

The newsletter of the I-70/75 Development Association January 2003

The Interchange

Lead Story: Support urged for local Internet exchange ... The Dayton Metro Internet eXchange, or **D-MIX**, is seen as a high-tech tool to spur economic development in the Dayton Region. D-MIX is not about technology, but intended to facilitate economic survival and permit rapid deployment of advanced computer network applications, **Rick Kitchen**, president of the Dayton IT Alliance, told I-70-75 members at its Jan. 17 meeting. The local exchange will be 10 times faster compared to other sources used to access the Internet, and able to host advanced applications, such as distance learning. As an Internet exchange, D-MIX's mission is to deliver a better end user experience than current options, such as dial-up and cable connections, by keeping local Internet experiences local, said **Bud Rahe**, a Lexis-Nexis executive who's on loan to the Alliance. Currently, local Internet connections are delayed by "hops," or referrals that bounce among other exchanges throughout the nation. The goal is to establish the Dayton region as one of the best Internet connections locations in the nation, as to be positioned to lure high-salary technology companies here. The project is being funded by a Montgomery ED/GE grant, service providers, and local corporations. Adding urgency to D-MIX, Kitchen said cities, such as Louisville, Columbus and Indianapolis, already have their own local D-MIX versions, which already gives them a strategic leg up. Rahe urged a call to action to get service providers connected to D-MIX, including SBC, Time-Warner Cable and Cincinnati Bell. For information, check out the Web site at www.d-mix.org . - *Gene Fox, editor*

Other news: I-70/75 members cast ballots for 2003 officers and enjoyed a holiday party, Dec. 19, at the **Packard Museum**, 420 S. Ludlow St. Members were treated to a variety of food and drink and browsed among the vintage Packard automobiles and other memorabilia while networking. A number of members said this was their first opportunity to tour the museum. The original Citizens Motorcar Company building has been restored and is home to the Packard

Museum. The structure directly east is being renovated into banquet and meeting space to accommodate the numerous functions which are being held in the museum. The Packard Motor Car Company, founded in 1899, met its demise in 1956. The local museum also features an elegant art deco showroom and a restored service department with working lifts and lube reels.

New officers elected ... New 2003 officers for the I-70/75 Development Association have been elected as follows: **Erik Collins, president**; Sara Dunnigan, 1st vice president; David Anderson, 2nd vice president; Doug Harnish, treasurer; and Mike Cornell, secretary. This slate was proposed by Mike Lucking, nomination chairman, at the group's October general membership meeting.

Public sector being hit ... Economic challenges are impacting the public sector as may local communities confront declines in revenues sources, including: city income taxes, corporate taxes and interest from investments. Layoffs of workers and cutbacks of services have resulted, including:

■ Fifty-five **city of Dayton** workers were told Jan. 3 they were losing their jobs, due to a growing 2003 city budget deficit. They will be the first layoffs at City Hall since the 1970s. City Manager Jim Dineen said the layoffs were needed to help balance the city's 2003 budget. Meanwhile, the city is also planning to eliminate 222 jobs that are already vacant. The cuts are expected to save the city about \$9.5 million. The city's general fund in 2003 is projected to be about \$157 million, down from \$175 million last year. The city has also eliminated its Development Fund from the 2003 budget. Although the amount has varied, it's typically about \$6 million annually. The city is also considering cutting services to save money, including: closing some of its nine swimming pools during the summer, reducing the number of summer youth camps, and reducing the number of grass mowing in parks and vacant lots.

■ The **city of West Carrollton** has eliminated 2 ½ positions - including the assistant city manager - will impose a new residential trash collection fee and cut back on selected services to address a growing drain on its revenues. The city has also eliminated a vacant dispatcher position and will discontinue the anti-drug DARE program at the end of the current school year. The frequency and/or size of residents and business newsletters will also be scaled back and the annual July 4th fireworks display will be eliminated. Much of the blame for those measures goes to reduced income tax revenues, which follow the closings in recent years of Fraser Paper, Roberds headquarters and retail store, and Woody's Market, according to City Manager Tracy Williams. The city's general fund budget suffered a \$900,000 deficit in 2002, that required a 25% dip into reserves. The same 2003 budget would have been hit by a deficit exceeding \$1 million without the cuts.

■ The **city of Trotwood** has eliminated the Development Fund from its 2003 budget, which had been \$150,000 in 2002. Like Dayton and some other cities, its income tax revenues have declined. Mike Lucking, director of planning and development, said city council's top priority is economic development and he is optimistic other grants sources and incentives are available.

