

**Report and Recommendations to  
Gahanna Mayor and City Council  
By the Citizens Financial Advisory Committee  
December 6, 2010**

## **I. Letter from the Committee**

The members of the Citizens Financial Advisory Committee (CFAC) express a deep appreciation to Mayor Stinchcomb and members of Gahanna City Council for providing the opportunity to meet, discuss, debate, and offer recommendations to be considered by Council regarding the financial future of Gahanna. The committee particularly expresses their deep appreciation to all the members of the City's administration, especially Angel Mumma and Brandi Braun, for their tireless efforts in responding to each of the committee's numerous requests. We were provided with an unprecedented amount of financial information, city plans, strategic initiatives, cost control efforts, and other materials critical to our deliberations. The administrative staff was diligent and organized, providing impressive presentations in every aspect of city services, making our task of sifting through and understanding this information as efficient and fully as possible.

Members of this committee brought their individual, unique perspectives and objectives to the complex charge of recommending actions that, if accepted by Council, will impact every citizen living and/or working in Gahanna. Through the course of our semimonthly meetings, we came to realize that all shared the same passion for our City and took our responsibility for these recommendations with the same attention to detail as if it were our own financial circumstances. The strength of the CFAC was not in what we had in common, but in what we disagreed on. Our members' ability to discuss freely and without rancor the various options available to this committee was crucial to achieving these recommendations. This group of disparate citizens, bound only by their residence and love for this city, probed and prodded administration officials and each other on every aspect of their decisions and strategies.

It was immediately evident this passion for our City already existed with the Mayor and all administrative staff and served as a catalyst to work through the varied perspectives and opinions expressed throughout the process. Each member of the committee was afforded the opportunity to second guess, challenge, and dispute actions taken by members of the administration. Throughout our months of working, we all come away

with a positive belief that our city administration is staffed by caring, conscientious, hard working people trying to fulfill the obligations to Gahanna's citizens and business partners in the most economical way possible.

While the economic environment we are currently in did not happen overnight, the CFAC notes that responsible stewardship actions taken by the administration and Council did not start with the formation of this committee. We were educated about a number of initiatives implemented to address the maturation in the residential and business growth of Gahanna and the economic consequences of that evolvment while maintaining city services to minimize the negative impact on its citizens.

As our committee came to the point of drafting our recommendations for Council, we coalesced around three main points:

1. City administration officials have been forward thinking in their efforts to address revenue short falls in a proactive manner.
2. City officials have not been as effective in promoting that financial prudence to the citizens of Gahanna.
3. The future of Gahanna and the desire to be a location of choice for homeowners, renters and businesses is dependent upon how much we are willing to invest in our city.

In summary, our recommendations to Council are the result of the vision/support of the Mayor, the hardworking members of the administration, and the community spirit and passion of the citizens who served as the CFAC. Finally, but no less importantly, the excellent assistance of our facilitators, Tim Hansley, and Michelle Crandall kept all of us on track, with an effortless manner that belies their high level of professionalism, which made our journey a most worthwhile experience. All of us come away from this task with a stronger appreciation and respect for our city officials, staff, and our fellow citizens.

## II. Executive Summary

In July 2010, the Mayor, in cooperation with Gahanna City Council, appointed a Citizens Financial Advisory Committee (CFAC). The committee is a diverse group of Gahanna residents and businesspersons; some were asked to serve directly and others volunteered. The committee was charged with reviewing the General Fund's 2011 planned revenue and expenses and the five-year forecast to assist the City in developing recommendations for the coming year and the future.

Based on the strategic thinking of the CFAC, the recommendations were categorized into four key focus areas: Revenue and Budget, Sustainable Growth, Accountability and Assessment and Innovative Revenue. The four focus areas are a result of diverse perspectives and a collaborative effort by the committee. These four focus areas have been identified as having a large payback opportunity for the City.

***Revenue and Budget recommendations*** directly impact the major revenue and expenditure plans for the City. The income tax rate has remained unchanged for over 33 years while some of the surrounding cities have increased their income tax rate several times in the last decade. Forty-nine percent of the City's income tax revenue is paid by individuals who work in Gahanna yet live elsewhere. While this makes Gahanna an attractive place for employees that do not live in Gahanna, it has placed a huge burden on the City's ability to provide basic services, to protect and invest in the City's aging infrastructure and is one of the primary driver in the forecasted \$8 - 10 million dollar annual budget gap over the next five years. A distillation of the revenue and budget recommendations is as follows:

- Increase the income tax to 2.5%
- Maintain a reduced credit and increase it modestly to 85% from 83.33%
- Create a Capital Improvement Plan and dedicate annual funding

***Sustainable Growth recommendations*** are specifically geared toward protecting and growing Gahanna's business base, which is absolutely integral to sustaining Gahanna's financial future. These recommendations are by far the most long-term in nature.

Although they will take time to achieve, it is imperative that Gahanna be forward thinking and continue what it has started – even during difficult economic times.

- Protect and strengthen economic development initiatives
  - Maximize infrastructure investments
  - Maximize quality of life investments
  - Encourage higher density development
  - Encourage vertical growth

***Accountability and Assessment recommendations*** speak to the City’s need to continue to demonstrate accountability and fiscal stewardship of tax dollars. It is a goal of the City’s Administration to be transparent with financial data, to increase communications on performance in a timely manner and to make the financial data easy to understand. The accountability and assessment recommendations are:

- Review and prioritize City services and service levels
- Establish a comprehensive performance measurement system
- Conduct an annual cost of services study
- Consolidate departments and contract out services
- Utilize technology

***Innovative Revenue recommendations*** are geared toward encouraging the City to pursue “out of the box” strategies as it relates to raising revenue, leveraging internal capacity and collaborative partnerships.

- Provide City services to other entities for a fee
- Examine collaboration and partnerships
- Maximize financial investments

It is anticipated by the CFAC that these recommendations, once adopted and implemented, will result in longer term secured funding, improved returns on existing economic development investments, continued accountability and fiscal stewardship and increased revenue opportunities for the City.

