

State of the City
January 27, 2005

Thanks to the North Ridgeville Chamber of Commerce for once again sponsoring this annual State of the City address. I appreciate the opportunity to review some of the highlights of last year, as well as give the community some idea what to look for in the coming year.

First, I would like to recognize City Department heads that are here, as well as introduce 3 City officials that were not here last year. Rangus, Crites, Hatmaker, all other department heads in attendance.

Last year when preparing my State of the City address, I had only been in office a little over a month, had no history to really report on, and I talked a lot about the things I wanted to do. I had plenty of time to write, edit and even do a power point presentation. What a difference a year makes! I am now deeply enmeshed in addressing those goals, i.e. widening Center Ridge, and others that I will talk about later. I feel fortunate just to be able to finish writing this speech, let alone enhance it. We are extremely busy - but loving every minute of it.

2004 was a very exciting year for North Ridgeville. Although our finances continue to be problematic, something I will also discuss in more detail later, we made several advances on fronts that have been of concern to our residents for several years.

Let me start with the widening of Center Ridge Road. This is certainly one of my pet projects, and will probably be the hardest project we undertake during this entire administration. Starting with a meeting with ODOT and NOACA on January 6, 2004, already over a year ago, we completed a process of requesting and reviewing proposals from 4 Engineering, firms then selected Burgess & Niple as a consultant, reviewed a Scope of Services to be provided and began the process to

identify stakeholders, provide for public involvement and determine what actually will be done and determine what the costs might be. The Center Ridge Corridor Study will take several months, and we intend to have a completed application to NOACA by May of 2006. We have already received a commitment from the State for \$5,000,000 and for additional funds from NOACA. We will also be applying for TRAC funding. But first, we need to complete the "red flag" survey, meet with interested parties to determine how many lanes might be needed, whether bike paths be included, and so forth. We are now meeting monthly to address these issues so that we can move the project forward. At our meeting in December, it was pointed out that the earliest we could receive TRAC funding would be 2010 or 2011, whereas we were earlier led to believe we might be able to start in 2007 or 2008. Occasionally, if a project is ready funding can be provided on an accelerated basis, but we cannot count on it. Therefore, this project is at least a 5-6 year effort - but one, that this administration believes is absolutely necessary and will remain at the top of our priority list.

The Lear Nagle straightening/Walgreen's project is now underway. Walgreen's has begun land clearing and the City is working on getting bids for the road project as we speak. Our office worked with Walgreen's through their developer to obtain 2 grants in the amount of \$235,000 and \$100,000 to round out the necessary funding to complete the road project. This included assuring there were no Indiana bats, dinosaur bones or Indian burial grounds. Remember, grants are monies we do not have to repay.

We entered into an agreement with the developer for Tax Increment Financing, or TIF as it is called, whereby we will apply the property taxes generated by the Walgreens store against the road construction costs. The TIF portion is estimated to be approximately \$475,000. The remainder of the estimated total \$815,000 cost will be paid by the additional grants obtained under a Community Development Block

Grant - Economic Development grant. Therefore we have accomplished straightening out Lear Nagle Road at little, if any cost to the City.

While we are discussing roads, let me bring you up to date on several of our road projects. Last year I discussed our desire to re-prioritize the use of our Issue 2 funds. If you will recall we were in line to receive funding to pave a portion of Case Road, and I felt the intersection of Lorain and Root Road was more pressing. The County Engineers Office subsequently asked us to skip funding last year as they had not received the funding they had anticipated. We were able to reconstruct that portion of Case using our own crews. We have now been informed that we will receive approximately double the anticipated Issue 2 funding this year allowing us to reconstruct the intersection of Lorain and Root. We will receive approximately \$439,000. By reprioritizing our needs and cooperating with the Issue 2 integrating committee we will be able to accomplish both projects, and complete the Lorain/Root Road intersection as 1 project instead of having to do it in phases over 2 years. As a side note, I am now a member of the district integrating committee that oversees the distribution of Issue 2 funds.