■ The **city of Tipp City** has dipped into its reserves to help fund its \$24.7 million 2003 operating budget, while it has tightened spending and deferred some projects. Meanwhile, department heads have been asked to postpone noncritical spending at least until midyear when revenue levels will be reviewed. Spending for capital projects are also to be deferred as late in the year as possible, with some projects facing delays to future years, if needed. City Manager David Collinsworth said the city's budget includes \$700,000 taken from the about \$1 million in reserves the city was able to build up during a six-year period starting in the mid-1990s. However, since it traditionally does not spend all money budgeted, he said the reserves draw down is expected to be less than the \$700,000. The budget includes more money for health and liability insurance, but no money for any new city employees. Assumptions used in figuring the budget included: the economy will stay relatively flat, income tax revenues will be down about 3.2 percent compared with 2002, and investment income will be down to about \$260,000 from a high of \$620,000 two years ago. *(Continued to page 2)*

■ The **city of Miamisburg** is faces an estimated deficit of \$550,000 in its 2003 budget, compared to \$203,000 in 2002. While revenues increased in 2002 and are expected to be up again this year, they won't keep pace with rising costs such as salaries and health insurance, according to Finance Director George Perrine. He said many cities are having to draw down their reserves to pay their bills. Meanwhile, officials here will be watching closely to see how spending develops this year. If trends continue into 2004, that will create some "tough issues" the city will need to deal with, Perrine said.

Message from the President ... 2003 promises to be a productive year for members of the I-70/75 Development Association. Our board is looking forward to providing quality and meaningful programming for you. Board directors are in place and finalizing our new strategic plan. More information will be presented at our February meeting. Kudos to **Beth Newton**, our 2002 president, for organizing a great year. Her dedication and leadership assisted in maintaining our association as a place to network among peers and grow professionally. Here's what we're planning for 2003. In February, Dayton Development Coalition officials will be presenting their plans for business attraction to the Greater Dayton Region. Our first, all-day **Economic Summit** is scheduled May 15, at Sinclair Community College. It will feature speakers on a variety of topics related to economic development, including a nationally-known speaker. Mark your calendars now. Other highlights planned for 2003, include:

- A special members-only preview of the expanded Dayton Air Show;
- Exclusive on-site company tours, and the annual golf outing - set for July;
- Popular social events for networking, including a Dayton Dragons game;
- More info on our Web site, including on-line editions of our newsletter.

Thanks for your membership. If you are interested in becoming more active with I-70/75, call 225-4642 or e-mail me at collinse@mcoho.org. - *Erik Collins, 2003 president*

Upcoming I-70/75 meetings: Feb. 21, Donna Buchheit, executive director, Dayton Development Coalition, is featured speaker, 7:30 a.m., at Sinclair Community College, Bldg. 12; March 21, March 21, Dayton-Montgomery County Port Authority, financing mechanisms, 7:30 a.m., at Sinclair Community College, Bldg. 12. **Special event:** All-day Economic Development Workshop, Thursday, May 15, Sinclair Community College. Watch for more details.

People ... Mike Robinette has been named executive director of the Miami Valley Regional Planning Commission. He was previously general manager of the Miami Conservancy District. Meanwhile, **Janet Bly** has been named general manager of the Conservancy District. She had been assistant general manager of the agency since 1996. The **Riverside City Council** has reduced its search of candidates for a new city manager from 32 to eight. Council is expected to announce its selection by the end of January. **Charles Jones**, a former city of Dayton deputy city manager, has been the city's interim city manager since September. Due to a printing error, two names were dropped from the December 2002 issue. **Rod Smith** has been named village manager in Waynesville. He was previously director of the planning department for the city of Moraine. **Dan Evers**, formerly business development manager with the Downtown Dayton Partnership, has been named Sugar Creek Township administrator. He began his duties there Jan. 2. West Carrollton City Manager **Tracy Williams** has been named Public Manager of the Year by the Dayton Area Managers Association. He has served as West Carrollton city manager for 25 years.

Resources: Dates have been set for the **Ohio Economic Development Course**, which is sponsored by the Ohio Development Association: Feb. 26-27, March 5 & 19-20 at Columbus Marriott North, 6500 Doubletree Ave, Columbus. The registration fee is \$575, which includes text and materials. The course is accredited by the International Economic Development Council and completion enables graduates to apply to the Economic Development Institute's professional development course. For information, visit ODA's Web site: www.odanet.com.

What's Happening: News & updates involving members and associates of the I-70/75 Development Assn. Two area cities have been accepted into Downtown Ohio Inc.'s Ohio Main Street Program. They are Greenville/Downtown Greenville Inc. in Darke County and Wilmington/Downtown Wilmington Community Improvement Corporation of Clinton County. Five communities were selected through a competitive application process. They will receive three years of intensive training and technical support needed to restore their central business districts to centers of community activity and commerce. For more information regarding the Ohio Main Street Program call DOI at (614) 258-6200.