

Distressed Unit Appeals Board
Attn: Stephanie Russo
200 West Washington Street
State House Room 215
Indianapolis, IN 46204

Dear Stephanie Russo,

December 12, 2008

I am a concern citizen opposed to the appeal that the city of Gary is filing with the Indiana Distressed Unit Appeals Board. I find it repulsive that this administration would be asking for relief while Mayor Clay continues to drive a Hummer, a non-economical gas guzzling vehicle at the taxpayers' expense which is equivalent to the CEO's of the big 3 automakers coming to Washington in their corporate jets asking Congress for a bailout, and his mismanaging the Sanitary district, whereas we are now paying double sewer rates. He got billboards of himself all over the city and I wonder who's paying for that advertising. The council members seem like they are misguided politicians who are simply giving away money irresponsibly and taking unnecessary trips at taxpayers' expense and have the audacity to say "they will continue to do so" as if the city has money to throw away.

It is appalling the Gary city council actually have what amounts to be a "perk" account with thousand of dollars at their disposal. They obviously failed to list this matter in the relief application. I "DO NOT" want to continue to finance the perks and gross mismanagement of this administration. It is not fair that the property owners in Gary whom are already paying some of the highest property taxes in the state should be punished for the mismanagement of the City of Gary. May I remind the Distress Board what our own Governor Daniels stated, "Gary's financial crisis is not the result of the property tax caps." Therefore, the caps should not be the basis to solve Gary's financial crisis. The property tax caps were put in place by state lawmakers who joined Governor Daniels in response to a tax payers revolt last year for "LOWER PROPERTY TAXES" not higher. No one likes the idea of layoffs or cuts, but Gary must streamline more of government into efficient use of the allotted funds under the caps. Therefore, there should not be "No Bailout for Gary! I am oppose to higher property taxes." "KEEP THE TAX CAPS IN PLACE " Thank you.

A Concerned Taxpayer
Joseph Leajin Sr.
4409 East 12th Place
Gary, IN 46403
219-938-8406
ELNERJoseph@SBCGLOBAL.NET

HAS GARY "CUT
TO THE BONE" AS
MAYOR CLAY CLAIMS?

NO! NO! NO!
OBVIOUSLY NOT!!
LOOK

FORCE GARY TO
EXIST AS EVERY
OTHER CITY IN
THE STATE -
WITHIN ITS TAX
BUDGET - NO
EXCEPTIONS - NO
MORE MONEY!!

ENOUGH IS ENOUGH

P.S.
CUT LAKE COUNTY
SOME MORE TOO!!

City Court 2301 E. Columbus Dr	391-8491
Cafeteria Court	391-8489
Gary City Of	391-8490
General Info 401 Broadway Gary 46402	881-1300
Air Pollution 504 Broadway Gary 46402	882-3000
Animal Control Center 625 W 9th Pl Gary 46402	885-7507
Bldg Commissioner 401 Broadway Gary 46402	881-1377