We were also successful in negotiating with developers for the improvement of roads that are important to their efforts. Frank Dettore contributed approximately \$26,000 to grind and repave a portion of Barres that was not on our schedule. It cost us approximately \$6000 in labor. We have reached a similar agreement with Forest City to reconstruct, not just repave, 2400 feet of Bender Road. Forest City will contribute \$82,000 towards this project. And we are looking at other similar private/public joint ventures where we can stretch our road construction dollars far beyond what we would be able to do on our own.

The drawback in having the expertise to pave our own roads and save thousands of dollars, is that it pulls those employees from other jobs which are also important such as crack filling and sealing, patching and

repairing and other service work that also needs to be done. If we had additional employees and equipment in the service garage, there is a long list of things that need to be done. So sometimes, as we are saving money or stretching our dollars in one area, another area suffers. But we will continue to look for opportunities to maintain our infrastructure at the lowest possible costs to our residents.

The Beckett Companies paid the entire cost of a new road extending North from the intersection of Sugar Ridge and Bender, and then west connecting with Taylor Woods Industrial Parkway. This was in return for the City vacating a road that leads into the future "Beckett Technology Park" which we anticipate potentially generating up to 1000 jobs in the future. This new road gives our safety forces much quicker access to those businesses on Taylor Woods that are in North Ridgeville. Last year, due to all the new home construction, we added some 60 lane miles of new streets, a 22% increase in road maintenance requirements. The impact of this increase became readily apparent during the greatest holiday blizzard we have seen in 30 years. Our service employees worked miracles, working longer and harder than ever before with less equipment and personnel than ever before; however, even they could not totally keep up with the storm of December 23rd. We need new trucks that can maneuver the cul-de-sacs in all the new developments as well as the personnel to operate them. All of our streets, including secondarys and cul-de-sacs were opened by around 8:00 p.m. on the 23rd, an outstanding accomplishment under the circumstances, but not as good as we would have liked. Our hats are off to our service garage employees, but we need to provide them with the tools, equipment and manpower for events such as this. We need to add and replace equipment if we are going to be able to plow our streets at a level we have become accustomed to. At the same time we are adding lane miles, some of our trucks are becoming unsafe to use and are breaking down. Nascar doesn't have a thing on our mechanics when it comes to getting our trucks back on the road, including major repairs such as replacing

transmissions, but there is only so much they can do.

Shifting gears from roads for a little bit, but continuing with our infrastructure we successfully completed the western portion of the Center Ridge Road sewer to the Elyria line, as well as completing portions of sewer projects on Chestnut Ridge Road, Lorain Road and about 20 homes on Root Road. One of the things that Denny and I learned in our first year is that a large part of both our jobs revolves around sewers. From blockages to back ups, these are routine complaints that a City will always have to deal with. But new construction is an animal unto itself. For a while on the Center Ridge Road project, it seemed that every 3 days, the contractor either broke a water line, gas line, or hit an electrical line, and sometimes more than 1 at the same time. At one point, at the intersection of Case, they managed to actually hit all 3 at once. It was an extreme intrusion to our businesses and inconvenience to our travelers along Center Ridge Road. I can tell you, if you have never seen a 12" water line break and flow unrestricted, let me tell you, that is a LOT of water! We continue to bring sewers to areas in need throughout the City, but have a long way to go. We anticipated having gone out for bids on the eastern part of the Center Ridge Road, but we are still negotiating a couple easements. Last year when we came into office, there were 8 outstanding easements that the City was prepared to go to court to quick take on that project. We were able to resolve all 8 cases without going to court.

We need to complete the east Center Ridge Road sewer project as soon as possible, as we will be partnering with the State to pave Center Ridge from City Line to City Line during 2005, after the Corn Festival.

We are also working on another Community Development Block Grant - Economic Development to help extend the westerly sewer to Chestnut Ridge Road to accommodate a new development. I cannot go into detail, but I can tell you it would entail new commercial development.

