



The City of Central, Louisiana

From Incorporation to Community Success: A Case Study



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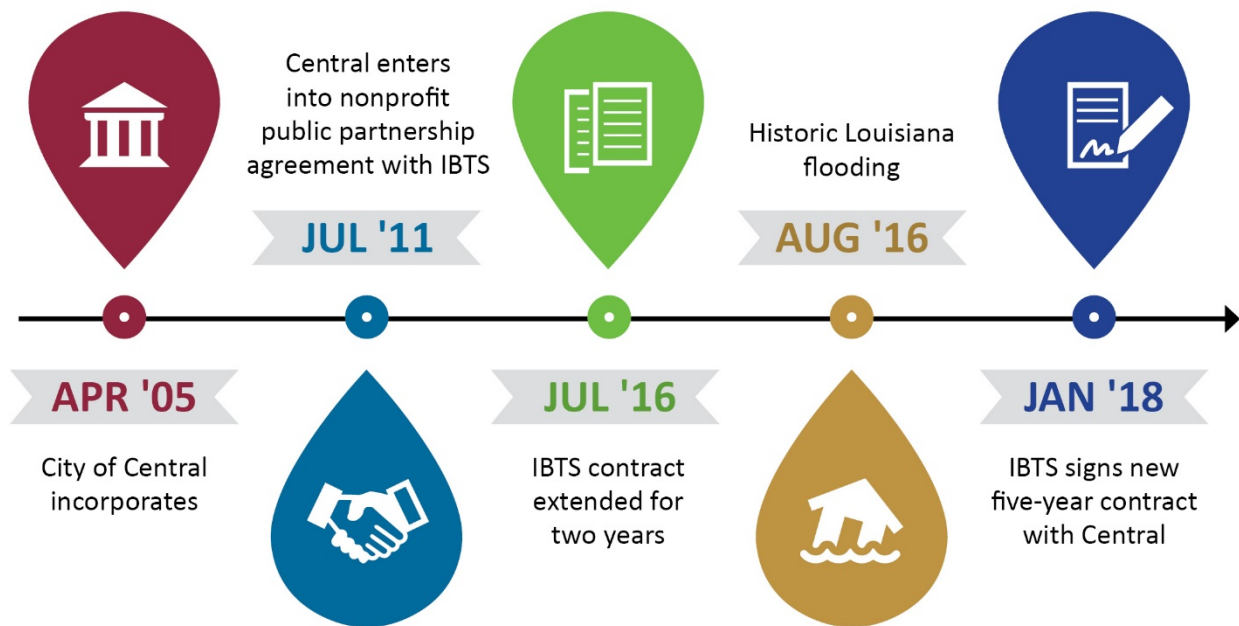
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Introduction

The City of Central, LA, a suburb of Baton Rouge, is the newest city in the state, having incorporated in 2005. Since then, Central has become a remarkable example of local government achievements based on its experience incorporating (in a state where only two other municipalities have incorporated in the past 40 years) and its nonprofit-public partnership (NP3) for service delivery with the Institute for Building Technology and Safety (IBTS).

This case study explores both, sharing Central’s story over the past fourteen years – from the City’s early success winning the vote for incorporation and the lessons it learned by taking a unique approach to government services, to its experiences during the catastrophic flood of 2016 – as it has flourished into a vibrant and successful community.



CENTRAL DEMOGRAPHICS

- Population: 28,462
- Area: 62.5 square miles
- Chief Industries: Service, retail, manufacturing
- Households: 11,088
- Median Household Income: \$73,301
- Median Home Value: \$194,300

Source: 2017 American Community Survey



From Unincorporated Area to a New City (2004-2007)



Central’s journey to becoming a city began when local residents in an unincorporated suburb of Baton Rouge asked the Louisiana State legislature for authorization to operate a school system independent from East Baton Rouge Parish. When the legislature informed them that the area would need to incorporate before a new school system could be created, community leaders took the necessary steps to get incorporation underway.

Although the school district was the driving force behind the incorporation effort, it was not the only appealing part of incorporation for the area’s residents. Benefits such as control over government services and costs, giving residents the ability to elect local representatives, and having the ability to receive state and federal funding were all appealing to residents who favored incorporation.

According to Wayne Leader, also a Central businessperson and one of the community leaders behind the incorporation effort, “We wanted to have more direction over how our tax dollars were being used. It’s was absolutely huge benefit to the residents, knowing that they would have more say in decisions about how funds are used.”

In fact, interest in more control over spending and services is a common driver of incorporation across the U.S. Several cities have successfully incorporated in the State of Georgia over the last decade. “It felt like we were not getting a lot back from the County, especially in the area of municipal services,” explains Mayor Mike Bodker of Johns Creek, Georgia, which incorporated in 2006. “By incorporating, our

citizens know that their money is being returned directly to the community and they also get the transparency they want and deserve.”