### **III. Background**

In July 2010, the Mayor, in cooperation with Gahanna City Council, appointed a Citizens Financial Advisory Committee (CFAC). The committee was a diverse group of Gahanna residents and businesspersons; some were asked to serve directly and others volunteered.

#### Citizens Financial Advisory Committee Members

Bobbi Burba	Matt Monell
Bryan Cerqua	Stephen Renner
Steven Dawson	Jan Ross
Leslie Gutter	Hank Schlake
Dewitt Harrell	Steve Snedaker
Jerry Isler	Nicholas Snow
Don Jensen	Eric Troy
Scott McComb	Chuck Weiden

The committee was charged with reviewing the General Fund's 2011 planned revenue and expenses as well as the five-year forecast and capital improvement plan to assist the City in the coming year and the future.

The Committee was asked to meet on a regular basis to become educated and review financial information, become more knowledgeable about City departments through presentations and interviews and subsequently make recommendations to the Mayor and City Council as it relates to the financial sustainability of the City.

Tim Hansley, Delaware County Administrator and Michelle Crandall, Director of Administrative Services for Dublin, served as volunteer co-facilitators for the group (Appendix A). The committee chose to not elect any chairperson(s). Angel Mumma, Director of Finance, Brandi Braun, Assistant City Administrator and Jennifer Teal, Deputy Director of Finance, served as ex-officio members and liaisons back to the City Administration.

The Committee met every two weeks for a total of nine meetings. The first two meetings were educational in nature and consisted primarily of presentations by the Finance Department on General Fund revenue, General Fund expenses, income tax rate scenarios and financial policies (carryover, reserve fund, investment). Based on the introductory presentations, the Committee

requested additional information and presentations that included business attraction, retention and expansion strategies, economic development incentives, annexation, Creekside, Central Park and Public Information.

The Committee also invited public opinion and feedback be sent to [cfac@gahanna.gov](mailto:cfac@gahanna.gov). The request for feedback was communicated to the public via press release and subsequent local news articles, inclusion in the City e-newsletter, City Facebook and Twitter accounts. A comprehensive list of the feedback received is attached as Appendix B.

#### IV. Economic and Financial Conditions and Analysis

This year, 2010, is the first year the City of Gahanna created a five-year economic forecast and budget, which reflects a continued structural deficit. A number of conditions lead to the structural budget imbalance the City is currently facing and will face in the future: 1) The ending of The Industrial Zone (TIZ) Revenue<sup>1</sup>, 2) The City being nearly in a “built-out” status, and 3) The slowdown of the economic boom and growth of the 1990’s. The economic impacts of these trends are further compounded by the current recession<sup>2</sup>.

The five-year economic forecast is based on actual planned revenue and expenses for 2011. The expense numbers for years 2012 – 2015 reflect service levels of 2007 and prior. In other words, the last four years of the five year plan were done as an exercise to illustrate what it would take for Gahanna to return to “normal service delivery” for its residents. The chart on page 8 shows the projected General Fund Revenue and Expenditures in each of the years.

Year	Revenue	Expenditure	Variance
2011	\$22,419,142	\$23,004,989	<\$585,847>
2012	\$23,269,076	\$31,983,932	<\$8,714,856>
2013	\$23,927,200	\$34,647,195	<\$10,719,995>
2014	\$22,895,403	\$35,997,626	<\$13,102,223>
2015	\$23,087,109	\$34,009,283	<\$10,922,174>

The CFAC focused its efforts on the activities of the City’s General Fund, as it is the fund that incorporates the activities of the majority of the City departments including public safety, public service & engineering (excluding water, sewer, and stormwater), parks & recreation and general governmental support, such as human resources, council, mayor’s office, and finance.

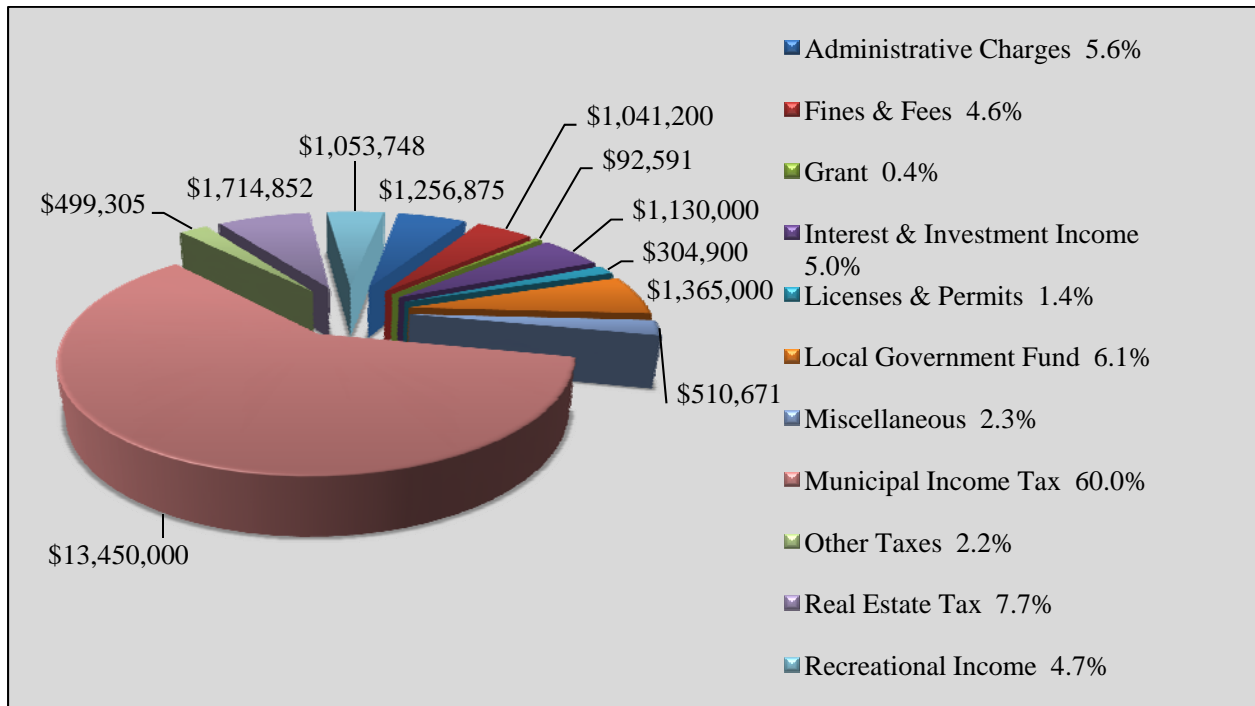
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<sup>1</sup> The TIZ, or The Industrial Zone, is an approximately 105.21 acre area that the City purchased as vacant land 30 years ago and leased to various businesses for an annual lease amount. Through the leases, the business tenants made real property and infrastructure improvements to the land increasing the taxable value of each of the properties. The incremental increase in real estate taxes due to the improvements was captured and returned to the City in the form of payments in lieu of taxes (PILOTS) that paid back the City for the original investment made of the land purchase. This revenue stream, which helped in offsetting a large number of general fund expenditures, ceases in 2010, resulting in added expenses to the general fund.

