

Welcome to the 2012 State of the City Address. It's at this time each year that we take a moment to reflect upon the year behind us and look forward to the year ahead. Each time that I stand before you on this occasion, I am more proud to be serving the people of the City of Kettering. Your commitment and pride in this community is inspiring. It inspires me and my fellow council members to work daily to create the kind of community for which you can be proud. We value the trust that you have placed in us. We take care in making sound decisions on your behalf.

We have survived some difficult years together. Today we are so very fortunate to be in a community that has weathered financial hardships with resiliency and grace. We have had to make some hard decisions in the past several years regarding services and programs, personnel and capital improvements, but I believe that I can say with confidence that our focus on the highest quality customer service has not wavered. A customer satisfaction survey conducted at the end of 2010 confirmed that our focus on service is important to you. With an overall 94% satisfaction rate, it also confirmed that you think we are doing a good job in this arena.

People ask me what makes Kettering different? Well, we have incredibly proud, loyal and hard working residents. We have an excellent school system. We have an impressive mixture of large and small businesses that participate in this community. We have unrivaled parks, recreation and cultural arts opportunities and we have more than twelve hundred volunteers. Yet I believe the thing that really sets us apart is twofold: we are fiscally responsible and we adamantly pursue the highest quality customer service for our residents and businesses. And it is our dedication to managing our finances responsibly that affords us the ability to provide you with the very best.

In 2011 we continued to operate this City within our means. That means we did not spend more than we brought in. Just as you have to maintain a budget in your home or in your business, we too, have to diligently manage our finances in a way that insures that we can withstand the changing tide of the economy. I stand before you today proud of the fact that the difficult years of recession have not hindered our ability to be a successful community, a thriving community.

But there are more challenges on the horizon. The State of Ohio has made it clear that we are going to have to identify ways to work with less state funding. We are facing state funding cuts

to the tune of approximately \$906,000 in local government funding and the elimination of the tangible personal property tax reimbursement. In addition to state cuts, the Montgomery county revaluation of properties will result in around \$600,000 less in property tax each year. State legislators have also eliminated the Estate Tax beginning in 2013, which will result in an estimated annual loss of \$3 million. By the year 2015 we are looking at a total annual loss of \$3.7 million due to state cuts and declining property tax revenues. These reductions do not include the cuts we will receive in community development block grant funding and any other designated cuts from the State.

We will certainly have to make some difficult decisions in the next few years as to how to best respond to these changes. But I can tell you that any decisions that we make will be with the same commitment to fiscal responsibility and customer service. We approach these challenges with an estimated General Fund balance of 41.3 million and ingrained cultural tendencies for conservative spending. We also do so with a revitalized roadway system, parks and recreation infrastructure and improved housing thanks to an extensive capital improvement program that took place the last two years.

Without a doubt, we conducted the most productive capital improvement program in 2011 that the City has seen in recent years. While trying at times, the orange barrels and under construction signs were an indication that the City is alive and well. We are fortunate to be able to facilitate projects on such a widespread level. Because of proper planning and stimulus funding we are poised to handle the challenges ahead with updated and improved infrastructure.

Beginning with the complete reconstruction of the County's 2nd busiest intersection, we did have some difficulty navigating our way around the City. The hard work of City staff, contractors and the patience of nearby businesses did eventually pay off. Today the Dorothy Wilmington intersection is smooth, efficient and aesthetically appealing. We thank you for your patience. Maybe the most remarkable thing about the Dorothy Wilmington reconstruction is the fact that the entire \$5 million dollar project was funded entirely by outside sources. We have a brand new intersection that will last for the next 50 years and good planning, budgeting and the help of stimulus funds and grants made it possible without a penny of city dollars.

Not only were we able to reconstruct this busy intersection, but we also began work on the Woodman/Patterson/Research Boulevard intersection, realigning Woodman Drive for improved safety and installing new curbs, sidewalks, storm sewer, traffic lighting and signals and new pavement. This is a 2.5 million dollar project, all but 260 thousand of which was covered by outside funding.

Dorothy Lane received a complete facelift in 2011, from east to west. Time, high traffic volume and the elements had taken their toll on this roadway and a complete resurfacing was necessary. This was a 3.2 million dollar project, 75% of which was covered by outside funding.

The first in a series of projects took place at the Stroop and Far Hills intersection. A 300,000 dollar federal grant helped us to construct new sidewalks, a retaining wall, brick paver areas, decorative sidewalk lighting and curbing along Stroop Road. This, and other projects to follow is geared toward making the area around Town and Country Shopping Center more pedestrian friendly.

