

CITY OF CUYAHOGA FALLS

2006 STATE OF THE CITY ADDRESS

EMBRACING A NEW CHAPTER



DON L. ROBART
MAYOR

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WEDNESDAY, FEBRUARY 28, 2007

Members of the Cuyahoga Falls Chamber of Commerce, led by the finest Chief Executive Officer in the State of Ohio, Ms. Laura Petrella, members of City Council, members of my Cabinet and fellow citizens of Cuyahoga Falls:

The year 2006 was a difficult year largely due to the economy. With revenues flat, our primary function was reigning in expenses. Despite that challenge, there was no loss of service. The Development Department had one of their biggest years ever and, most importantly, we were able to lay the foundation for many great things for 2007 and 2008. The Fire Department opened its first new fire station in almost 50 years. On top of all that, our new Natatorium has been an overwhelming success, drawing thousands of new members to this wonderful facility.

To achieve all of these successes, I want to thank my City Council, my Cabinet, the many volunteers on our Boards and Commissions and, of course, this great Chamber of Commerce for your participation and support. Together, we have indeed, made Cuyahoga Falls the shining City it has become.

ECONOMIC DEVELOPMENT

Despite the economic downturn across much of the country and the obvious pressure to make something happen with the State Road Shopping Center, the Development Department had one of their best years ever. Only 1997 and 1999 gained more economic development dollars than we did in 2006. Of the \$58,637,000 invested in Cuyahoga Falls, last year, a little over 40% was in residential construction and almost 60% was in commercial and industrial construction. And of course, any discussion about economic development in our community begins with, and ends with, the State Road Shopping Center. Several major steps have been taken in the past two years that lay the groundwork for significant change. Completed last February, the Basile, Baumann and Prost study confirmed our belief in the untapped viability of the State Road Shopping Center area. This was further confirmed while attending the International Council of Shopping Centers Symposium last March, as over a dozen interested parties, both in and outside Ohio expressed a genuine interest in purchasing, partnering, and/or redeveloping this important retail area. And more recently, in late 2006, City Council passed legislation that defines blight in our home rule community. While this is generally regarded as the first step toward an eminent domain action, it would clearly be our city's preference to resolve this matter outside the courts. We remain quite optimistic that a major transition to the State Road Shopping Center is forth-coming!

While we are pleased with the success enjoyed by the entertainment aspect of the downtown, we continue to believe quite strongly that festivals, concerts and Friday night activities can blend in very well with a greater presence of retail and residential development. To that end, the Community Improvement Corporation recently hired the team of Stark Enterprises, Bialosky + Partners and MSI to research and prepare a master plan for aggressively moving forward.

The downtown central business district currently consists of a Five Star Hotel, four destination restaurants, Falls River Square and over 100,000 square feet of class A office space, which are phenomenal anchors for a splendid area overlooking the Gorge and our National Heritage River.

In selecting Mr. Stark and his team, we are confident that we have picked someone with a clear track record of working with the national accounts and a visionary that developed such projects as Westlake's Crocker Park, the Shops of Fairlawn, Rosemont Commons and the Strip in North Canton. With Mr. Stark analyzing both the downtown and the State Road Shopping Center areas together, we believe we will be able to develop strategies to coordinate the proper retail/office markets that will compliment each other rather than struggle to compete.

Greater emphasis on the downtown dovetails with the groundwork we have provided to fulfill the promise of the 2000 Cuyahoga Falls River Corridor and Cultural Entertainment District Framework Plan. This plan, along with the purchase of Prospect Mold & Die on south Front Street and the relocation of Industrial Tool & Machine, will provide for the creation of the Highbridge Glens Park & Overlook Bridge. This green space access to the river and gorge areas will open the door for significant condominium development south of the Sheraton Suites Hotel.

The year round activities at Falls River Square continues to be one of the most popular pastimes of Falls residents. Rockin' on the River celebrated its 20th anniversary in 2006 with new and exciting bands, additional food vendors and weekly prizes. Coordinated by Fallsite, Bob Earley, Rockin' on the River continues to be the most popular summer destination for family entertainment. As quoted in the Akron Beacon Journal "The annual Cuyahoga Falls event is the longest running and best attended regular outdoor venue in Northeast Ohio." Congratulations to Bob Earley!