Continued next page

Government Offices City — Continued	
Housing Coordinator 401 Broadway Gary 46402	881-1380
Board Of Public Works And Safety	
City Atty's Office 401 Broadway Gary 46402	881-1310
City Clerk	881-1400
Civil 401 Broadway Gary 46402	881-1354
Criminal 1301 Broadway Gary 46407	881-1263
City Court Judges Offices 1301 Broadway 46407	881-1271
Civil	881-1357
Probation Dept 1710 Broadway 46407	881-4771
City Engrs Ofc 401 Broadway 46402	881-1366
City Hall Maintenance Dept 401 Broadway Gary 46402	881-1414
City Sealers Ofc 1100 Massachusetts Gary 46407	881-5205
Commission On Status Of Women	
Commission On Status Of Women	
475 Broadway Gary 46402	883-411
Ark Shelter For Homeless Women & Their Children	
445 Connecticut Gary 46402	882-007
Rainbow Shelter For Battered Women Gary 46402	886-161
Common Council 407 Broadway Gary 46402	881-131
Communications & Electronics	
1128 Massachusetts Gary 46407	881-526
Comptrollers Office 401 Broadway Gary 46402	881-136
Insurance Dept 401 Broadway Gary 46402	881-137
Purchasing 401 Broadway Gary 46402	881-134
Credit Union 401 Broadway Gary 46402	881-132
Data Processing 401 Broadway Gary 46402	881-132
Dept Of Redevelopment 100 W 4th Av Gary 46402	886-153
Division Of Physical And Economic Development	
475 Broadway Gary 46402	881-522
EAP Program 504 Broadway Gary 46402	883-140
Emergency Referral Serv 1100 Massachusetts Gary 46407	886-305
Fire Department To Report A Fire	91
Business	881-477
EMS Director 200 E 5th Ave Gary	881-528
Fire Prev & Insp 200 E 5th Ave	881-522
Non Emergency 1301 Broadway 46407	881-478
Gary Prosecutors Office	
Criminal Division 1301 Broadway Gary 46407	881-126
Gary Youth Services Bureau 1741 Broadway Gary 46407	881-527
General Services Department	
900 Madison Gary 46402	882-844
Complaints/General Services 900 Madison Gary 46402	885-118
Sanitation 900 Madison Gary 46402	885-841
Garbage Pick Up 900 Madison Gary 46402	883-351
Street Sweeping 900 Madison Gary 46402	882-844
Health & Human Services 475 Broadway Gary 46402	881-527
Health Dept 1145 W 5th Av Gary 46402	882-556
Health Dept	
Children & Youth Clinic	
1145 W 5th Av Gary 46402	882-111
Housing Conservation 824 Broadway Gary 46402	883-310
Board Up 900 Madison Gary 46402	881-529
Demolition Program 824 Broadway Gary 46402	883-310
Insurance Dept 401 Broadway 46402	881-317
Human Relations 475 Broadway Gary 46402	883-411
Anti Redlining 475 Broadway Gary 46402	881-522
Mayor's Office 401 Broadway Gary 46402	881-1301
Deputy Mayor 401 Broadway Gary 46402	881-1308
Office Of Complaints & Information	
900 Madison Gary 46402	885-1185
Personnel 401 Broadway Gary 46402	881-1346
Public Affairs 401 Broadway 46402	881-1314
Special Events 401 Broadway Gary 46402	881-1312
Mayor's Office Of Urban Conservation	
Park Department 455 Massachusetts Gary 46402	886-7113
Main Office 100 W 4th Av Gary 46402	886-1531
Park Department	
Administration 455 Massachusetts Gary 46402	886-7102
Aetna Park Davl 4265 E 11th Gary 46403	938-6161
Borman Square 7 Av & Madison Gary 46402	885-8101
Brunswick Center 775 Clark Rd Gary 46406	944-1595
Carolina 13 Av & Carolina Gary 46402	885-8301
Glenn Ryan Park 4220 E 6th Pl Gary 46303	938-3283
Golf Pro 32 Av Gary 46408	980-1089
Green's Superintendent 3400 Jefferson Gary 46408	980-8709
Howe Gary 46409	887-9369
Hudson-Campbell Sports & Fitness Center	
455 Massachusetts Gary 46402	886-7099
Ironwood 1119 E 24th Av Gary 46402	881-5228
Jackson Park Pavilion 350 Jackson Gary 46402	882-2527
M C Bennett Pavilion 2504 Grant Gary 46404	944-8512
Marquette Pavilion	
Grand Blvd & Marquette Dr Gary 46403	938-7362
North Gleason Park 301 W 30th Av Gary 46409	980-2562
North Gleason Pavilion 301 W 30th Av Gary 46409	884-2706
Pachter Park 2243 Whitcomb Gary 46404	944-7228
Park Garage 19 Av & Madison Gary 46402	883-7217
Pittman 303 E 51st Av Gary 46409	980-3814
Roosevelt 21 Av & Harrison Gary 46407	883-9408
Tennis Courts 33rd Gary 46409	884-5748
Tolleston 1709 Ellsworth Pl Gary 46404	944-0618
Washington 13 Av & Pennsylvania Dr Gary 46407	883-9739
Westbrook 2768 Waverly Dr Gary 46404	949-1268
Planning & Community Development 475 Broadway 46402	881-5075
Planning & Economic Development 504 Broadway 46402	881-5235
Police Dept	
Bureau Of Uniform Services	
Patrol Division	881-1256
Commander Traffic Division	881-1254
Hit And Run Section	881-1217
Auxiliary Police	881-1221
Bureau Of Investigation Services	
Detective Division	881-1209
Juvenile Aid Division	881-1209
Auto Detail Division	881-1231
Victim Assistance Unit	881-1224
Office Of The Chief Of Police	
Internal Affairs Division	881-1244
Training Division	881-1252
Public Information Officer	881-1213
Technical Services Bureau	
Records Division	881-1226
Accident Report Section	881-1217
Desk Sergeant	881-1214
Report Clerk	881-1221
Bureau Of Identification	881-1247
Maintenance Manager	881-1253
Motor Transportation Div	881-5210
Communication Division	
Non-Emergency	881-1260
Hotline-Anonymous	881-1280
General Information	881-1214

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Government Offices City — Continued	
Police Community Relations	
824 Broadway Gary 46402	881-52
Gary Police Civil Service Commission	
900 Madison Gary 46402	882-43
Police Chaplains Corp	881-12
Project Outreach	881-12
Prosecutor	
1301 Broadway Gary 46407	881-12
Public Safety Director	886-28
Risk Management 401 Broadway Gary 46402	881-13
Traffic Engineer 1000 Madison Gary 46402	881-52
Vehicle Maintenance 1305 W 11th Av 46402	882-40
Fuel Station 1000 Madison Gary 46402	881-02
Vital Statistics 1145 W 5th Av Gary 46402	882-55

Russo, Stephanie

From: William Coward [williamcoward01@att.net]
Sent: Saturday, December 13, 2008 10:03 PM
To: Russo, Stephanie; wilma r wilson
Subject: miss use of tax payer money

To whom it may concern,

If the city of Gary is in a bind for money, I bet it is because they think it is going to be business as usual from now on, and that they do not have to tighten their belts, like all the other cities in the state. With the cuts that they have made, they can see a lot of waste. And when the city is made to cut a little more like the rest of the cities have, a little more waste will be exposed. If the city is in a bind for cash, why do they continue to loan city vehicles, with city gasoline to city police, city police reserves, city judge, and a host of other city employees, for every day use in their private lives? I wonder how much money the city would save if all city owned vehicles stayed on the job. It might be sour grapes, but I for one am tired of seeing Gary squad cars, and other city vehicles all over the place, when the people are off the clock, and the city has no money! I am a concerned law abiding tax paying citizen of Gary, and have been for a very long time. As such I think I have a right to complain just a bit. I can see a lot more waste in the city too, I just do not wish to take too much of your time.