Our roadways were not the only area of the city, with a flurry of projects. In 2011 we celebrated the grand reopening of four neighborhood parks, including Wenzler, Oak Park, Van Buren and Kennedy Park. These parks saw a variety of improvements that include new play equipment; the opening of the splash pad at Kennedy Park and the dedication of two public art projects at Kennedy and Wenzler – both projects were a result of the collaboration between artists and the public. The *EGG* at Kennedy Park was created by artists Beth Holey oak and Katie Seidell and more than 550 community participants; and the *Friendship Arch* by artist Tess Little and the collaboration of more than 285 community participants. What a treat it is for neighbors to have their handiwork on display at the parks that they visit on a regular basis.

The Grand Opening of the Adventure Reef Waterpark was an overwhelming success with more than 2500 people in attendance opening weekend, a 49% increase in attendance for the opening 3 days of the season. And the popularity didn't end there. More than 94,000 people were in attendance, from opening day to Labor Day. That's 9,000 more people than 2010 and pass and

daily admission revenue was up 13%. Our new, taller, faster slides, deep water area and water features were a big hit.

On June 25 the new and improved Kettering Recreation Complex was unveiled for the public. In addition to new programs and classes, including cycling and TRX, the new fitness wing provides an additional 9800 square feet of space for new equipment and cardio machines, equipped with personal viewing screens.

Impressive measures to improve the City's aging housing stock also took place in 2011. Twelve housing rehabilitation projects were completed. Three homes were rehabbed to make them more accessible for the resident, two homes were purchased and renovated, three new homes were constructed, with an additional new home construction through Habitat for Humanity and 2 vacant and foreclosed properties were purchased and demolished, with impending new construction on the way. Our community development division works tirelessly to help and ensure that all residents, have affordable and safe housing available to them. New housing construction also took place with the addition of 16 new homes in the Madison's Grant development and a new single family patio home in the Villas of Kettering Pointe, the former Van Buren Shopping Center.

2011 also saw the completion of the Government Center renovations, with a Grand Reopening that unveiled our improved and updated facility, as well as the commissioned stained glass artwork by Erin McIntyre. The improvements to the Government Center were numerous, as the entire inside was gutted over a 16 month period. Today, we are proud to display our modern, customer friendly and energy efficient workplace and it's good to have everyone back together, under the same roof.

All of the updates, improvements and reconstructions that took place in 2011 position us to withstand the economic challenges ahead with a solid and efficient infrastructure.

In order to afford and finance the types of programs and services that residents and businesses deserve, it is imperative that the City employs a progressive economic development program.

Income tax represents 52% of all City revenue. We believe that we have the absolute best community in which to do business, with our high quality of life amenities only enhancing that fact. The fact is, businesses are looking for more efficient ways to operate, and they are relying upon their communities to assist them more than ever. As a local government entity, Kettering has always approached economic development “outside of the box” and we continue that trend. The Kettering Incentive Program was designed to financially assist companies who move into the community based upon job creation and longevity. The nature of the economy will no doubt require more creativity and we are already looking at new programs for 2012 and beyond.

In 2011, one of our top 5 employers, Kettering Medical Center, continued its commitment to growth within the community. As parent company Kettering Health Network expands its reach in Ohio, we are encouraged by their efforts to grow operations at the Kettering campus. The reputation and financial impact of the hospital is a positive one for this community, but even more, it represents history. Hospital officials recognize and embrace the Kettering name and the heritage of our namesake, Charles F. Kettering, and his family. In the last five years the Kettering campus has grown to include a renovated, top ranked nursing college and the construction of a first rate heart hospital. Officials have also committed to a master plan that includes additional growth on the east side of Southern Boulevard. In 2011 the hospital opened a level II trauma center in their ER.

On May 19 the Community Tissue Services held a grand opening at their brand new, state of the art 90,000 square foot facility. With this 40 million dollar facility, CTS will serve donor families, physicians, hospitals and community partners by providing education, recovery, processing and distribution of bone, skin and tissue grafts. CTS employs 175 people and plans to grow in the future.

September 6 was the first day of school for students at the Dayton Regional STEM school on Woodman Drive. The STEM school curriculum focuses on science, technology, engineering and mathematics. They are preparing a generation of young people for the new world ahead of them. We are very proud to have this innovative learning center in our community.

Town and Country Shopping Center is a fixture in Kettering, not only providing great shopping opportunities but also ready to partner with the City on any number of projects throughout the year. We were pleased to be on hand to help Town and Country celebrate 60 years on July 9 and genuinely cannot imagine a Kettering without Town and Country Shopping Center.