Both the Irish Festival and the Italian-American Festival set records for attendance and sales in 2006. The Oktoberfest celebrated its 27th year. The 1st annual Kite Festival, the Monday night car cruise-ins, the Fall Family Festival and the Kandy Kane Express to name a few, made Falls River Square the place to be in 2006.

Despite housing production and declining sales nationwide, the city experienced steady growth in several residential subdivisions. One of the nicest residential subdivisions that has had a dramatic effect on the city's landscape has to be Hidden Lakes. As a result of our successful annexation of 100 acres formally known as Tamsin Park in Boston Township, the City of Cuyahoga Falls has yet another upscale housing development to offer residents. This 244-unit Ryan Home project is a very popular choice as it provides new homeowners with our low utility costs, but it is also located in the Hudson School District and close to major transportation arteries. Further, as a result of developer funding the extension of utilities to this project, the city is realizing utility tap-in fees. These fees provide a revenue source for other water and sanitary sewer extensions in the Ward 8 area such as in the Kellybrook/Antoinette District, which were completed in 2006. Last year we realized over \$6 million in new sales here with the construction of 17 town homes and 22 single-family homes.

Other outstanding residential subdivisions including Boulder Estates, just south of Hidden Lakes and across from the renowned Russo's Restaurant, Creekside Ridge located north of Chart Road, and Hampton Bluff on the site that formerly housed the infamous Ascot Trailer Park. It should be pointed out that the Karam Companies received the Presidents Award from the Cuyahoga Falls Chamber of Commerce in 2006 for Creekside Ridge and Danny Karam has even constructed his own home in this new subdivision. These four new subdivisions alone, when totally built out will add another 449 new homes in the northern section of our city.

Since the 1986 merger with Northampton, the city has realized over 1,090 acres of new residential development, which translates into 2,369 new building lots. This farsighted move has not

only provided new housing choices for residents but also given us the ability to become an entitlement city, receiving monies directly from the Department of Housing and Urban Development (HUD).

In 2005, this important funding source provided us with the ability to purchase a vacant Heslop home in Ward 7, an area with an inventory of over 1,182 such post World War II homes. In 2006, the construction phase and major remodeling of “Project Fresh Start” was completed and a grand opening was held in July. During July and August, over 900 visitors toured the newly improved and expanded home.

Several companies and materials suppliers made very generous contributions to the project house. Suncrest Gardens, Mohawk Industries, 84 Lumber and ABC Supply were our largest contributors to the project. It is noteworthy that the project architects Alan Burge of Alan R. Burge Architecture and Dan Vierya of Ivory Tower Architects recently received a design award from the Akron Chapter of the American Institute of Architects for their work on this project.

As a companion to “Project Fresh Start”, The Development Department developed the Heslop Matching Grant Program. The main effort of this program is to encourage and financially support Heslop homeowners to make similar improvements to their homes. Financial assistance is available to residents who own a Heslop home in the Bailey-Munroe Falls Planning Area and meet HUD income guidelines. The program has a total of \$75,000 available for grants; the City will match 50% of the costs of the approved improvements.

The immediate impact of Project Fresh Start was the improvement of one home for one low-moderate income family. The long-term impact is the reinvestment in the housing in this area and a higher level of home ownership. The Community Development Block Grant (CDBG) Program seeks opportunities to address the immediate needs of the low/moderate income residents in our community while employing sound planning principals to realize long-term benefits for the entire city.

Almost \$30 million of development took place in the commercial and industrial categories in 2006. The construction volumes and locations have once again demonstrated the desirability and vitality of our established commercial areas as evidenced by the continued growth of the Graham Road corridor near State Road. The handsome 6,000 square foot Hoffman Dental Office Building at 57 Graham Road represents a million dollar investment, further complementing the Imagine Plaza, Falls Catholic Credit Union and other dental offices recently locating there.