During 2004, we did have some success in attracting new businesses and jobs to North Ridgeville. Ace Hardware, Dollar General and Conrads all moved into the City bringing new jobs and goods and services to the City. Walgreen's and JBC Technology are under construction as we speak bringing another 130 jobs. Invacare moved at least 205 engineering jobs into the vacant RealTec/Marconi building on Taylor Woods Industrial Parkway and 10 Point 0 Gymnastics is remodeling another building on Taylor Woods into which they will be moving. Center Ridge Nursing Home has received approval to add 21 assisted living facilities and Hampson Corporation bought the Plastics Component Company, saving approximately 100 jobs and adding another 40. That is approximately 400 new jobs brought into North Ridgeville during my first year as Mayor.

On the residential front, North Ridgeville remains near the top of the list for new home permits in Northeastern Ohio. We issued 462 permits in 2004, up from 430 in 2003, when we ranked 3rd in the region. Ridgefield, Meadowlakes, Waterbury all continue to expand. In addition, Island Point, Sandy Ridge, Ashton Place and Pioneer Ridge, the new Del Webb development are all under way along with several other smaller projects.

The route 83 railroad overpass project remains on track (pun intended) with construction scheduled to begin in April and to be completed by September of 2006. At one point, we were advised we might be looking at up to a years delay due to 1 particular property fighting acquisition of their parcel, but were successful in resolving the complaint. Another issue with the railroads, the annoying blaring of their horn, or reassuring sound of their whistles, depending upon which side of the tracks you are on, culminated with a Northeast Ohio Quiet Zone study of the North Ridgeville crossings, prepared for the Ohio Rail Development Commission. The study proposed methods by which alternative safety

measures could be taken at our railroad crossings which would result in the elimination of the requirement for the trains to blow their whistle. The cost estimates range from \$149,000 at the Root Road crossing to \$439,000 at Maddock Road. Race was \$201,000 and Chestnut Ridge was \$348,000. With our current budget outlook, these expenditures do not have a priority that would elevate them to a funding level anytime in the immediate future.

Let's talk a little bit about our Parks and Recreation systems. During 2004 we added a new full size soccer field at the Root Road complex, including substantially improving the drainage along the west side of the park. We increased the parking area and added parking bumpers to help organize the parking. At South Central, I think we really improved the park. We took down fencing opening up both lakes, repainted the tennis courts, rebuilt the sledding hill, found a piranha, and partnered with Home Depot to spruce up the park. Home Depot furnished a dozen workers, paint, scrapers, rollers, and other tools and we painted auto bumpers, tables, swings, and pumphouses. When I was in the Army, we had a little saying that went something like this. If it's moving salute it, if its not paint it, and that's pretty much what we did.

We also expanded parking at Frontier, but we need to do more there including adding another bridge over the creek. It is used extensively by the North Ridgeville Youth Football League each fall.

At Shady Drive, we have improved drainage and added more parking in the rear. We have added paved parking in the back for handicapped, built new dugouts, and replaced fencing. The new multi-purpose field in the back that we put installed in 2003 was used extensively this year by the mini-rangers and was considered by many to be the best in their league. Shady Drive received an award from the National Softball Association for being rated as an Outstanding Park in 2004. In 2005 we will again sponsor premier State Tournament events.

I would also mention that we have now begun background checks for all our youth coaches. We adopted the current recommendations and procedures of the National Alliance for Youth Sports and follow the same standards dictated by the State for teachers. Names are submitted to a firm that completes the background checks for us then notifies us whether an applicant passed or not, thereby assuring confidentiality of the information.

We completed a feasibility study regarding a new community aquatic center. After establishing a number of goals, Larson Architects completed the study and recommended a facility that covers 2.5 acres with a construction cost of \$1.8 million. We will continue to look at this and consider input from the community survey we completed in December, analyze operational costs, and looking at potential locations. A lot of work still needs to be done before we approach Council for approval.