Kodak is poised to make a 7.5 million dollar investment in manufacturing and engineering and commit to a 5 year lease agreement in the Miami Valley Research Park. This is an important commitment that represents 32 million dollars in payroll and 500 employees.

Another large corporation making an investment in their Kettering operation is GE Capital in the Kettering Business Park. GE capital will make a 1.5 million dollar investment in their facility and sign a lease extension to 2020.

Small business development saw success in 2011 as well. Hearth Controls Products purchased a building on Plainfield Road bringing 18 employees with plans to grow.

Bayer Financial Group purchased a building on Whipp Road bringing 6 employees with plans to grow immediately.

We wish all of the businesses in Kettering great success in the coming year.

Amenities such as leaf pickup and snow removal may not seem very glamorous, but they sure are necessary. For our street department, highlights for 2011 are undoubtedly two unforeseen events that required systematic cleanup efforts, one being the February ice storm and the second being the powerful storm in July that created massive and widespread damage to the eastern portion of the city. Cleanup for both storms cost approximately \$575 thousand dollars. Thanks to the City of Brookville for lending us some of their crews in our cleanup efforts and also to DP&L who worked hard to reestablish power to our residents and provided bags of ice to those affected so that they could salvage food from freezers during the power outage.

In addition the department picked up almost 2500 truck loads of leaves totaling more than 43 thousand cubic yards generating over 5500 cubic yards of compost and 6500 cubic yards of leaf mulch as part of our free mulch program to residents.

At the end of the 2010/2011-snow season, our crews responded to 20 snow related events at a cost of \$398 thousand dollars in salt and \$153 thousand dollars in overtime labor. The street department also worked in conjunction with the Volunteer department and the Senior Services Coordinator to provide snow shoveling assistance to senior citizens and handicapped residents who do not have the resources for this service.

The City's property maintenance division continued efforts to identify property maintenance issues and work with homeowners to create workable solutions for those violations. We work hard to maintain a healthy balance between holding property owners accountable and helping them to gain compliance with the least amount of hardship to them. The division fielded more than 2200 complaints in 2011 and were able to obtain an 89% compliance rate.

In addition to helping property owners to maintain their properties, we also offered foreclosure assistance to more than 398 people through a partnership with the homeownership center of Dayton. We assisted 4 first time homebuyers with down payment assistance and we completed 4 weatherization grant projects in 2011, which helps the homeowner with energy costs.

Housing, whether the maintenance of, the improvement of, or the attainment of – is a priority in Kettering.

Our public safety departments are a source of great pride in Kettering and in 2011 they served the City of Kettering with the same outstanding service for which they are known.

Aside from making more than 7500 medical and fire runs in 2011, the Kettering Fire Department conducted more than 100 community education events including station tours, preschool visits, fire safety puppet shows and smoke presentations utilizing the safety trailer. The department provided over 100 CPR classes to local citizens and businesses, resulting in more than 1000

people being trained. Outreach and education is an integral part of the Kettering Fire Department.

On going training is another integral part of the department and the KFD utilized a house set for demolition on Haig Avenue for multiple training exercises. In 2011 the department provided over 2300 hours of fire and EMS training to its members.

A new pay structure was implemented within the department for volunteer firefighters to aid in retention and recruitment.

The department has also completed a long term study on station location that analyzed the function and location of stations, since station locations date back to the 1940s. The department is now identifying ways to act on the recommendations from the report.

Ohio's finest, the Kettering Police Department conducted several community programs that were held throughout the City including Cops and Kids Camp, which gives youth the opportunity to engage in team oriented activities under the care and counsel of Kettering Police officers.

Cops and Bowling is another annual event that gives the public the opportunity to interact with officers. We were all treated to two "National Night Out" events that were held at the Kettering Skate Plaza and White Oak park in Hills and Dales park. These events included demonstrations, give aways, refreshments and, again, the opportunity for the community to get to know "Ohio's Finest" a little better.

The department also continues its commitment to accreditation at every level.

Our public safety departments worked together to pay a moving tribute to the men and women lost in the 2001 terrorist attacks. The event was held at Seitz Plaza, the site of the 9/11 sculpture, on the 10th anniversary of the attack. I was privileged to be a part of such a respectful tribute that included a 21 gun salute, a fire and police color guard, a short program and a running of the

sirens for one minute in remembrance. Thank you, to all of the residents who attended and for those of you who brought flowers, adding your own heartfelt touch to this event.

We are a community that cares for and about one another. You need to look no further than our volunteer program for proof. In 2011, 1000 volunteers contributed 39,100 hours of service valued at more than \$800 thousand dollars. As the city looks to be as fiscally responsible as possible, we are creating more and more opportunities for volunteers. If you think there is no place at the City for you and your talents, think again. From ushering at the Frazee to assisting taxpayers during tax season, the possibilities for you are endless and we would be honored to have you.