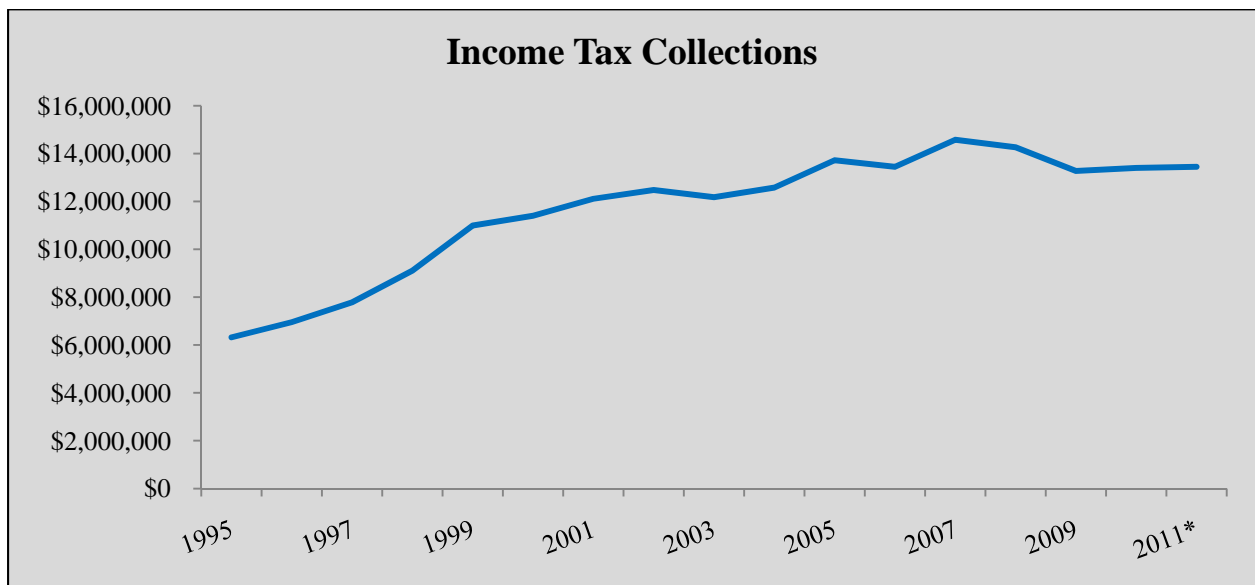
<sup>2</sup> The financial crisis of 2007 to the present is considered by many economists to be the worst financial crisis since the Great Depression of the 1930’s, resulting in the failures of key businesses, high unemployment, a significant decline in economic activity, a collapse of the housing industry, and collapse of large financial institutions



The City's 2011 General Fund revenue is broken down as follows:



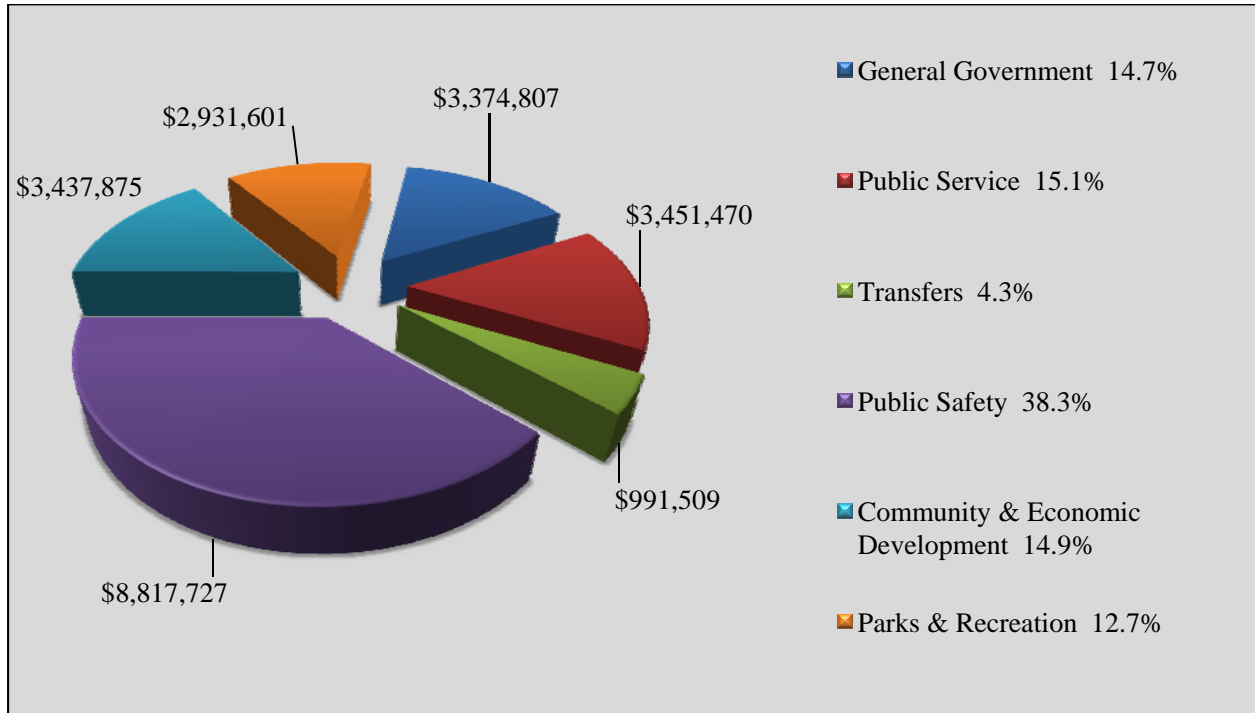
The City's reliance on the municipal income tax is similar to other Ohio municipalities. The growth in residential and commercial development within the past two decades provided a solid tax base for the City.



