charter

- Project Charter
- Tax Levy Impact and Implementation Award Calculation Worksheet
- Work Plan and Budget

Will
Lead to

- Placement on the Project Priority List



Phase 1 – Project Charter

- Project Priority List (PPL) Placement
 - Passing Score is 30 out of 50 Points
 - Project will be able to proceed to the Project Development Plan Phase

Phase 1 – Project Charter

- Project Type

Project Type	Points
Improvement, Service/Function	3
Consolidation of Service	7
Consolidation of Function	11
Consolidation of Local Government	15

Phase 1 – Project Charter

- Project Scale

Scale	Points
Single Local Government	5
Multiple Local Governments	10
Project includes a County	15

Phase 1 – Project Charter

- Local Government and Taxpayer Savings

Impact on Tax Levy	Points
Greater than 0.25% up to 0.50%	3
Greater than 0.50% up to 0.75%	6
Greater than 0.75% up to 1.00%	9
Greater than 1.00% up to 2%	12
Greater than 2%	15

Phase 1 – Project Charter

- Project Charter

Project Charter	Points
ID and Background	1
Objectives	1
Critical Success Factors	1
Constraints/Dependencies	1
Approvals	1

Phase 2 – Project Development

- Eligible for 5%, up to \$50,000, of the possible funding amount
- The Project Plan will include
 - Scope
 - Timeline
 - Budget
 - Risk/issues management plan
 - Change management plan
 - Organizational change plan
 - Communication plan
 - Description of the project repository
 - A list of assumptions and potential legal impediments
 - Description of Pilot Projects to Evaluate



Phase 2 – Project Development

- Project Priority List (PPL) Placement
 - Passing Score is 18 out of 20 Points
 - Project will be able to proceed to the Small Scale Implementation Phase

Phase 2 – Project Development

- Project Plan

Project Plan Element	Points
Scope	Up to 2
Project Timeline	Up to 2
Budget	Up to 2
Risk/Issues Management Plan	Up to 2
Change Management Plan	Up to 2
Organizational Change Plan	Up to 2
Project Repository	Up to 2
Communication Plan	Up to 2
List of Assumptions	Up to 2
Description of Pilot Project to Evaluate	Up to 2

Phase 3 – Small Scale Implementation

- Eligible for up to 35%
- Verify assumptions identified in Phase 2
- Results will be incorporated into a revised plan for “Full Scale Implementation”
- DOS will assist in developing the final implementation work plan
- No funding will be provided for elements with unresolved legal impediments



Phase 3 – Small Scale Implementation

- Project Priority List (PPL) Placement
 - Passing Score is 24 out of 30 Points
 - Project will be able to proceed to the Large Scale Implementation Phase

Phase 3 – Small Scale Implementation

- Small Scale Implementation

Small Scale Implementation	Points
Pilot Project designed for each assumption is:	
Quantifiable	Up to 6
Comprehensive	Up to 6
Pilot Project for each assumption is:	
Carried out	Up to 6
Verified and Evaluated	Up to 6
Lessons learned and Project Plan refined	Up to 6

Phase 4 – Full Scale Implementation

- Eligible for the remainder of the possible funding amount
- The revised project implementation work plan is fully implemented completing the project
- 10% of Total funding held until project is fully completed



Phase 4 – Full Scale Implementation

- Full Scale Implementation is the complete execution of the project, as described in the revised Project Plan and Work Plan.
- Prior to release of the final 10% of funds, DOS will require
 - A report outlining the results of the project
 - Projected permanent property tax reductions

Project Priority List

- Project Priority List on our website:
 - Applicant Phase
 - Points awarded
- Applicants can work with DOS program managers to raise their score
- Applicants will be listed on the Project Priority List when they have completed the application for Phase 1



Technical Assistance

- The non-competitive nature of this grant allows us to target assistance where it is needed



Other Funding Considerations

- Eligible Expenses
- Ineligible Expenses
- No project Match
- In-kind funding will not play a roll in decision process
- Smart growth
- MWBE



In Summary

Non-Competitive
Technical Assistance
Continuous Recruitment

Next Funding Deadline
July 12

**Thank you for
your time**

www.dos.ny.gov
MRFprogram@dos.ny.gov