The older State Road area housing near Steels Corners Road continues to be redeveloped with job-creating opportunities such as the 6,650 square foot Smilek Car Care building. The forward thinking of city planners has already shown results in well designed and executed projects such as the redeveloped True North Shell Convenience Store at 6th and Oakwood. This \$700,000 investment, in the midst of an established residential neighborhood, provides a welcome opportunity even for pedestrians in a modern setting without leaving the immediate area.

The heart and soul of our jobs creation and tax base expansion remains our Enterprise Zones, Community Reinvestment Area and Foreign Trade Zones. The Enterprise Zone and Community Reinvestment Area programs formerly established in our employment zones continue to benefit businesses by offering certain tax incentives on real and/or personal property for timely expansions and new construction projects. Reinvestment by companies currently located in our community is vital to the future growth and revenue for our city and school districts.

To date, the Enterprise Zone and Community Reinvestment Area Programs have generated almost \$100 million in new investment; created over 300 new jobs and retained over 1,970 jobs. Job retainage is critical to the survival of any community. The large number of jobs retained in Cuyahoga Falls is a strong indicator that we have developed solid ties with our major employers and fully support and encourage their growth.

By far, the largest manufacturing investment in the city's history was proposed and approved in 2006. GOJO Industries, the city's top employer with over 800 employees, is one of the fastest growing companies in our region. They plan to construct a 376,000 square foot warehouse/distribution facility at their Lippman Campus located on State Road. This new building will connect to their existing plant. A Community Reinvestment Area (CRA) agreement was negotiated to assist GOJO in this important expansion with tax incentives on real property at 100% for 15 years. Additional agreements between the City, GOJO and the Woodridge Local School District were also created to help offset the foregone real property taxes.

Most importantly, this new project will result in the retainage of 744 jobs at this location and the transfer of 84 new jobs to Cuyahoga Falls with a corresponding new payroll of approximately \$2,550,000.

In addition to \$22 million in private investment, the City and State stepped to the plate to assist with the construction of a public roadway that will service not only the new GOJO facility, but will make available approximately 74 acres of prime vacant industrial land for future development. The total estimated cost of the road construction is \$728,750, with 50% of the costs being borne by the State's 629 Roadway Fund and the remaining \$364,375 coming out of Community Development Block Grant funds.

The ultimate goal in this endeavor will be the creation of a first class industrial park known as the Wyoga Lake Preserve, which at total build-out has the potential to create over \$60 million in new investment, the creation of over 700 new jobs and \$17.5 million in new payroll.

In 2006, one of our finest employers, Americhem Inc. was approved to move forward with their \$3.4 million renovation plan at their headquarters facility. In conjunction with Americhem's improvement plan, the City is partnering in the construction of a major infrastructure project. Main Street will be relocated and significantly improved to provide better and proper access to this future employment park utilizing low/moderate federal dollars.

Coupled with Americhem's demolition and renovation plans to create their world headquarters facility, this area of the employment zone will be significantly upgraded in an effort to attract additional businesses to this district. In addition, the City was successful in receiving matching funds from the State of Ohio's 629 Roadway Assistance Program in the amount of \$180,000 to assist with making their physical improvements. The total costs of the project are estimated to be \$460,000.

The construction phase of the Main Street Project will begin this spring and is scheduled for completion by fall. For over 40 years, Americhem has had a strong presence in Cuyahoga Falls. In 1998, Americhem completed a major expansion project by constructing their second manufacturing facility on Steels Corners Road for a total investment of \$14.5 million. The expansion of their R&D Operations, extensive interior improvements and establishment of their retention efforts to keep good paying jobs in our community are priority number one for the Development Department. Special thanks to Dr. Ed Holland for his cooperation in seeing the big picture and helping to plan for the long-term viability of this important corporate partner.

Ladies and Gentleman, the overwhelming success of our Development Department is a result of the hard work and dedication of its Director, Sue Truby. Sue, take a bow.