Sincerely, Bill Coward.

Russo, Stephanie

From: Karen Oliver [karensoliver@yahoo.com]
Sent: Saturday, December 13, 2008 2:49 PM
To: Russo, Stephanie
Subject: City of Gary Tax Appeal

I am writing in response to Gary's appeal for more tax money in 2009 that would result in the elimination of the newly implemented Indiana property tax cap.

We have lived in Gary for over 50 years and have seen the City continually waste tax payer money and make decisions based on personal benefit. It is time the City of Gary learns to live within their financial constraints and stop requesting special treatment. We are all in a financial crisis due to the dire state of the nation's economy and current soaring unemployment throughout the area.

The taxpayers of Gary **"DO NOT SUPPORT THIS APPEAL"**. We do not want higher taxes. If Mayor Rudy Clay cannot work with the millions of dollars allotted to him, he should resign from office.

You must deny this appeal and make the City of Gary once and for all responsible for the years of waste and financial mis-management.

Wouldn't this be a great time for the state to stop the bleeding and take over the responsibilities of running the city so that Gary can once again be the "beautiful city by the lake".

Russo, Stephanie

From: ALEXIS BANKS [alexis.banks@sbcglobal.net]
Sent: Saturday, December 13, 2008 11:43 AM
To: Russo, Stephanie
Subject: Do not "bail out" Gary

As a resident of Gary, I strongly urge not to "bail out" the city of Gary. Mayor Rudy Clay has not done much in the way of reducing his inflated budget. He wants to lay off police and fire, yet city hall is so overstaffed, so much so, that it is ridiculous at the least. He drives around in a Hummer with a driver at taxpayer's expenses yet he wants help from the state. He gives family and friends city jobs that they are not qualified for. I as a taxpayer am tired of paying what I consider way too high of property taxes in Gary for two properties, while there are many who do not pay taxes at all because they filed a "not for profit" status and are not even qualified for it. But the powers that may be help them receive this status.

Alexis Banks

316 South Henry St

Gary, In. 46403

219-680-7845

Russo, Stephanie

From: Homehab@aol.com
Sent: Sunday, December 14, 2008 8:47 PM
To: Russo, Stephanie
Cc: quickly@post-trib.com
Subject: Gary Town Hall Meeting Regarding taxes

PLEASE don't give in to the City of Gary's appeal for tax relief. They have had years to get their house in order. Force the tax caps like the rest of the state. Force Lake County to implement the additional 1% sales tax if necessary. I own a house in Gary which I rent. I paid \$50,000.00 for it a few years ago. It is assessed at \$102,100.00. I pay \$5,886.64 in real estate taxes. Another year of this taxation and I will lose the house to the bank. I am 67 and cannot retire because of the excessive tax burden placed on me and others in the City of Gary. Please force them to become efficient, cut the waste and do the job they are paid to do right.

Sincerely, David Bonander

Make your life easier with all your friends, email, and favorite sites in one place. [Try it now.](#)

Russo, Stephanie

From: jgerber724@earthlink.net
Sent: Sunday, December 14, 2008 7:29 PM
To: Russo, Stephanie
Subject: Gary's Appeal for Property Tax Relief

As residents of Gary, we urge the Distressed Unit Appeal Board to demand detailed evidence of steps already taken by the City to curtail duplication of services, to eliminate excessive administrative and non-critical staffing, to halt wasteful spending on ill-conceived projects and to institute plans for improved over-sight in an effort to eliminate wide-spread incompetence.

In a City with minimal transparency, we have seen little change from 'business as usual' other than threats to curtail essential services or plans to 'tax' them by imposing new fees.

John & Jennifer Gerber
9421 Lake Shore Drive
Gary, IN 46403

Russo, Stephanie

From: Robert Collins [collinsjvi@sbcglobal.net]
Sent: Sunday, December 14, 2008 1:34 PM
To: Russo, Stephanie
Subject: City of Gary proposed "bail out"

12/14/08

TO WHOM IT MAY CONCERN:

We, as residents and business owners in Gary for over two decades, are in COMPLETE OPPOSITION to any fiscal "bail out" for the city of Gary.

The Gary city council has already allotted two million dollars for cash handouts to their "cronies" for 2009. As an example of such corruption, see Post-Tribune article of 12/14/08 by Jon Seidel entitled, "Taxpayer Cash Safe, Glen Park developer says."

We feel that the tax caps should be implemented as written in law and further request that the General Assembly make these TAX CAPS PERMANENT!

Robert & Loretta Collins
DBA Joint Venture Investment

Russo, Stephanie

From: Jan Belles [jebelles@comcast.net]
Sent: Sunday, December 14, 2008 12:44 PM
To: Russo, Stephanie
Subject: Bailout of City of Gary

Ms. Russo:

I feel I have to comment on the bailout requested by the city of Gary. I live in Hobart and will try to keep this comment brief.

Before any approval of funds for Gary, I do believe a team of forensic accountants/auditors need to be sent to Gary for the confirmation of the budget numbers that were submitted. If Rudy Clay (I am sorry, but I cannot give him the proper respect of the office of Mayor) can hire and pay his son \$25,000 for "photography" and also hire a friend at \$45,000/year "to clean up the city", I find it hard to believe any of the numbers that have been submitted.