Turning to our police and fire departments, they also had very busy years. Traffic crashes were up 13%, injuries up 40%, the number of injured people up 45% and the number of alcohol related crashes up 73%. Fortunately, we had 0 fatalities in 2004. The number of DWI convictions rose 7% from 120 to 128. During the year we housed a total of 667 prisoners in our jail a total of 1213 days. Had we used the county jail, the cost to do so would have been \$90,975. An interesting side note, last year I performed 34 weddings, but I did 43 arraignments. That's those prisoners that because of timing (we have a 5 day jail), I actually arraign right in the jail giving them the choice of pleading guilty or no contest and being sentenced immediately, or pleading not guilty and being transferred to Elyria. Arraignments are very interesting. I have had prisoners asked if they could stay the night, have lunch before they leave, and plea to get out because they are tired of wasting the taxpayers money by being in jail. 1 prisoner wanted out because our jail

was not a nice place to be because we served lasagna on Thanksgiving. I'll never forget the gentleman who was arrested for DWI and no operators licensed, that wanted to know if he could get driving privileges. I had to explain to him he couldn't get privileges because "you don't have a drivers license!"

Our fire department made 2189 runs last year, 77% of which were EMS runs as opposed to fire runs. We received our newest ambulance which is state of the art, except for it's air horn. Chief Miller and I took the truck out for a test drive when it was first received, and as we drove down Sugar Ridge Road, we tried out the air horn. It stuck in the on position and we couldn't get it off.

During 2004, we received a number of various grants.

The fire department received a grant for approximately \$136,000 that will be used for turnout gear and other needed equipment. Thanks Rick. We received a \$70,000 CDBG to remodel the Senior Center kitchen to current commercial standards. We received \$30,151 from the Western Reserve Area Agency on Aging for Transportation and Supportive Services. We also received a \$9,960 Recycle grant to install new playground surfacing. We also have a continuing \$500,000 CHIP grant that enables us to help 1st time home buyers and those who need assistance in maintaining their homes that meet the qualifications. As I mentioned earlier, we received CDBG-ED awards for \$235,000 and \$100,000 to complete the Lear Nagle project.

In November of 2005 we sent out about 10000 survey forms in the utility bill. A little side note about using the utility bill to communicate with our residents. Prior administrations budgeted in excess of \$14,000 per year to mail newsletters and so forth. We found that by trimming 1/4" from the edge of the paper, we could meet the post office weight limitations and include the information at no additional cost in the utility

bill saving \$1,000's of dollars. Although I have heard 10% is an excellent return for surveys that are sent out, we received somewhere around 30-35% of the forms back. The Community Development Advisory Board continues to analyze the results, but here are some of their preliminary findings.

The Community Development Advisory Board has tabulated 2722 surveys to date. The average respondent has lived in North Ridgeville 15.36 years and lives in a home that is 23.71 years old. On a scale of 1 to 5, 5 being most important and 1 being least important, Encourage Apartment Buildings received the lowest average rating of 1.80. The highest rating was a 4.17 regarding Road Maintenance, followed closely by widening Center Ridge Road with a 3.89 and Commercial Growth with a 3.87, confirming what I always believed in regards to Center Ridge Road and bringing in business.

I am extremely gratified by the response to the survey. We will continue to tabulate the results and will provide a more complete response in a future utility bill. We will also try to summarize the written comments to the question, what would you do to cut expenses in the City as they are quite informative when taken as a whole, besides being quite interesting on an individual basis. Samples of some of the individual responses included "remove all traffic lights in the City", "have fund raisers like bake sales to help balance the budget" and one of my personal favorites, the individual was not sure what the answer was but was "sure that if we looked deeply within, we would surely find what we were looking for".

Now let's turn to finances. Economically, 2004 was another tough year for our City. Like other cities, North Ridgeville realized a decrease in state tax revenue distributions. 2004 witnessed additional budget cuts. We cut controllable operating expenses by 30% last year. City income tax collections earmarked for capital expenditures of nearly \$600,000

were again transferred to the City's general fund for operations to "stay afloat". The City was also forced to borrow \$300,000 for needed capital items, including 10 new police cars. We cannot morally expect our cops to protect and serve with vehicles that have close to 200,000 miles on them, that continue to breakdown and are not dependable.

On a positive note, City department heads worked diligently with the City, living within their already strained budgets. Labor contracts were ratified which included no wage increases for 2004. And the City, as mentioned earlier, aggressively sought and received nearly one-half million dollars in state and federal grants.

As a result, the City ended 2004 with all funds in the black. That's the good news.