\*Projected Income Tax Revenue

However, as the City reaches a “mature City” status, it is recognized that the growth in income tax revenue that has provided an increasing revenue stream in the past is not a reality in the future. Furthermore, with a new Governor and many new legislators recently elected to office, along with Ohio’s immediate budget challenges, a decreased allocation to the Local Government Fund looms as a real potential for the next biennium. Currently, 6.1 percent, or \$1,365,000, of the City’s annual General Fund revenue is received through the Local Government Fund.

The City’s 2011 General Fund expenditures are broken down as follows:



## V. **CFAC Recommendations**

### **Revenue and Budget Recommendations**

#### **1. Increase the Income Tax Rate by One Percent**

In an effort to re-strengthen the foundation of service expected by Gahanna citizens, as well as to grow the City's quality of life and sustainability, it is recommended the income tax rate, one of the lowest in Central Ohio (Appendix C) and unchanged for the past 33 years, be increased 1.0% from 1.5% to 2.5%. It is further recommended this initiative be placed on the general election ballot for vote in November 2011. This timeframe allows the City to continue to increase its efforts to communicate, educate, and engage Gahanna residents and businesses about what services the City provides, what has been eliminated, and what is at risk to be eliminated. These efforts must not be communicated as a threat, but as an objective and difficult assessment based on facts. Residents must additionally be educated on the income tax structure, credit system, and financial impact.

#### **2. Modify the Current Reduced Credit Provided for Taxes Paid to Another Jurisdiction**

While the increase in the income tax rate from 1.5% to 2.5% will generate critical revenue for the City, the CFAC recognizes that because of the makeup of our tax base, the partial credit provides additional revenue and ensures that all residents are paying some income tax to the City. Therefore, it is recommended that City Council change the credit provided from 83.33% to 85.00%. This change in the credit results in a net increase in taxes paid to the City from a resident that works outside the community of 0.125% (from .25% to .375%). Appendix D illustrates the impact of the change based on \$50,000 of income.

#### **3. Create a Capital Improvement Program (CIP) and Dedicate Funds Annually**

Currently, some departments have a five-year capital improvement plan, although it is not directly tied to a funding source. The CFAC noted there were \$2.5 million general fund capital requests for the 2011 budget and the current budget recommendation to Council includes only funding for minor pool and golf course repairs, in the amount of \$28,400.

The City does not currently have a separate "capital budget" or a dedicated source or amount of funds for capital.

Examples of items *eliminated* from the 2011 budget:

\$ 980,000 for street maintenance and repair (including mandatory ADA compliance)

\$ 456,000 for 10 police vehicle replacements

\$ 134,500 of information technology software and equipment

\$1,570,500 total (for above example only)

Future Funding Needs that will need to be prioritized on an annual basis (not inclusive):

- Street maintenance program (\$1,380,000)
- Major roadway improvements (Hamilton Road Central, South Stygler, West Johnstown)
- Police vehicle replacements
- City facility maintenance and upkeep
- City equipment maintenance and upkeep
- Information technology upgrades and equipment
- Fiber optic expansion
- Park improvements and maintenance
- Bike trails
- Shelters
- Athletic fields
- Irrigation

It is the strong desire of the CFAC to see that Gahanna's current infrastructure, community amenities, facilities, equipment and technology are properly maintained, repaired and replaced. Therefore, it is recommended the City annually dedicate a set percentage of income tax revenue for sustained capital improvement program (CIP) funding, for both short-term and long-term needs, based on an effective cost-benefit analysis. Policies are to be established to determine an annual set-aside for capital funding.

## **Sustainable Growth Recommendations**

### **4. Protect and Strengthen Economic Development Initiatives**

#### **a. Maximize Investments**

To ensure that the infrastructure and quality of life investments already made by the City contribute to its long-term viability, it is recommended that Council and the administration leverage the City's infrastructure investments to maintain and attract new businesses in order to generate additional income tax revenue.

Examples of infrastructure in which the city has invested funds and should be leveraged to attract businesses to the City:

- Fiber optic system
- Creekside
- Central Park
- Roads
- Sewers
- Waterlines

Examples of investments that impact the quality of life in Gahanna:

- Police services
- Parks system
- Bike trails
- Recreation programs

#### **b. Encourage Higher Density and Vertical Development**

To encourage more economic development growth by increasing current density restrictions and allowing for more growth and expansion opportunities in order to facilitate a business-friendly climate leading for the purpose of generating additional revenue.

## **Accountability & Assessment Recommendations**

### **5. Review and Prioritize City Services and Service Levels**

On an annual basis, prioritize mandatory, core and secondary services. This will allow the City to prioritize services as well as to determine where reductions may need to be made. This process is to include input from residents related to expected service levels, ranking of services, and willingness to contribute more to maintain existing service levels.