The once thriving business area of Gary is nothing more than boarded up empty buildings. I NEVER drive through Gary at night and rarely in the daylight hours. It is just not safe and Clay is threatening to cut the number of police officers if he does not receive help from the IDUA Board?

PLEASE, the corruption that is the City of Gary's government, Gary School Board and Lake County Government has to be addressed before even one dollar of the taxpayers' money is used for bailout.

Thank you for the opportunity to voice my concerns.

Janice Belles
9249 Norris Drive
Hobart, IN 46342
jebelles@comcast.net

December 15, 2008

Indiana Office of Management and Budget
200 West Washington Street #212
Indianapolis, IN 46204

Dear Indiana Appeals Board:

I am writing to oppose the Appeals Board granting of the City of Gary's request for relief from the one percent cap on property taxes and to allow the city to raise property taxes on the citizens of Gary.

I believe the city of Gary is in this position because of mismanagement of government funds by the administration - starting with the former Mayor Scott King and continuing with the current Mayor Rudy Clay.

In an editorial published in the Post Tribune today, it stated that it isn't the city's fault it (the city) won't have enough revenue to operate it's business; well, it certainly isn't the fault of the citizens of Gary.

Over one third of the houses in Gary are vacant and boarded up, one third of the residents homes are on the tax rolls for non-payment of property taxes and raising taxes on the remaining few people (most of whom are elderly on fixed incomes or out of work) will cause them to either flee the city or have their homes added to the tax rolls for non-payment of property taxes.

What happened to the revenue the city of Gary was receiving from the casino boats? Why is the city not receiving revenue from the operation of that white elephant (the baseball stadium) on fifth avenue? Scott King worked out that deal. Why should the burden of bailing out this city be placed on the shoulders of the Citizens? The administration created this mess, so let the administration find its own way out of it.

Sincerely,



Helen Henderson
Resident of the once great City of Gary

12-14-08

Dear Mr. Kitchell

% In. Distressed Unit appeals Bd.

We in Gary, especially the miller area, have had a nightmare on our hands since the law changed in 2001 to market value. After gaining support for caps after years of frustration, we are now looking at the appeals process. First we had to go through the yearly new trending procedure. We also in Lake County have to live with a county council & commissioners who would not pass a county income tax.

I have a home, a business, and other real estate, in Gary and have had for a long time. Since 2002 we have had to give up a lot to keep all of this due to real estate taxes. We have had increases on all of the above from 300 to 700%. I have testified before the state reps & senators at hearings.

We finally see a little relief starting in 2009 on our vacant property, our business & our home and the city decides they are broke. Believe me, the city was broke years ago but like a lot of people they just ignored it, made terrible decisions and continued to spend. There is little management at the department level, turn over and of course a new mayor. There is no control or follow up on money given out for boards, contracts or grants or special studies. Guidelines for bids are not followed up.

Please see the recent exposure by Post Tribune on monies given to each council district each year. This refers to the Glen Park councilman. It's a joke and over \$1/2 million each yr!

Please weigh carefully the requests to add additional real estate taxes to Gary when finally we maybe can make a come back in our area

Thank you for your time & effort

Sincerely,

Jerome L. Pickford
9001 Lake Shore Drive, Gary, IN 46403

Miss Ommel!

REGION

Taxpayer cash safe, Glen Park developer sa

City grant recipient says attorney under indictment never had access to money.

By Jon Seidel

Post-Tribune staff writer

"I keep it vague for a reason," Haymon said. "I don't like people stealing my programs."

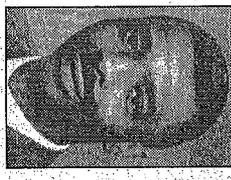
Cash withdrawals

GARY — The man who has accepted nearly \$180,000 from City Council President Romer Scott to revitalize Glen Park says his federally indicted attorney never had access to taxpayer money.

Jerry Haymon, the leader of several housing assistance agencies including the Glen Park Coalition of Concern, K&L Consultants and Priced Right Construction LLC, said he rarely even spoke to William Crabtree II about his work.

"He just had access to our mail," Haymon said of Crabtree, a Schererville attorney accused of embezzling money from his clients.

Haymon contacted the Post-Tribune weeks after it reported that he forgot about accepting \$104,000 from the Gary City Council. He said he couldn't be reached earlier because of a family emergency.



Since 2004, Haymon's Coalition of Concern accepted several donations from Scott, the last of which came in the form of a \$75,000 grant in September 2007. The grant documents outline few spending rules, but they required Haymon to submit bank statements to the city controller's office until the money ran out.

Haymon submitted bank statements that detail account activity between September and December 2007. They show his grant money was tossed into a larger pot, where more than \$600,000 in cash withdrawals were made in four months.

Another \$157,000 in checks were written out to "cash" from that bank account, the records show.

Haymon said those were actually cashiers checks, written out to clients of the Coalition of Concern's down-payment assistance housing program. Indeed, nearly all of Haymon's checks for "cash" mention "down payment" or "cashiers check" in the memo line.

A representative of Citizens Financial Bank, where Haymon deposited the money, confirmed that a cashiers check would appear as a cash withdrawal on

a client's bank statements. "We have to show a record of the gifts that were given," Haymon said.