SERVICE DEPARTMENT

The City of Cuyahoga Falls has had a long history of promoting environmentally friendly initiatives. In the early 90's our award winning recycling and yard waste programs were the standard in the region. Shortly thereafter, we kicked off our highly successful compact fluorescent light (CFL) bulb program, which has now distributed almost 20,000 bulbs free of charge to Falls residents. The mid 90's saw the advent of the Belleville Hydro Electric plant on the Ohio River, which Cuyahoga Falls is the largest shareholder.

More recently, Cuyahoga Falls partnered with American Municipal Power of Ohio (AMP-Ohio) to offer to our residents the Natures Energy program to help reduce pollution, specifically carbon dioxide emissions, and to support further development of cleaner, renewable electric energy.

Our water conservation and flood prevention initiatives are unsurpassed. In response to the devastating storms of 2003 and 2004, Cuyahoga Falls developed our Flood Prevention Initiative Program, which this past December, was showcased at the National League of Cities (NLC) conference in Reno, Nevada.

But 2006 was truly a breakaway year for our community in the area of energy efficiency and developing renewable energy technology. This intensive focus on energy began early last year when we partnered with Green Energy Ohio (GEO) and the Department of Energy in the "Ohio Tall Towers Wind Study Project." Following 18 months of wind monitoring in Ward 8, the data gathered weekly from the 400-foot high tower site will determine the feasibility of on-site commercial-grade wind power generation within our community. Cuyahoga Falls will benefit from participating in this study not only if the data reveals high enough sustained wind velocities. Participation in the Tall Towers project has already opened doors to other renewable energy options. Options include great potential for development of smaller, on-site wind units for municipal applications, solar energy applications, as well as potential applications for solar thermal as technology advances exponentially over the next few years.

In May, Cuyahoga Falls was awarded the Ohio Clean Energy Community of the Year at the Annual Green Energy Ohio (GEO) meeting. This award recognizes exemplary grassroots efforts of Ohio communities in supporting the advancement, understanding and application of renewable energy technologies.

In August, Cuyahoga Falls became one of fourteen "Founding Cities" in the "Energy Freedom Challenge". The Energy Freedom Challenge is a national race among U. S. cities to achieve energy independence by purchasing more than half of their electricity needs from clean, renewable resources such as wind, solar and BioEnergy. With our participation in the Bellville Hydro Project, the Bowling Green Wind Farm and our share of landfill gas generation, Cuyahoga Falls is already at the 20% level of renewable energy in its portfolio. Each year, the Challenge program will recognize progress made toward the 50% goal and highlight local strategies being used.

Two thousand and six also saw us receive an Environmental Stewardship award for the "Make Every Day Earth Day" project from Amp-Ohio, recognizing this educational course offered to our second grade classes.

And, 2006, witnessed the complete conversion of incandescent traffic signals to light emitting diode (LED) fixtures. This will result in enormous reduction in kilowatt-hour consumption and ultimately, lowering the city's purchased power bill.

All of these energy conservation measures promise to provide a healthier environment for future generations.

The rainstorms of 2003 and 2004 were instructive in that we found out that the lowest gravitational point in the community was an area in the 2800 block between 6th Street and 7th Street. As a result, in 2004, the city submitted an application to receive federal monies to make needed improvements. This past September, we were informed that the Federal Emergency Management Agency (FEMA) had approved \$420,000 toward the acquisition for five (5) residential homes in this area.

The most exciting part of this project is the ultimate solution to the problem. The city is aggressively looking at a rain garden option for the greenspace area after the demolition of the homes. Rain gardens are the up-and-coming storm water management trend, that serves as an attractive, landscaped area planted with perennial native plants which absorb large amounts of water. They are beautiful gardens, built in depressions, which are designed to capture and filter storm water runoff from impervious surfaces. The City is excited about pursuing this option as a neighborhood solution that is both aesthetically pleasing and highly effective!

Consistent with our environmental goals, 2006 marked the 19th year that Cuyahoga Falls has been named Tree City USA by the National Arbor Day Foundation. Trees in our city help to clean the air, conserve soil and water, and reduce heating and cooling costs by moderating temperatures. Tree City USA honors the countless individuals in Cuyahoga Falls who work hard to ensure a greener and healthier tomorrow for us all.