### **6. Establish a Comprehensive Performance Measurement System**

Building upon current performance measurements, develop and use comprehensive performance measurements to establish metrics that can be measured against goals, used for strategic planning and budgeting, and compared to other local governments. Performance measurements provide valuable information for informed decision making related to cost of services and process improvements for the purposes of communicating and marketing accountability to residents. It is recommended that a preliminary performance measurement program be started in 2011.

It is further recommended to examine joining Central Ohio performance measurement consortium for the next round of measurement and benchmarking.

### **7. Conduct an Annual Cost of Services Study**

- a. Analyze all charges for services and fees on an annual basis to ensure that the revenue generated is covering the cost of the services provided if it has been deemed that costs are to be covered by the charges imposed.
- b. Examine fines and fees to ensure that the charges assessed are in line with other local municipalities.
- c. Continuously analyze services provided to various groups and entities to determine if those services can be provided at a cost benefiting group/entity or, at a minimum, be cost neutral to the City.

## 8. Consolidate Departments and Contract Services

Gahanna has already entered into some partnership agreements for service delivery either through collaboration with other entities or contractual agreements. Some examples of *external* work Gahanna has contracted or consolidated with other governmental agencies:

- Regional Income Tax Agency (RITA) for tax collections
- Board of Health/Mosquito Control
- Shared 911 infrastructure with MECC, Whitehall and Gahanna
- Liability/Property Insurance
- State Co-op purchasing program
- Landscaping & some mowing
- Utility bill production and mailing; lock box processing (payment collection)
- Refuse collection
- Capital improvement plan design, construction and inspection

The City has also undergone numerous *internal* consolidations and changes many of which were the result of a staffing analysis conducted in 2005. Some of these changes include combining Service and Engineering into one department and transitioning the Building Division into the Development Department.

It is recommended that, at least biannually, the administration examine service consolidation and contracting to control costs while maintaining or enhancing service levels. Consolidation should be examined internally among City departments and externally with other governmental organizations.

## 9. Utilize Technology

Continue to explore and utilize technology solutions to control costs, improve efficiencies, solve issues and maintain service levels. Examples of current technology utilization include:

- Online application system
- Electronic finance and timekeeping systems
- Pavement rating system
- Geographic Information System (GIS) for mapping and tracking City infrastructure and assets
- Next Generation 911
- Wireless/automated meter reading
- Traffic signal central database system (remote access to signal programming)

## **Innovative Revenue Recommendations**

### **10. Provide City services to Other Entities**

Analyze opportunities whereby the City can increase revenue by providing services to other entities, initiate conversation with potential partners, and enter into agreements through negotiation. It is additionally recommended that Council and administration pre-agree on entering these discussions to provide an optimum and expeditious decision process.

### **11. Examine Collaboration and Partnerships**

Identify opportunities whereby local businesses can be approached for naming and sponsorship opportunities. It is further recommended to examine programmatic opportunities for sponsorship. This type of outreach has begun to occur under the auspices of the Gahanna Parks and Recreation Foundation.

### **12. Maximize Financial Investments**

Annually review City's financial investment policy and investment portfolio to ensure it is providing the highest investment return with maximum security while meeting all liquidity and operating demands of the City.



## VI. Conclusion

A Call to Action:

The content of the information in this document was prepared by the members of the CFAC, with the vision of protecting and strengthening Gahanna's future as a premier city. A city that is an innovative model community that values its rich heritage, pursues high standards and where citizens respect one another. Gahannians take great pride in supporting their current attraction venues such as, the Creekside Blues & Jazz Festival, Creepside Festival, Holiday Lights, July 4<sup>th</sup> Freedom Festival and Holiday Lights! Parade. They take even more pride in protecting resources already in use and getting the most return out of the city's infrastructure to ensure timely, reliable, safe, quality services for all.

Despite the current economic conditions, it is imperative and vital that the city have an innovative plan that is forward-thinking and supports future needs. We believe that all of the proposed recommendations above will do that. Of special interest, *recommendation #4; Protect and Strengthen Economic Development Initiatives* provides a unique opportunity for Gahanna's future. There is a spiritual saying "that without vision, the people will perish." Gahanna's future is full of potential to become a world-class destination city for sustainable entrepreneurship, leading edge technology, quality education and "inviting green space".


In order for Gahanna to continue to be a top city for many to call home, to compete for future business, and to continue its award winning standards in education, citizens of Gahanna must be willing to invest, take some risks, hold many accountable, and empower many more to work hard to attain the City's top potential. You see, it is not about the Gahanna that we live in today, or lived in yesterday, it is about the Gahanna that our sons, daughters, grandchildren and generations yet unborn will live in, in the future. It is our turn to plant the seeds today for a great harvest in the future.

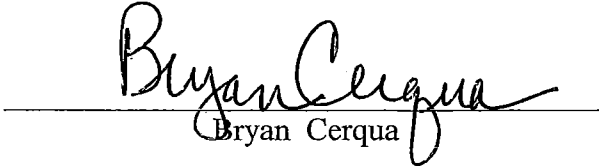
It is our hope that the members of Gahanna City Council will support the vision of Mayor Stinchcomb and the CFAC, in establishing Gahanna as the premier model city, where citizens and government collaborate to protect, grow and strengthen Gahanna's future.

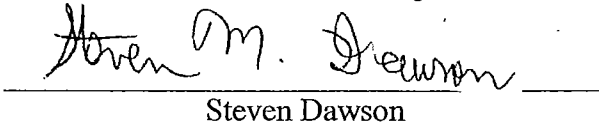
*Signature Statement*

The signatories on the following page certify they have been through a collaborative, deliberative, democratic process through which information has been presented, discussed, debated and analyzed. Through the process, recommendations have been made through a consensus building process lead by the co-facilitators. Although every member may not agree with each recommendation, each member does attest to the process and the fact that group consensus was reached.