Haymon

The rest of Haymon's public money came in the form of six checks between 2004 and 2007. While Haymon didn't submit bank statements to document his spending of that money, he said it's outlined on the Coalition of Concern's federal tax returns.

The bulk of that money, \$91,000, was directed to the Coalition of Concern in 2005. According to its 2005 tax returns, it spent a total of \$1.7 million that year, including \$924,612 in consulting fees, \$41,000 to subcontractors, \$31,000 in legal damages and \$715,505 in downpayment assistance grants.

Just donations

Haymon said the payments to subcontractors were actually donations to other local nonprofits.

All of the consulting fees, tax records show, went to Haymon's own K&L Real Estate, based in the same Merrillville office as the Coalition of Concern. That money funded payroll and counseling programs.

Haymon said, for clients participating in the down-payment assistance program.

"There was a lot of work done through K&L to prepare these people," Haymon said. "The seminars were actually conducted through K&L."

A portion of the \$75,000 City Council grant, Haymon said, was used to buy, renovate and sell a home in the 4000 block of Tennessee Street.

Haymon's Priced Right Construction bought the home for \$12,000 in January, according to sales disclosure forms in the office of the Calumet Township assessor, and he said the Coalition spent another \$3,000 in research before making that purchase.

When a reporter knocked on the door there in October, a man named "Paul" answered and said he'd never heard of the Coalition of Concern. He referred to Haymon as his landlord, and he said he met Haymon through a mutual friend.

Haymon said Paul's rent checks went to K&L Consultants, and he insists his tenant went through a formal review. "He did get screened," Haymon said. "Maybe he didn't realize that there was a screening process."

However, Haymon said the deal with Paul hasn't worked out. The house has now been sold to Georgia M. Atkinson of Merrillville, who declined to speak to

the Post-Tribune for this story. A settlement statement from the U.S. Department of Housing and Urban Development shows Priced Right received about \$49,000 from the sale after paying taxes and other costs from the transaction.

"We paid all her closing costs," Haymon said. Renovations at the house cost about \$30,000, Haymon said, leaving a \$4,000 profit for his various agencies to use to buy four more houses.

"Everything that Priced Right does goes to the Coalition," Haymon said.

Federal charges

Priced Right's registered agent is Crabtree, who is facing two counts of wire fraud and one count of mail fraud. A federal grand jury accused Crabtree in October of embezzling money from one of his clients to pay back another client.

Crabtree, who pleaded not guilty, hasn't returned several calls from the Post-Tribune. Additional charges are expected to be filed against Crabtree sometime this month, court records show.

The Indiana Supreme Court's Disciplinary Commission also filed a motion to have Crabtree's law license suspended, including piles of bank records as evidence. None of those records seem

to directly involve Right or the Coalition, and Haymon tree's involvement was minimal. "He's never had financial transaction said."

Review 'forthcom

When asked last Crabtree's involvement in Haymon's agency it was all "news to a month after it was first reported he's only spoken "sparingly" to learn how the tax money spent.

"My concern is Scott said. "Make program is a success. No tangible quality that Scott said he only as many properties returned to G like the one on Street.

Nonetheless, Scott to take another to the Coalition of handled nearly \$ money.

"We want to follow up and Scott said. "That's including, most definitely." Contact Jon S 3148 or jseidel@p

John E. Vinzant
8937 Lake Shore Drive
Gary, IN 46403
219-938-1997
219-942-9544 Office
john.vinzant@vinzantsoftware.com

December 15, 2008

Stephanie N. Russo
Executive Assistant to Ryan Kitchell & Chris Ruhl
Indiana Office of Management and Budget
State House Room 215
Indianapolis, IN 46204

Dear Ms Russo;

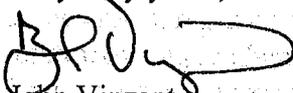
I'm writing to weigh in on the City of Gary's petition to the DUAB. It seems to me outrageous that the City of Gary is requesting a bail-out instead of taking positive steps to put its financial house in order. The City of Gary spends money like there's no tomorrow, and in spite of its protestations of belt tightening has yet to meaningfully reduce the number of people on its payroll. Also, a modest payroll reduction measure (20% hourly wage cut) taken in the fall has just been reversed by the mayor – voluntarily.

The simple issue is that current city management refuses to reduce spending and the size of non-public-safety payroll. The layers of administration and duplication of responsibility in this city are ridiculous. For example, we have 3 different departments doing economic development! Mayor Clay is counting on a bailout so he can keep from having to trim payroll. You want waste? Did you know that Mayor Clay is chauffeured in a brand new city-purchased Hummer?

Instead of asking the DUAB for a bail-out to support Gary's spending habits, we should be asking: If a fair rate of tax charged upon fair market value assessments yields insufficient funding to support government operations, isn't it time to consider a different form of government? Maybe consolidation? Just a thought. If DUAB could force that – then we'd have something!

Please extend to Mr. Ryan and Mr. Ruhl my hope that the DUAB will stand firm in protecting the rights of Gary taxpayers against the City of Gary's request for a bail-out. We can no longer afford to support its spending habit.

Very truly yours,


John Vinzant

CC: Governor Mitch Daniels

Russo, Stephanie

From: mduguerre@aol.com
Sent: Tuesday, December 16, 2008 4:25 PM
To: Russo, Stephanie
Subject: Gary DUAB

Members of the Distressed Unit Appeals Board;

As a citizen and small business owner of Gary, Indiana, I am opposed to raising the tax caps for property owners in Gary.