Yet the desire to incorporate was only the first step in the process. Before moving ahead, Central’s leaders had to determine how the City would operate once incorporated, including defining how it would fund operations.

“Determining financial viability is one of the most important considerations [for a new city] before incorporation,” explains Johns Creek’s Bodker.

Although Central residents liked the idea of directing more resources to run their own city, they also worried that incorporation was going to cost them more.

“The possibility of tax increases was the big concern [for area residents] at the beginning,” explains Leader.

To address concerns and ensure the new City would be a success, community leaders set out to find ways to maintain and even improve city services – without creating additional taxes – long before the vote to incorporate. The group agreed to fund city-provided services using only an existing local 2% sales tax, which citizens were already paying to the Parish.

To help make this approach possible, the leaders investigated how they could minimize the City’s expenses, including examining how they could manage overhead and employee costs. Eventually, they decided they would hire only a small staff and contract out the rest of City services.

“As a new city, we had that freedom to structure the City staff from scratch,” explains Leader. By keeping the number of staff at a minimum, the City would not incur expenses from pensions and would keep overhead costs manageable.

Eventually, Central's leaders gathered 7,000 resident signatures on a petition to add incorporation to the Parish’s next ballot, easily surpassing the required number of 5,000 signatures. The measure itself also passed easily, with about two-thirds of voters favoring incorporation in April 2005.

In November of 2006, Louisiana voters passed a constitutional amendment that authorized the new Central Community School District. Over the past several years, the school district has consistently been rated as one of the top districts in East Baton Rouge Parish and within the top 10 districts among the 115 across the state.

Once incorporated, the new City Council implemented the minimal approach to staffing right away, hiring only three employees – the Mayor, an assistant, and an administrative officer. All other City services were initially contracted back to the Parish through an intergovernmental agreement.

Although the agreement with the Parish proved to be a useful approach for Central’s first couple of years, the City’s leaders soon agreed to begin looking for other solutions that would add more value to its citizens.

A Different Approach to Municipal Services (2008-2010)



In 2008, the City Council voted to move away from its intergovernmental agreement with the Parish, instead outsourcing most of its services to a private company in a public-private partnership, or P3 service delivery model. Emergency services were excluded, as Central’s fire department operated under its own tax district and its police services would continue to be provided through the Parish sheriff’s office.

The innovative model offered an attractive approach for the City, allowing it to keep the number of employees and associated costs to a minimum while also providing it with more control over the structure and quality of services added.

“We wanted to improve quality of services for citizens,” explains Central Mayor David Barrow, who was a member at the time of the City’s bid-review committee.

The approach is particularly appealing for many newly-incorporated cities, which start with both the benefit of a blank slate but also the challenge of needing to fill several new service areas and positions at once.

“It’s not something that’s easy for a city to change to,” explains Mayor Barrow. “But for a new city like Central, it has a lot of benefit.”

Using Lessons Learned to Improve Service Delivery (2011-2015)



In 2011, rather than automatically extending the contract with its existing P3 service provider, the City decided to use the expertise it had gained over the past six years to examine what had worked well with regard to City services, and what changes it wanted to make. A 21-member panel of citizens carried out a detailed, line-by-line review of the existing city services contract, eventually leading to the decision to issue a competitive request for proposals.

The new RFP broadened the scope of services and offered several options for bidding on portions of the service package in order to consider contracting with more than one provider. But because the City did not receive separate proposals for all portions of the partial service options, Central officials only considered the four proposals for carrying out the full range of requested services, including a proposal from IBTS, a nonprofit organization based in Virginia with a strong history of local government work in Louisiana.

The selection committee scored each proposal and compared costs, ultimately selecting IBTS. As the low bidder, IBTS would save the City over \$500,000 a year. IBTS' proposal also scored highest on the City's criteria, with a response built around its commitment to public service, experience delivering many of the services Central needed to other municipalities, and service-over-profit philosophy.

This nonprofit-public partnership, or NP3 approach, would help the City usher in a new period of success, including a hefty financial reserve, streamlined permitting and inspections, and an efficient public works department.

The IBTS Team Establishes Itself in Central

In its initial year providing services to Central, IBTS focused on the commitments it had made to the City, including making sure that the City had a seamless transition from the previous service provider. IBTS viewed the transition of services as a 15-day relay race designed to ensure a smooth passing of the baton from one service provider to another. Starting the process while contract negotiations were still underway, IBTS created a team of headquarters staff to coordinate all aspects of the transition; interviewed, hired, and trained staff; developed initial operating procedures; and identified and prepared the new service center location. When the service center opened, the paint was dry, all furniture and equipment were in place, and IBTS' new Central team was ready to serve.