**VII. Signatures**

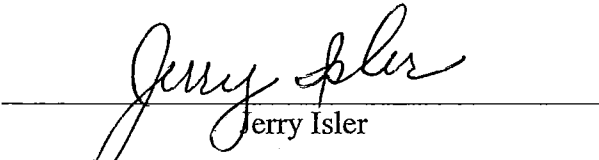
  
Bobbi Burba

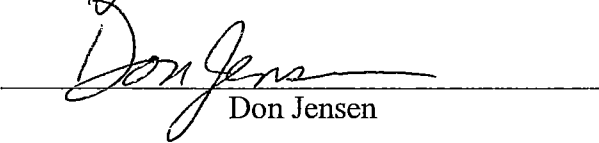
  
Bryan Cerqua

  
Steven Dawson

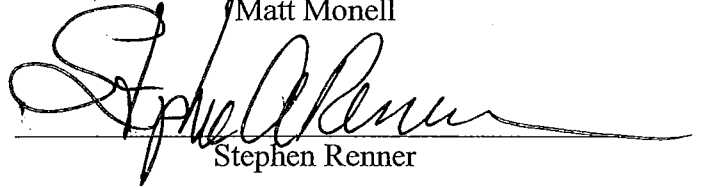
  
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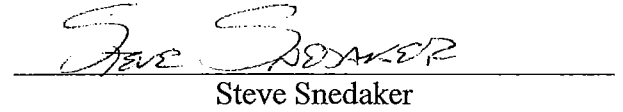
  
Don Jensen

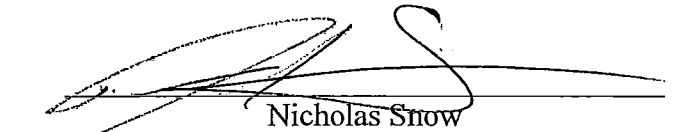
  
Matt Monell

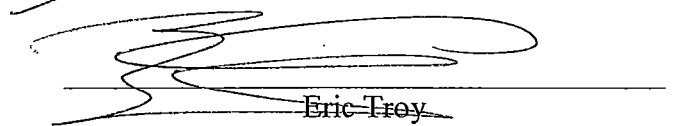
  
Stephen Renner

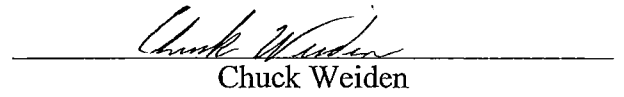
  
Jan Ross

  
Hank Schlake

  
Steve Snedaker

  
Nicholas Snow

  
Eric Troy

  
Chuck Weiden

# Appendix A

## **Timothy C. Hansley**

Tim Hansley, who was appointed as the Delaware County Administrator at the beginning of November, has been serving as the Committee's primary facilitator. Tim has more than 35 years of experience in local government management and finance. He previously served as the City Manager in several Ohio communities, including fourteen years as Manager in the City of Dublin and eight years in the City of Lebanon. He has been an adjunct professor for both Capital University and Wright State University. Tim has served in many leadership roles in his professional organization, including as Board President of the Ohio City/County Management Association and as Board Chair of the Franklin County Emergency Management Agency. He has a B.A. in Political Science from Capital University and a Master of Public Administration from the University of Oklahoma.

## **Michelle L. Crandall**

Michelle Crandall has served as co-facilitator for the Committee. Michelle currently serves as the Director of Administrative Services for the City of Dublin. She has been with the City of Dublin for almost eighteen years; six years in her current position and several years as the Assistant City Manager and Management Assistant. In 2006, she was named as a "40 Under Forty" award recipient by Business First. Michelle is an Executive Board Vice-President for the International City/County Management Association (ICMA) and chair of the Ohio City/County Management Association (OCMA) professional development committee. She has a B.A. in Political Science from Wittenberg University and a Master of Public Administration from The Ohio State University.

## Appendix B

# CFAC Community Feedback 10.12.10

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I am happy that you are soliciting taxpayer input on city services.

There are a few things I've wondered about and this is the perfect forum to bring them up.

One of the most frequently commented on and discussed topics amongst Gahanna residents that we know is the dedication of manpower to keeping Creekside clean at all times. Every single morning, there are at least 3 men there sweeping or blowing debris or using snow blowers/ shovels in bad weather. I understand the need to keep it clean and attractive, however, it's not like the city is cleaning up after throngs of people. My neighbors and I often question this use of manpower. (Perhaps if there are too many employees, the answer is to eliminate a few rather than creating busywork for them.)

I also think that you should examine the guidelines for plowing and salting our roads. I distinctly remember the city running out of salt last winter, thus necessitating purchasing additional salt at a much higher price. There were several instances when I wondered why the streets were even plowed, much less salted. I live on a hill on one of the last streets to be plowed. I don't expect the streets to be clean and dry, just passable. I have no idea what the city spends on salt or on the labor to drive the trucks. It just seems that there could be a more judicious use of those assets.

How much do we spend on street cleaning? There rarely seems to be a need for that service. I know that the storm sewers need to be kept free of debris but we take care of that when there is any accumulation

as do our neighbors. Do we really need to pay for that to be done?

You could remind people that the storm sewers need to be kept clear by putting an insert in the water bill.

My other comment is about why it seems that just about every city truck has been replaced lately. I understand that equipment wears out and needs to be maintained and updated periodically but all at the same time? If you know leaner times are ahead, do you go ahead and make purchases that could perhaps be put off a little longer? Maybe some of those people who are always cleaning Creekside could maintain city vehicles.

I hope this provides some input. I think most people realize that we need to cut city services as tax revenues fall. Citizens should be made aware of the cuts that are being made and government needs to keep in mind that increasing taxes is not the answer. Cutting spending is.