USX Steel sits on 7 square miles of prime lakefront, if they were taxed fairly their burden should at least reflect what lakefront owners in Miller Beach have to pay in taxes, let alone what other heavy industries in surrounding areas pay in taxes.

I attended the unveiling of Rudy Clay's DUAB plan last night, and while I appreciate the efforts that city controller Carlita Green has made toward cutting/consolidating city services and staffs, I do NOT trust the current Mayor to handle a positive DUAB decision responsibly.

This current administration needs to put politics aside and press for greater taxation of the steel mill, pass the 1% income tax and LEGITIMATELY pursue new revenue sources including business development - to further burden homeowners with onerous taxes is unacceptable.

Thank you,

Mary Dugger
Yellow House, LLC
101 N. Hancock
Gary, IN 46402

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Russo, Stephanie

From: Kurt Weiss [KWEISS@mbakercorp.com]
Sent: Tuesday, December 16, 2008 1:44 PM
To: Russo, Stephanie
Subject: Gary Distressed Unit Appeal

Greetings,

My name is Kurt Weiss and I am a resident of Gary and also own a few low-income, rehabilitated rental units. I am writing to oppose the City's recent submittal to the Distressed Unit Appeals Board. I understand you are very busy so I will try to keep this letter short, despite that fact that there are numerous reasons why our current "leaders" should not be allowed to continue their fiscal and managerial irresponsibility. First: I believe that over the years our city turned away from providing essential services to simply becoming an employment base for a group of connected individuals who are incapable, unable and/or unwilling to actually do the work required with any semblance of fiscal responsibility. Even with the imminent need to cut the city budget, these "insiders" have waited until the last minute to even consider planning for the future. Secondly: the recently instituted tax caps are supposed to help stimulate out economy - not only by freeing up the income of residents, but also by making real estate sales and property rehabilitation more attractive. If taxes in Gary are higher than surrounding communities, why would anyone want to live or own property there? The result of relaxing the caps, even for four years, will result in more abandonments and, ultimately, even LESS tax revenues than if the caps were left in place (simple math, not fuzzy). Make no mistake - Gary is a city of renters, and if landlords cannot afford taxes, or cannot raise rents enough to compensate, they and their tenants will simply move elsewhere. I live and work here and have seen it happening over the past few years as the tax rates on rental properties have hit nearly 8% of the assessed valuations! We cannot take even one more year in the red! Finally, as evidenced by our Mayor and Council not bothering to let us view (let alone contribute to) their submittal until it was already submitted, we as citizens obviously are given minimal consideration. Their only concern seems to be keeping what they can for themselves and their own cronies and families. Is this considered "making progress?" Personally, I don't think so. To summarize: Yes, Gary is "distressed," but our problems cannot be solved by lifting the property tax caps. I believe tax caps, as instituted by the Governor and the State Legislature, offered a glimmer of hope for those of us struggling to rebuild Gary, but now I fear that glimmer will smolder out, as will our once great city. Lower taxes help bring in people and businesses; higher taxes send them away, never to return. I hope you will deny ANY additional taxes above the legislated caps to the City of Gary.

Sincerely,

Kurt Weiss
924 N. Vigo St
Gary, IN 46403
219-938-0732

Russo, Stephanie

From: willie brown [williebrown@yahoo.com]
Sent: Tuesday, December 16, 2008 11:09 AM
To: Russo, Stephanie
Subject: Public Comment on City of Gary's Request

I have some very serious concerns about the City of Gary receiving financial relief from the State of Indiana. The Mayor, his administration, and/or a Super majority of the city council members have not been open and transparent. I attend Gary Common Council Meetings regularly and they ardently oppose the spirit of the Federal Freedom of Information Act and Indiana's Open Door Law in their actions and decisions. For example, at the December 2, 2008 Gary Common Council Meeting, the City Council suspended the rules and passed on all three readings the resolution of the financial plan to the Distressed Unit Appeals Board (This eliminates the committee hearing which allows a question and answer period for citizens who have concerns). The City Comptroller gave a very brief and general overview. It was also circulating among City employees that the Administration was extremely upset about their request being readily viewable at the State's website.

Another thing is that, I have reviewed a report of the Indiana Board of Accounts Audit of the City of Gary Comptroller's Office. I have read statements such as receipts for transactions or disbursements not presented. So as a concerned citizen of Gary, I can't trust what The Mayor, his administration, and/or a Super majority of the city council members say because they have a track record of giving information that can't be verified, and/or waiting until after public comment and then giving inaccurate statements or information that can't be verified.

I have on numerous occasions privately and publicly asked the City Comptroller what is the budget of contracts the City has awarded. The first time she stated publicly that she didn't know off hand and that she would get back to me. The second time I asked her publicly (about a month later), and wondered aloud how the City Comptroller couldn't tell me how much the budget is concerning contracts, she responded publicly in a very irritated and angry manner that she has a lot on her plate and even implied that I was inaccurate in stating that she didn't know the information. The third time (about two months later) I asked her again publicly, and she responded that I could request that information from the Board of Public Works (The Deputy Mayor, Corporation Counsel, and City Comptroller are the voting members of this Board). So as a concerned citizen of Gary, I have to assume that they are going to avoid renegotiating contracts to reduce that part of the budget and keep political patronage in place, or die trying. In some cases, there have been contracts awarded that show a complete and flagrant disregard for frugal spending of taxpayer dollars. For example the Mayor's son was awarded a \$25,000 contract to tape board meetings. He had another contract awarded for \$25,000 or more to take photographs.