Our beautification efforts continue to be more spectacular every year! The 2006 Adopt-a-Spot program was a huge success with 74 sites planted and maintained by hundreds of volunteers. Over 1,300 flats and several hundred potted flowers and ornamental grasses were planted. Several new sites were added in the Civic Center Area with the majority adopted by departments from the Municipal Building. This provided some friendly competition between the employees. All the new plantings were unique and many patrons visiting the Natatorium or Municipal Building would stop and admire the beautiful flower beds. This year we will be adding 18 new sites just to the Civic Center. Our ultimate goal is to have 100 adopt-a-spot sites, and you can see we are getting awfully close!

On August 29, 2005, Hurricane Katrina swept through the Gulf region, devastating communities in its path. The little town of D'Iberville, Mississippi, just north of Biloxi, had over 1,600 homes damaged or destroyed. Within three weeks, Cuyahoga Falls had a caravan of trucks, equipment, goods and personnel on its way to help rescue D'Iberville. Our assistance carried through 2006 with the April retrieval of a police cruiser that had been there on loan, and the August visitation of their "Survival Revival". During the August trip, a check for over \$4,500 was presented to Mayor Rusty Quave and in September, our City Council passed an ordinance to donate a surplus commercial refrigerator to the D'Iberville Volunteer Center. Councilman Don Walters arranged free transportation through his employer, Yellow Freight.

We are delighted to report that D'Iberville has completed rebuilding and/or restoring 405 or about 25% of the homes that were damaged.

Two thousand and six was a major transition year for the Cuyahoga Falls Historical Society. In April, our City Council approved the purchase of 2083 Cook Street. An amount of \$110,000 was approved for the property purchase with an additional \$60,000 allocated for repairs and upgrades. The Cuyahoga Falls Historical Society agreed to pay \$50,000 toward the renovation costs. Much work went into the upgrade of the building with massive amounts of volunteer hours provided to this great cause. The actual move in occurred in the latter part of 2006 with a special grand opening scheduled for April 29th !

By May of this year, nearly 90% of our community will have received their new “automated” sanitation cart. The last 2,000 of our customers are scheduled to receive their cart in 2008, thereby completing the transition to the automated cart system. The automated collection program has transitioned very well. The aesthetic appearance of the community has improved significantly and, as anticipated, our injuries have decreased, thereby reducing our Workers Compensation claims.

Any discussion about the Service Departments would not be complete without some mention of snow removal. And, of course, people are forever curious as to how we are able to outpace our surrounding communities when we have a snowstorm like we had two weeks ago. There’s really no secret formula, it simply comes down to plows, personnel and technology. In a major storm like we had mid February, we can put out as many as 62 plows. That compares favorably to cities the size of Akron, Cleveland and Detroit. But the real key is the people driving the plows. They know they have a reputation to uphold and they are very committed to getting the job done. And from a technological standpoint, we have the brine which compliments our salt and even more recently, we have DE-Ice 55 (the drivers call it “Beetlejuice”) because it is derived from the sugar beet root and will lower the freezing point and allows the salt or brine to work well below zero!

Ladies and gentlemen, let me acknowledge the presence of our Service Director, Valerie Wax Carr.

PARKS AND RECREATION

Now in its third year, the Natatorium has proved to be an unqualified success. The numbers are astounding: admittance of over 807,000 patrons, babysitting for over 18,000 children at the Kids Castle, over 4,000 land based classes serving almost 60,000 patrons and over 1,800 aquatic classes being held. But for me, the most exciting thing, as I trudge around the running track, is seeing the total utilization of the facility.

But the most exciting change for the Natatorium in 2007 will be the introduction of the Youth Fitness Circuit. We have all read the horror stories about the poor physical condition of some of the youth in our country. In Cuyahoga Falls, we decided to do something about it. Beginning in April, young people between the ages of eight and thirteen will have somewhere to go where they will find a first class youth fitness program designed to be fun! The 40-minute circuit will include both cardio and strength training equipment but moreover, it will be designed to encourage healthy living for the youth of our community. Congratulations to Facility Director, Bill Lohan, on this most unique challenge!