IBTS had also committed to having a local presence in Central, which was important to both the City's leaders and to IBTS.

"It's important for us to have these connections, for the local government to be close to the people," explains David Ratcliff, Central's Director of Citizen Services. "We care about the quality of life here."

To ensure a local presence, IBTS hired only employees with municipal experience either in Central under the previous contract or in the Baton Rouge area. In particular, employees who had worked for the City proved to be great resources with valuable institutional knowledge and experience.

Over the initial years of the five-year contract, IBTS staff worked closely with Central's leadership to ensure that services met or exceeded expectations, that any glitches or problems were ironed out, and to identify opportunities for improvement.

Evaluating Success

By 2016, Central's leaders agreed that its decision to switch vendors had paid off. Not only was the City receiving more and higher-quality services from IBTS at a lower cost than from the previous vendor, its leaders felt that IBTS' shared commitment to public service made a difference in its working relationship with them.

"IBTS's primary focus is service to the citizens rather than making money," said former Mayor Watts at the time. "As a nonprofit, they want to break even and have demonstrated that they have a vested interest in delivering the best possible services to our city."

From IBTS' perspective, much of the partnership's early success was thanks to its approach to staff responsibilities and autonomy. Rather than narrowly-defining each position, IBTS created flexible jobs with some overlapping responsibilities. This allowed staff members to multitask, and provided them with ample autonomy to carry out their jobs within established procedures and the commitment to responsiveness and high-quality service.

The result was a consensus-building, silo-free work environment. The approach allowed the team to not only improve efficiency and citizen satisfaction across its everyday operations, but also to better manage unanticipated events and minimize disruptions.

This would play an especially important role in August of 2016, when the City suddenly found itself in an all-hands-on-deck emergency effort during an unprecedented and catastrophic flood event.



IBTS MUNICIPAL SERVICES

As Central's new NP3 service provider, IBTS became responsible for managing all of Central's city services with the exception of police and fire. These included:

- Administrative Services
- Emergency Services
- Financial Services
- GIS Services
- Public Works Services
- Permit & Inspection Services
- Planning & Zoning Services
- Engineering Services
- Floodplain Management
- Stormwater Management
- Code Enforcement



Historic Flooding and Recovery (2016)



Like other places in East Baton Rouge Parish, Central is no stranger to flooding. Its location between the Amite and Comite Rivers presents the City with unique flooding risks, particularly backwater flooding, when upstream flooding is caused by downstream conditions. About 60 percent of Central’s incorporated area is within a special flood hazard area (SFHA) or floodplain. Not surprisingly, City officials, IBTS staff, and residents were all equipped to manage flooding. That changed in August 2016, when Central found itself in the center of what would amount to the fourth-most costly flood event in US history, second only to Hurricanes Sandy, Katrina, and Ike.

The magnitude of the disaster unlike anything residents had seen in their lifetimes. As the conditions rapidly surpassed any flood in the area’s history, communications and roadway access were cut off. Once the rain stopped, the City found itself with an unthinkable amount of damage affecting nearly all residents.

IBTS staffers, as members of the local community themselves, worked alongside City officials around the clock during the immediate response effort, addressing the most immediate needs.

“We moved first to protect our citizens,” says IBTS Citizen Services Director David Ratcliff. “That was our first and most important priority, and we could not be more proud and thankful that not one life in the City of Central was lost during the flood.”

Despite the overwhelming enormity of the disaster, Central did not suffer any serious injuries or fatalities. Following the storm, the City was the first affected community to get the power back on.

Once the storm passed and the immediate threat was over, Central's leaders wasted no time in initiating the recovery process, knowing their actions could make the difference in whether the community would recover from the devastation.

As a nonprofit organization dedicated to helping local governments meet their needs, assisting Central through the crises aligned with IBTS's public service mission. IBTS headquarters gave the IBTS Central team approval to do whatever was necessary to help, including leveraging expertise from its disaster recovery division to assist City leaders with managing the complex recovery process, and helping the City understand and comply with FEMA rules and regulations.

As members of the community, IBTS' Central staff shared the grief and desire for the community to recover. They found that they had an important role to play in helping the community return to normalcy following the disaster. In many cases, City and IBTS staff worked around-the-clock and brought in additional resources to help residents return to their homes as quickly as possible.

"We had been contracted to perform these functions of the city's government," said IBTS CEO Ashok Goswami. "But after [the storm], there was no sense of 'we're just here to meet this contractual obligation or do this service.' We were there to meet the needs of the citizens in any way possible."