Finally, the Mayor and some of the City Council members have two jobs that are paid with taxpayer money. Councilwoman Regan Hatcher-Matthews (D-at Large) draws a second salary from the Gary Community School Corporation. Council members Kyle Allen (D-at Large), and Carolyn Rogers (D-4th District) draw a second salary from the County Prosecutor's Office. Councilwoman Mary Brown (D-3rd District) used to draw a second salary from the Gary Sanitary District, and Councilwoman Shirley Stanford (D-2nd District) currently draws a \$50,000 salary from the Gary Sanitary District as the Compliance Officer. The Mayor has his salary along with a \$31,000 salary for being special administrator of the Gary Sanitary District.

When the 20% salary cuts for Police and Fire were first mentioned, not one of these politicians offered to take a cut in their salary. Sometime later the Mayor took a 20% cut in his Mayor's salary. The Mayor had a community meeting on December 15, 2008 to present the financial plan, he sent to you. A city employee questioned the Mayor about his salaries. This appeared in the Post-tribune newspaper the next day: Melody Tukes asked Clay if he would forego his annual \$31,000 Gary Sanitary District salary while seeking a bailout

from the Indiana Distressed Unit Appeals Board. "All I have to say about that," Clay said of his paycheck, "is God is good."

As an elected Precinct committeeman (Gary 2-6), I rise in opposition to the City of Gary's request for financial relief. I base that opposition on the fact that the former and current Mayor, the former and current administration, and/or a Super majority of the former and current city council members have not acted in good faith in making prudent and frugal decisions as it relates to the City of Gary's finances.

Willie L. Brown
779 Polk Street
Gary, IN 46402
(219) 484-6204

Russo, Stephanie

From: nglenn [nglenn@netnitco.net]
Sent: Wednesday, December 17, 2008 3:31 AM
To: Congressman Pete Visclosky; rkitchell@sbc.in.gov; srusso@sbc.in.gov
Subject: God is good. Clay is bad. Send your letters, emails now! articles, emails

Importance: High

Gary finance forum brings raucous response.

December 16, 2008

By Jon Seidel

Post-Tribune staff writer

GARY -- Taxpayers demanded answers Monday at a raucous town hall meeting that turned from civil seminar into a near free-for-all after Mayor Rudy Clay answered one question about his paycheck.

Melody Tukes asked Clay if he would forego his annual \$31,000 Gary Sanitary District salary while seeking a bailout from the Indiana Distressed Unit Appeals Board.

[» Click to enlarge image](#)



Melody Tukes of Gary questions Gary Mayor Rudy Clay about his budget crisis solutions Monday during a town hall meeting at the Genesis Center in Gary.
(Stephanie Dowell/Post-Tribune)

"All I have to say about that," Clay said of his paycheck, "is God is good."

Clay collects an additional mayoral salary of \$88,021 each year, though he took a 20 percent pay cut halfway through 2008. His comment drew a cry from the audience, which had just heard city finance director Celita Green explain why Gary is asking the state for extra taxpayer money.

The report she shared is the same one delivered to the state's appeals board last week with a petition seeking relief from new property tax caps.

Those caps, Clay warns, could slash his 2009 general fund budget in half. He says he would be forced to make several spending cuts and eliminate a quarter of the jobs at the police and fire departments.

Instead of forcing such a drastic cut in one year, the city will ask the board to raise tax caps on all properties in Gary, except homeowners, until 2012.

"We're asking that our residents not be affected at all," Green said.

At least one citizen group promises to oppose the petition, and several in the audience Monday said they were unconvinced by Green's report.

"It doesn't show me anything constructive that they're doing to try to generate revenue," Darryl Robinson said.

Ernest Rogers, however, shouted down several Clay critics. He accused them of ignoring questionable spending decisions by former Mayor Scott King.

"Where were you when King was here?" Rogers said. "You didn't have nothing to say."

Clay shrugged off the critical comments, including calls for his resignation, pointing out that they were made by the same people who routinely question his decisions.

"Most people don't come out to meetings," Clay said.

Contact Jon Seidel at 881-3148 or jseidel@post-trib.com.

1.----- Original Message -----

From: carole barnes

To: nglenn

Sent: Tuesday, December 16, 2008 9:56 AM

Subject: Re: Fw: Tax Situation

We attended the meeting at Genesis Center last night--we were surprised and encouraged that there is so much vocal opposition to the mayor. If there was any doubt about any sincere effort to cut spending, it was dispelled with the quote in today's paper when asked if he would forego his GSD salary (for doing nothing) and he replied "God is good". I too oppose ANY assistance to the city and will be advising the Distressed Unit, as I did last time. The scare tactics of cutting our essential services should not be taken seriously--with 1,200 city employees there MUST be some nonessentials in there.

Also, with housing in decline for the past 2 years, our assessment went UP 15%--don't know if that's from our township or county assessor, that may be part of Linda's added tax also. This whole system must be changed if Gary is to survive.