Honoring our volunteers is one of our favorite things to do. Each department celebrates their volunteers in their own special way, and then we all come together at the annual volunteer celebration. In 2011 we honored more than 200 volunteers with milestone service hours. The program currently has 26 volunteers with over 5,000 hours of service and 3 volunteers with more than 10,000 – that is truly something to celebrate.

One of the ways we are cultivating volunteers and leaders, not only for Kettering, but for the region is through the Kettering Leadership Academy. Now in its ninth year, the Kettering Leadership Academy continues to graduate residents and employees from Kettering businesses that involve themselves, full force, into the community in leadership capacities. When we look to the best and the brightest in the community, we need look no further than the Kettering Leadership Academy.

Make a Difference Day in 2011 certainly lived up to its name as 180 people participated. Four large boxes of toiletries were donated to the Veteran's Hospital; 15 blankets were made for the Bundle of Joy program; 105 flats of winter pansies and 4000 bulbs were planted on city grounds; 420 trauma dolls were assembled; and 217 thank you cards were created for military and veterans, to be distributed by the VA and the Blue Star Mothers. That was a very busy group of 180 individuals!

I was pleased to present the Mayor's Award for Youth Volunteer Service to Jessica Wench from Fairmont and Jordan Hibner from Alter. Both of these young people have shown outstanding leadership and have volunteered countless hours.

In December Charles and Carol Dickerson were honored with the Mayor's Award. Carol is the chair of the Neighborhood Pride program, a program that she helped cultivate to include a volunteer committee of 50, distributing forty awards to residents and businesses who take pride in their properties. The committee receives upwards of 500 nominations each year and utilize their own time to evaluate each nominee.

Carol and Chuck also volunteer for the After School program at Christ United Methodist church, registering, monitoring and mentoring students – as well as serving them refreshments, which Carol, of course, provides.

At the very heart of Kettering is our quality of life amenities.

One of our unique quality of life amenities is our wide range of cultural arts opportunities. Rosewood Arts Centre celebrated 25 years of outstanding arts programming in 2011, and they celebrated their anniversary by hosting more than 2,000 students for classes on dance, theater, painting, ceramics, and languages.

The Rosewood Gallery produced eight individual artist exhibitions from throughout the United States. Over 2,000 people visited the gallery and public openings – if you haven't checked out the Gallery, it's a cultural gem in this community and in the region.

Not only did we unveil a brand new Water park this past summer, but the indoor pool at the Rec Center now has a retractable roof so that patrons can enjoy the pool year round with no down time.

The Ice Arena hosted a number of events in 2011 including the Silver Stick Hockey tournament and the Frozen Creek Hockey Tournament with a combined attendance of 1500 people in November and December.

We were proud to host Camp Funtastic again in 2011, which gives 20 local children the opportunity to enjoy tutoring, games and swim time. This program is instrumental in exposing children from low income families to the joy of Summer Camp.

The land labs at Southdale and Pondview parks, hosted 2300 Kettering elementary students, providing them an opportunity to enjoy outdoor environmental science sessions that fulfilled state education curriculum requirements. While the land labs provide the perfect environment for outdoor classrooms, they are also a great place to visit with your kids or grand kids any time of the year.

Also marking a milestone in 2011 was the Frazee – celebrating 20 years by providing a full menu of the Summer’s Best Music. The season started with a sold out performance by Alison Krauss and Union Station and ended the season with a sold out performance by Lynyrd Skynyrd with amazing performances in between from Earth Wind and Fire; Bob Dylan; ZZ Top, Miranda Cosgrove, Blake Shelton with The Band Perry and the Doobie Brothers. And our anniversary gift to you was three (3) free shows by the Nitty Gritty Dirt Band, the Temptations and Air Supply. Almost 13,000 tickets were distributed for these free shows. Overall the Frazee sold more than \$3 million in tickets for the 2011 season.

These programs and events represent a myriad of opportunities for us to come together as a community and truly enjoy the Kettering experience. We’re not the only ones who think we’ve got a good thing going. The National Recreation and Park Association recognized the Kettering Parks Recreation and Cultural Arts department with accreditation for the fourth time.

Here’s a Kettering fact – youth in Kettering are the brightest, most motivated and compassionate young people on the planet. I am proud to live in a community that values the young people who live here and encourages their participation in all areas. In 2011 our youth continued to amaze. It

is our pleasure as council members to interact with youth via a variety of outlets. We visit them at their schools, we mentor them through youth in government programs, sponsored by the Kiwanis, we see them at special events and probably most common – we see them volunteering in the community.