Post-Flood Successes (2017-2019)



In the three years since the flood, life has largely returned to normal for Central, though the City's experience with the flood is still very much in recent memory. The IBTS Central team resumed operations and its commitment to service for Central residents, but were now looking for how else it could help the City recovery and respond to future weather events.

Staying on Top of Work Orders

Having a backlog of public works calls is a common issue for many cities. Yet Central's Department of Public Works (DPW) team prides itself on addressing these as quickly and efficiently as possible. Especially following the 2016 flood, finding a way to eliminate any backlog required some creative problem-solving.

"We know that having a backlog is a disservice to Central's citizens, so we are committed to staying on top of work orders," explains Matt Zyjewski, Program Director for Central Municipal Services. "Because we are not direct City employees, we have extra flexibility for solutions." These include working longer shifts for short periods to make sure that all work orders are completed.

Proactively addressing problematic areas also helps. When Tropical Storm Barry threatened the region with significant rainfall and the possibility of flooding in July 2019, the IBTS took several specific measures to prepare. The team completed numerous advance work orders, including requests from homeowners, barricade placements in areas that frequently flood, hot spot areas that need to be checked for debris or blockages, and sand bags. The DPW crews took 12-hour shifts to ensure a crew was available to assist first responders in the event there were downed trees or debris in the roadways.

Thanks to the team's proactive efforts, only a handful of work orders resulted from the storm, which were quickly addressed, allowing the City to resume normal operations.

NFIP/CRS Program Services and Improvements

Flood insurance is critically important in Central, where 60 percent of homes are located within a special flood hazard area (SFHA). The City works hard to protect homeowners and keep their insurance rates in check. One way is through the National Flood Insurance Program's Community Rating System (CRS), which provides a discount on flood insurance for homeowners in participating communities. Insurance premium discounts are based on the CRS's Class rating system, which rates communities from 9 to 1. According to FEMA, most communities enter the program at a CRS Class 9 or 8 rating, which entitles residents in SFHAs to a 5 or 10 percent discount on their flood insurance premiums, respectively. With each lower rating in additional mitigation activities, its residents become eligible for an additional 5 percent discount on flood insurance premiums

Since enrolling in the CRS program as a Class 8 in 2014, IBTS' Central team has been working toward improving its rating. In 2019, the City submitted documentation for its five-year CRS cycle visit, which it hopes will raise its rating to 7. With that rating, homeowners in SFHAs would receive a 20 percent discount on flood insurance, while those in non-SFHAs would receive a 5 or 10 percent discount, depending on the class of community

Although the CRS program provides enormous benefits for residents, maintaining and improving a city's CRS score requires a significant amount of planning and documentation. IBTS Planning and GIS technician Kathi Cowen, who manages the CRS program for Central, spent nearly 10 months finding and implementing new opportunities for the City to earn more CRS points.

According to Cowen, the first step was to review the CRS eligible activities to find out what the City is already doing but just not documenting to receive CRS credit. "I went chapter by chapter to get every point possible," she explains. "I know how important affordable flood insurance is to our residents, so many of which are located in a floodplain."

By taking this approach, Cowen has made significant headway at improving Central's CRS rating at a very low cost to the City. Cowen identified improvements such as existing zoning requirements and several outreach measures taken by the City that were eligible for CRS credit.

As GIS technician, Cowen also seamlessly integrates GIS into her role as CRS program manager. She completed several CRS-eligible floodplain mapping activities using the City's ArcGIS system to earn additional points. Not only does this result in insurance discounts, but the City can more quickly and easily answer the zoning and floodplain questions they get from residents every day.

Having staff, like Cowen, who bring multiple skillsets to their positions can maximize staff time and effort while reducing the need for hiring third-party specialists to fill-in on an as-needed basis. For the CRS program, this means a tangible benefit to citizens in the form of reduced flood insurance rates. But in other service areas, this means more efficient services that free up City staff and funds to better serve its constituents.

Looking Forward

As Central enters its fifteenth year as an incorporated City, the mayor and IBTS team plan to continue working together to deliver excellence to citizens while keeping costs down through the NP3 approach.

“We absolutely agree that IBTS is a benefit to the City,” explains Barrow. “As mayor, there is plenty else that I need to worry about other than if services are being delivered. Having IBTS providing services means I don’t have to think about that, I can focus on what’s important in my job.”



The Institute for Building Technology and Safety is a 501(C) (3) nonprofit organization. We are guided by a Board of Directors consisting of representatives of five local and state government associations, including the National Association of Counties; The Council of State Governments, International Cities/Counties Management Association; National Governors Association, and the National League of Cities. Backed by these important associations, IBTS brings a tremendous amount of experience in municipal services, disaster recovery, economic development, resilience, and community planning.

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