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I did have 1 question. Do you know if Gahanna has any plans to revitalize the existing / build a new community pool? Many other local areas (Westerville, New Albany, Dublin, etc) have a great community recreation area/pool and I feel we are missing that in Gahanna.

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1. I have lived in Gahanna most of my life, I feel safe in the community I live in.
2. I live on the old side of Gahanna off of Stygler, I have noticed that roadwork has been started recently. I am pleased about that.
3. I feel comfortable with the police and fire service that is provided in my community.

1. I have issues regarding the water and sewer bills. I understand that costs are always increasing. I was very unhappy about the fact that they moved the due date of the quarterly invoice up by 6 days.

2. Last year was a bad snow year. Snow removal was an issue most of the winter.

1. I am pleased with the Creekside area. It is beautiful and business friendly. I have taken advantage of the summer weekend activities. The thing that concerns me is that on Friday and Saturday that area rolls up the sidewalk at 10:00. My friends and I have to move to another end of town for entertainment after that time. Your marketing team is terrific, could they come up with something to keep the people at Creekside for the rest of evening after the activities.

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Nancy McGregor (one of my neighbors) sent the e-mail copied below to people in my neighborhood so I am sending my thoughts to you. It is the perception among people that I talk to, that one of the major reasons that Gahanna has financial problems is because of Creekside. Gahanna spent a ton of money on the project and it is not flourishing and bringing in the anticipated money. Face it - the shops that are still at Creekside just do not draw in people. I ate once at the Italian restaurant there and found the food to not taste that great and the prices were high. I never went back to that restaurant. I have heard several others complain about the same thing. I liked Seekers. They were the best eatery at Creekside and they aren't there any more. I also liked Buck Milligan's and they are gone. The jewelry store has a bunch of expensive things that I would never buy and wear even if they were cheap. I am not interested in candles or getting my nails done. What I am saying is that if you don't have shops that people are interested in, then they are not going to go to Creekside. I might add that the ice cream shop (Cold Stone) is a good idea but it would be better to have a shop that doesn't have ice cream with such a high fat and calorie content. I know people who say that because of the fat and calories in Cold Stone ice cream they will never go there. I don't go there either. Baskin-Robins would have been a much better

choice to put at Creekside.

Why not put in a Hallmark Store at Creekside? Or a bookstore? I've often wished that Barnes and Noble would have a store at Creekside. I love that store and so do many others. I am also fond of LifeWay Christian Bookstore. I frequently go to the one at Polaris but would much rather go to one at Creekside because it is closer to my home. Gahanna has no Christian bookstores since the one on Granville Street went out of business years ago. A Christian bookstore might draw people to Creekside.

Or, what about something unique to Creekside that would draw people to Gahanna? I love the countries of the world section of EPCOT in Orlando, Florida. Perhaps something of that nature on a much smaller scale - something that people can't go elsewhere in central Ohio to see. I would love to go to Creekside to see the culture of other countries - their dances, their foods, their customs, etc. Others may have ideas for giving a unique aspect to Creekside that would draw in people from all over - ideas I never thought of.

I think that if you can improve on Creekside and turn it into a place that draws people - and their money - to it, then it can be a big boost to the city economy. I know that lots of people go there for special events but the rest of the time you just don't see many people flocking to Creekside. And empty storefronts don't attract people either.

Also, I read last summer that it was the last year for 4th of July fireworks in Gahanna because of lack of funds. I know that fireworks are not necessary for any city but I think it is a shame to get rid of them on Independence Day. Perhaps there could be 4th of July events that would bring in revenue to help support fireworks. I remember when the Gahanna Lions Club had a chicken barbeque every year which (I understood) made a lot of money. I absolutely loved that - so much so that even if they had charged quite a bit more for the meal, we would have paid the money for it. We were so disappointed when the Gahanna Lions Club stopped the meals. Perhaps this could be taken on by the city as a money-making venture to help support fireworks in Gahanna.

One thing that will turn off Gahanna residents mighty quickly is to raise taxes. We already feel that we are overburdened with taxes. The perception is that we pay a bunch of money in taxes and are not getting our money's worth. I can't begin to tell you the number of times people have said that our tax money went into Creekside and it just wasn't worth it! So I am back to the main suggestion of this e-mail. Do something about Creekside - make it into a place that people flock to and spend money at and get city revenue from that.

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If the city has declining revenue, then the city must cut expenses, That's what businesses have to do. Businesses can't arbitrarily just raise their prices (i.e.raise taxes) just because

they want/need more money. Ohio is already one of the most heavily taxed states in the country and that is one big reason why it is not considered business-friendly.

I realize it's easy to say 'cut expenses' without saying where. I believe the city should publish the entire budget of the city and solicit suggestions from the residents as to what parts of the budget should be cut to meet income.

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In response to a recent request from the Gahanna Citizen's Committee to review city finances, I offer a point of view.

I will be shocked if you find that the City of Gahanna is dramatically overspending its income and needs to cut back and live within its means. Such committees, almost invariably, find that the city needs new tax dollars.

The city receives an increase in tax funding every time citizens receive a raise in their salaries. If the city's resources are diminishing, it is because the citizen's incomes are diminishing.

As a city we need to live within our income and not place new financial burdens upon our already hurting citizens.

One area I would recommend to start saving is to stop giving major tax breaks and subsidized loans to new businesses who persuade cities to bid against each other for their building and benefit. Corporate welfare is one of our greatest problems, along with prolific spending.

As with charity, the savings begins at home.

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Seeing as the deadline to communicate is tomorrow, I figured I should drop you a quick line showing my support for strong parks and recreation in our community. As chair of the Gahanna Parks & Recreation Board, I feel very strongly that a good parks and recreation system makes for good a community. Parks and recreation is one of the reasons I am so proud of Gahanna! Every time we have friends or family come in town, we take them to park. Whether it's swinging at Hannah, playing in the shelter house at Friendship (my 2.5 year old is obsessed with the fans - go figure!?! ) or feeding the ducks at Creekside, it is always a good time!