The bad news is the City is facing a \$750,000 deficit for 2005. The City has already taken action to transfer future tax collections again from capital expenditures to the general fund for operations, the third straight year. And, still additional budget cuts will be mandatory in 2005.

To remedy this situation, the City is proposing to the electorate, a City income tax rate increase to 1.5% from the current rate of 1%. In conjunction with this increase, we will increase the tax credit for those that work outside the City from 10% to 40%. This means that those residents who work outside the City will realize no net increase in their taxes to the City. The increased revenues will come from those of us fortunate enough to live and work in North Ridgeville, as well as those who do not live in North Ridgeville but do work here. The 1.5% rate is comparable or better than most surrounding City's. For example, in Lorain County Avon, Avon Lake, Grafton and LaGrange are all 1.5. Avon Lake, Elyria and Lorain are all 1.75. Wellington remains 1% but they give 0 credit. In Cuyahoga County rates are generally the same or higher. Westlake and Bay Village are 1.5%. North Olmsted,

Brookpark, Cleveland and Parma are 2% and Parma Heights is 3%.

While this tax rate would still keep the City very competitive with other municipalities, the increased tax collections would eliminate the projected deficit, would allow us to acquire needed capital equipment, and would help make our City a safer and better place to live and work. It is projected that the tax increase would generate \$1,079,000 annually. Please support our income tax ballot issue. To complicate the issue, the State is looking at reducing or eliminating our Local Government Funds. This is approximately \$600,000 or a little more than 5% of our General Fund budget. This would have a disastrous affect on all local municipalities. Please make Senator Armbruster and Representative Martin aware of your strong opposition to any further cuts to the LGF. The State needs to get their house in order, but not at the expense of local government.

Finally, as we near the end of the 2005 State of the City address, let me bring you up to date on several items that I know most of you are interested in.

First, the property on Lear Nagle that is commonly referred to as the Staubach property. I continue to contact their representative monthly, and there is some preliminary interest in doing something with the property. On a scale of 1 to 10 with 10 meaning eminent development, I would give this a 4. Better than nothing happening, but lukewarm at best right now.

I have been in constant contact with the owner of the gas station at 83 and 20. The property is now for sale. We received a grant and have had the property analyzed for contamination, and it remains contaminated. I have met with an environmental firm that is working on an estimated cost of clean up, and a real estate firm to appraise the property. There are 3 options to get the property cleaned up and make it useable. 1. Would be for the State to make the owner remediate the property.

However, the State has been trying to do this since 1997 with no success. 2. The State could assume the cost to remediate and try to recoup their costs from the owner, but they are unwilling to do so. 3. The City can obtain a grant to remediate, but we would have to own the property. I want to point out that if we were to acquire the property in some manner, the liability for the pollution would remain with the generator. I would rate the possibility of something happening with this property as a 6, slightly better than average.

Lastly, the old Ridgeview Shopping Center. Negotiations are currently underway that could lead to positive improvements to this property. I would consider it reasonably possible, a 7, that something will finally be done to address this long time eyesore at the western gate of the City during 2005.

I don't want to get anyone's hopes up, but I do want you to know that we are working diligently on addressing these concerns, and let you know they are not being ignored.

And there are other new projects that continue to evolve. It is gratifying to me to know that North Ridgeville is rapidly becoming recognized by commercial developers as the place to be. I believe that development is coming and will not only allow us to shop for more things in our own community, but to help us alleviate the tax burden on our residents and contribute to the positive growth of our City.

2004 was a good year for the City. We accomplished a lot, not the least of which is that our employee moral is excellent even though we continue to ask them to do more with less. Rooftops continue to go up, we are adding new jobs and North Ridgeville remains a safe, healthy place to live, raise your children and retire. We are indeed, a community of great residents and great employees with a fantastic future. As I travel around and meet people from other municipalities in Ohio, they know who we are and their remarks are flattering.

I have really enjoyed my first year serving as your Mayor and will continue to work hard to move our community forward in a positive manner, and with your help we will remain one of the best communities in Northeast Ohio. Remember, my door is always open to each and every resident of North Ridgeville. Please feel free to stop by and say hello.

Thank you.