Through the Kettering Youth Leadership Academy, a program that involves youth from all of the public and parochial schools, a Halloween Carnival was held at a local apartment complex that served more than 90 meals to residents in need.

Another favorite volunteer opportunity for the youth is at the holidays. Through the Giving Tree program, 400 Kettering children are gifted at the holidays. With help from community partners like Christ United Methodist church, Town and Country Shopping Center, Fairmont High School, Day Air Credit Union and McGohan Brabender, hundreds and hundreds of gifts are received. It is our youth who come together and sort and wrap the gifts so that they are ready for Christmas morning.

Partners for Healthy Youth, is a Kettering initiative that pools the resources of the community, for the very purpose of providing the kind of community where a child can thrive. This initiative was established several years ago through our working relationship with the Kettering School Board. The youth are the future of this community and this might be the most important initiative we've ever created together.

The 2011 Mayor's Ball for Charity was another opportunity for us to support youth. With the support of the community, we were able to raise \$31 thousand dollars for the Kettering Backpack Program. This program was established by a Kettering Leadership Academy class to provide healthy meal items for youth in need on the weekends. Next year we will continue our support of young people and families, as we raise money for Choices – a foster care organization that offers a variety of resources to local youth and families in need.

You can't really discuss quality of life without mentioning schools. Whereas many communities work separately from school systems, this community chooses to work collaboratively with the school administrations and school board.

2011 was a big, busy and transformative year. We said farewell and good luck to our good friend and fellow councilman Keith Thompson, who retired after serving this community for 55 remarkable years. We will miss Keith's no nonsense approach to public service, his stories and his jokes. He has witnessed and been a part of more progress in the community, than any of us serving today.

Now that we have stepped over the threshold into a new year, our responsibility to you is to continue the good work that makes Kettering the community of choice to live work and play.

In 2012 you can expect to see more capital improvement projects to further strengthen the infrastructure of this community. A \$4.5 million dollar reconstruction project will take place on Wilmington Pike from Ansel to Smithville, an extension of the improvements that have already taken place on Wilmington Pike. You will also see the completion of the Woodman, Patterson, Research Boulevard intersection improvements in late spring.

In 2012 you will see the completion of the renovations in the remaining neighborhood parks; the reopening of State Farm and Ernst Park, which underwent massive renovations that include grading, new sports lighting and new playgrounds; the completion of accessibility enhancements to Pondview Park and the completion of the Habitat Environmental Education Center, at Southdale Park, which will include an educational exhibit on sustainable energy that was made possible by a grant from Waste Management.

From an economic development standpoint we will continue to be proactive and think outside of the box when it comes to the recruitment and retention of businesses in Kettering, because a healthy business environment, does in fact mean a healthy Kettering. We will continue to work with the Dayton Development Coalition, Montgomery County and the State of Ohio to come up with creative solutions to keeping our business climate successful and prosperous.

In 2012 we will also embark on a pervasive educational campaign for the No Texting and Driving ban in Kettering. This law, enacted January 3, prohibits texting and driving in the City of Kettering. While it was our original intent to support a state wide initiative, we ultimately decided that we could not wait. Texting and driving is extremely dangerous behavior. Enacting this legislation is an important step in curbing the activity of texting and driving – coupled with an education campaign, we believe that this law can make a difference in the way we all behave behind the wheel. As a part of this address I would like to give you a glimpse at a component of our education campaign as we view one of the public service announcements. (view psa) In addition to public service announcements, we will be working with the schools and businesses in the community to spread the word that texting while driving is not acceptable in the City of Kettering. You can and will be cited if you are caught. The ordinance and details of which are posted on the City website. Please get to know the law; teach your children about it and most important: Take Care of Yourself and Just Don't Do It.

As we move ahead on into another year in the City of Kettering, I vow to you that we will continue to make decisions with our residents always in mind. You have placed us here. Your desires and your wishes for this community will be reflected in all that we do. Know for certain that we always have the very best interest of this community at heart as we go about the business of planning the future. We have seen this community begin to rebound from an extremely difficult few years economically. People are working again and businesses are succeeding; residents are participating in community activities. But our work is not done. We do still have challenges ahead. We will confront the imminent state budget cuts with the same thoughtful and conservative approach that we have faced all obstacles to date. Our due diligence is to you and the businesses that call Kettering home. It is our intention to leave this community the way it was given to us: the Community of Choice to live, work and play.

A healthy, happy and prosperous year to you all. God Bless.