Our parks and recreation system can be the best - and why shouldn't we want the best for our community? A letter from a concerned Gahanna resident was shared with us last night at our monthly meeting. And while I was sad because she has a valid complaint about the lack of playground equipment at Rathburn Woods Park, I also felt sad because the parks and recreation department would love to help her out but they have no budget to do so.



I know we are in tough times right now. But tough times are when residents depend on their city government the most. So speaking as a resident, please don't forget about our parks and recreation!

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I would like to express my gratitude for all your efforts thus far in working to find a viable financial solution to the problems our city faces currently. I have live in Gahanna nearly 8 years now and still believe it is a great community to live and raise a family. When looking for a house, we were looking in many locations around the area. When we found our current house and realized how close it was to such a beautiful park (we live within walking distance to Friendship Park) we were sold. That amenity added tremendous value to us for we wanted to raise our family. Since we've been here, the shelter house has been improved, the basketball and tennis courts have been resurfaced, a new play ground has been installed. There are summer camps that our son attends and in the summer there is the fantastically popular Music in the Park. This is a great example of how a high quality park system brings a community together and can improve the quality of life in a community. Recently the parks partnered with the Gahanna Schools to add murals to the bridge footings on the Big Walnut Creek. Schools, parks, and community all came together to support this event and improve what was an eyesore.

I believe that how cities support their parks is a direct indicator of the quality of life within the city. Business that may want to relocate into Gahanna consider that quality of life for their employees and clients. Gahanna's parks add value to local businesses (support of Creekside Blues and Jazz Festival, Freedom Festival, Concerts on the Creek, Classics on the Creek etc) and the park's quality supports all economic development within the city. When comparing our parks and department to other systems around the region, it is very clear that the parks department has done a fantastic job managing its resources and getting more done with less. However, the recent budget cuts have required cuts in service and community programming and has finally begun to show. This is a tragedy for our city, given that so many enjoy our parks and recreation opportunities. We are losing our quality of life and our economic viability.

Please understand that high quality parks in a community are not a luxury and are not a fringe benefit. High quality parks and parks programming are a necessity for a community to be economically competitive. Already we are compared with the City's of Dublin and Westerville, but in the sense of "why can't our parks be as good as theirs" rather than "we're just as good as...". To me, comments and comparisons like this tell me that Gahanna is willing to go the extra mile to support the growth and development of its parks to make them as good or better than the Dublin's and Westerville's. I ask that you put parks on the highest priority as you consider options for our city's finances. Our parks need more than

to sustain where they are now. They need to be supported to the level where they can provide the value to the community and marketability of the city that they have the potential to provide.

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In times of financial stress, property can be purchased by the City for needed Parks and Recreation projects, often from sellers willing to let go for lower prices. Now is the time to plan for better times by providing money for state and Federal matching grants for the purchase of park lands and bike trails. Better to obtain the land now and wait to do the actual improvements later. If grant money does become available for actual construction, city matching funds should be made available. I remember back in the 1950s visiting various parts of Cleveland with my Grandfather who had worked in the 1930s in the Works Progress Administration (WPA). He proudly pointed out which trees he had planted in the Metro Parks District of Cuyahoga County. I still appreciate the hope and energy that citizens and government showed, even in the darkest of financial times. Let this be a time to make the future by wisely investing in our parks and recreation infrastructure now.

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I suggest that we can cut back our winter snow plowing and salting effort which will result in savings in overtime and salt purchases. When I moved to Gahanna in 1987, Mayor Jim McGregor had a policy to only salt the main roads and a few of the subdivision roads to reduce the impact on the environment. He claimed that anyone in Gahanna lived only two streets away from a salted (bare pavement) street. I believe that they only plowed the side streets if the snow exceeded four inches. Please consider going back to that policy during these times of fiscal crisis. I also recommend that we stop all plowing and salting between 10 PM and 3 AM unless the roads become inaccessible to fire and police services. Cutting back on winter plowing and salting would not sacrifice any employees, just overtime funds. (NOTE: In the interest of full disclosure, Tresham Road was one that was plowed and salted to bare pavement standard under Jim McGregor.)

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1 We like a)--Gahanna's prompt, efficient city services--snowplow, trash removal, restoration of services after an emergency etc.; b) we like the recreational assets of the city like Creekside, the library, various parks and easy access to surrounding areas & services such the airport and Blendon Woods; c) the diversity and acceptance of anyone seeking a safe, clean, convenient place to live in an environment of equality.

2 We don't like---hmmmm--well, I guess I'd say the tax abatement for Creekside (fifteen years?) even though I understand the need for the city to help that endeavor to succeed somehow, the abatement seems a bit excessive. Still, I wish something would work to fill those residential units so vendors there could prosper. I'm sure the owners feel even more strongly about this than I do.

3 Podcasts of city council meetings?

## Appendix C

# Central Ohio Income Tax Rates & Credits

City	Tax Rate	Credit
Powell	.75%	33.3%
Pickerington	1%	50%
Granville	1.5%	50%
Marysville	1.5%	0%
Reynoldsburg	1.5%	100%
<b>Gahanna</b>	<b>1.5%</b>	<b>83.3%</b>
Bexley	2%	80%
Canal Winchester	2%	100%
Groveport	2%	100%

## Appendix C

# Central Ohio Income Tax Rates & Credits

City	Tax Rate	Credit
Dublin	2%	100%
Grove City	2%	100%
Hilliard	2%	100%
New Albany	2%	100%
Upper Arlington	2%	100%
Westerville	2%	100%
Whitehall <small>(effective 1/1/2011)</small>	2.5%	100%
Grandview Heights	2.5%	100% up to 2.25%
Worthington	2.5%	100%
Columbus	2.5%	100%

# Appendix D

## CFAC Income Tax and Credit Modification Annual Income Tax paid to City of Gahanna on \$50,000 of Income