Weather impacted Brookledge Golf Club, Water Works Family Aquatic Center and Downview SportsCenter. However, despite the unusually rainy summer, revenues were down only slightly and we look forward to a better summer in 2007.

Quirk Cultural Center celebrated its 20th Anniversary this past August. It’s amazing to see how much this facility is utilized as it is open 7 days a week and over 15 hours per day. There is a wide

array of programs at Quirk Cultural Center that attracts virtually every age group. Congratulations to Assistant Superintendent Ed Stewart for the fine job he did for filling in as interim superintendent in 2006.

SAFETY FORCES

The highlight of the safety forces occurred on December 27, 2006, when the ribbon was cut officially opening Fire Station #5. This station is truly state of the art and will ultimately house our citywide communications center and a public safety-training site. It is anticipated that response times into the Station #5 calling radius could easily improve from 1 to 3 minutes. The early-on activity from the new station is staggering, inasmuch as over 32% of all calls in the first six weeks have been responded to from Station #5.

High marks continue to go to our firefighter/paramedics, as they continue to operate the “transporting” phase of our call-outs. Now beginning our 9th year of transporting, this service to the community annually garners \$1.5 million of revenues with virtually no “down time” to service.

The Fire Departments’ Smoke Detector Program has been a lifesaver to many Cuyahoga Falls residents. Now in its 7th year, smoke detectors have been installed free of charge to over 2,000 homes. At last count, over 5,200 detectors have been installed in these homes.

FINANCE DEPARTMENT

The general economy of the region, indeed, the economy of the country has witnessed a downturn from right about the moment that United Airlines Flight 175 crashed into the World Trade Center Towers five and one half years ago. And our city is not immune from that downturn.

In recent years, the combination of income tax and property tax has basically flatlined. This is at a time when health care costs are rising at over 12% per year and salaries are rising at right around 4.5% per year. When you consider that 80-85% of our general fund is payroll driven, you can see the dilemma our city is in. And until there is some change to the Mandatory Collective Bargaining laws in the State of Ohio, cities like Cuyahoga Falls have one of two options: They can either attempt to raise taxes, as our neighbors to the south are doing, or they can make every effort to live within their means.

Anyone driving by City Hall over the past ten months, hearing the screams of Department Heads and Directors, struggling to reduce expenses and increase revenues, will readily deduct which approach we have taken. And we have made significant progress. Given the fact that our Moody’s Bond Rating remains a Aa3, one of the highest bond ratings in the state and our general fund balance ended 2006 at over \$3 million, is a tribute to the hard work, dedication and frugality of our Finance Director, Joe Brodzinski. We are, of course, hopeful that the economy will turn around in 2007.

Within the course of 124 days, Cuyahoga Falls lost two of our finest in Iraq. On June 8th, Sergeant First Class Daniel Crabtree, a member of our Police Department, was killed by a roadside bomb. On October 11th, Marine Sergeant Justin Walsh was killed when an improvised explosive device exploded while he was defusing another roadside bomb. Our thoughts and prayers go out to the family and friends of Sergeant First Class Dan Crabtree and Sergeant Justin Walsh.

The challenges that lie ahead for Cuyahoga Falls are immense. Resurrection of the State Road Shopping Center is mandatory and a new vision for the downtown ranks right behind that on our priority list. I'm excited for these challenges and take as my inspiration, perhaps the epitome of determination and dedication, Sir Winston Churchill. It was Winston Churchill that declared "Never give in – never, never, never, never, in nothing great or small, large or petty, never give in except to convictions or honor and good sense".

And so, as our great community stands just five years away from it's bicentennial, let us begin anew with energy and hope, with faith and discipline. Let us go forth with confidence that with the support of my Cabinet, our great City Council and the outstanding members of this Chamber of Commerce, we will shape the hope of this day into the noblest chapter in our city's history.

God Bless you and God Bless Cuyahoga Falls.