2.----- Original Message -----

From: nglenn

To: srusso@sbs.in.gov

Sent: Sunday, December 14, 2008 4:34 AM

Subject: I object to Rudy Clay's proposal for my city.

Rudy Clay is the source of much of the problem in Gary. I vehemently object to his outrageous petition to you. I cannot believe you would even consider bailing Clay out after reviewing some of his ridiculous projects, i.e. the renovation of the downtown Sheraton and building a new train station/theme park. Aren't you insulted? We are. The Sheraton project is underway; we citizens had to expend much time and energy to stop the station project. Please stop this nonsense! We need so much done up here, and one thing is to stop Clay's misuse of funds and office so we can get back on our feet. Thank you.

Nora Glenn

8237 Oak

Gary, IN 46403

P.S.--Please do not allow this megalomaniac, who threatens to further cut our police, fire, and safety personnel as his bailout plan, to get away with this. He's literally killing us.

3.----- Original Message -----

From: Darnail Lyles

To: srusso@sbs.in.gov

Cc: noraglenn

Sent: Sunday, December 14, 2008 10:48 AM

Subject: Raising Gary's Tax Cap

12/14/08

Dear Members of the Distressed Unit Appeals Board:

I am opposed to raising the tax caps. I think the cap for Homeowners should be lowered to 1% to be consistent with the majority of the State. I also do not believe that Gary needs as many employees. Fire and Police should be cut last, if at all. We are a City of 97-100k what is the national average for the number of employees needed for a City of this size? Somebody needs to check and implement the necessary changes geared toward fiscal responsibility. Our Leaders have forgotten that we pay taxes for services; I can hardly identify the services I receive for the amount of taxes I pay on my Home, investment real estate and Office.

I have had an open mind, but I have not read or heard a reasonable basis upon which to justify the request for relief. I do not hear the City asking for money to do anything other than to pay people. We never hear the actual cost the City incurs for such services as garbage pick up, snow removal, road repairs, sidewalks, parks, etc.

Further, the City is 52.2 square miles (**Crown Point is 16.6, East Chicago 12.0, Hobart 26.2, Hammond 25.1, Highland 6.8, Dyer 6.0, Schererville 13.6, Munster 7.5 and Valparaiso 11.0 square miles**) and the City of Gary owns more real estate than any private concern. How much revenue in real estate taxes are we (Gary, Lake County and State) losing each year? What are the tax revenues to be recouped if 100% or just half of the Gary owned properties were sold or given away? A few Homeowners and Businesses have been required to shoulder a great portion of the tax base even with the caps. A home in the Miller or the Small Farms sections of the City with the same assessed valuation as a home in Munster, Crown Point, Highland, or Griffith, will pay more than three times the taxes Homeowners in those other areas pay. Why? For what?

Commercial residential is also detrimentally affected. Owners can't raise rents because most of the apartment complexes are rent controlled by HUD Guidelines. Tax rates here are not fair in light of the Indiana Constitution requiring that Citizens' taxes be fair and equitable. Further, the tax rates in Gary promote flight of those persons with the desire and means to move out. Some of us, including me, want to stay. My desire to stay is constantly tested as I look at my school age children who must leave Gary every morning for a good education. An education that cost me money, which I consider to be an additional tax, since I pay taxes for the schools in Gary. Lack of good schools also obviously and significantly diminishes the inflow of new Homeowners who have jobs and would pay real estate taxes. Those who move out of Gary make the same amount of money but end up paying far less for services. Less taxes and better public schools, that's a powerful incentive to leave.

Gary cannot convince Lake County to pass the Local Option Income Tax—I believe politics should be put side and the State Legislature should mandate the tax for Lake County. The Local Option Income Tax was the State's well reasoned parachute for Cities who would lose real estate tax revenues because of the real estate tax caps. We have no idea what amount would be collected; perhaps if we knew we could determine whether the collection of the income tax would eliminate the alleged financial problems in Gary. Whatever revenues Gary receives, ground zero would be the prudent use of the funds for the benefit of the Citizens of Gary.

As I see it, Gary will continue to flounder if we keep increasing the number of persons who are tax users not taxpayers and continue the tax rates that are clearly prohibitive to new Homeowners and Businesses considering locating here. Taxpayers in Gary have been paying for a Mercedes but getting a Ford Pinto year after year. Enough is enough.

I believe the State has an obligation to ensure that the Citizens of Gary are benefited and protected despite of who is in the Governor's or Mayor's Offices. We are Citizens of the State of Indiana and our tax dollars and casino revenues benefit other areas of the State.

I appreciate your time and attention to this matter.

Best regards,

Darnail Lyles, Esq.

LYLES & HARRIS, P.C.

Attorneys At Law

5528 Melton Road

Miller Beach

Gary, Indiana 46403

(219) 939-9529

(219) 939-8863 Fax

dl@darnaillyles.com

4.----- Original Message -----

From: Simon, Linda

To: srusso@sbs.in.gov

Cc: [Nora Glenn](#)

Sent: Monday, December 15, 2008 10:42 AM

Subject: Distressed Unit Appeals Board

I am writing to voice my strong opposition to the City of Gary's appeal to the Distressed Unit Appeals Board.

I am a homeowner in Gary and I cannot afford to pay taxes that are 2 to 3 times higher than the rates paid by neighboring communities. In one year, my property taxes increased from \$3,000 per year to \$18,000 per year. This was not because my house was so valuable. It was because I was taxed at an annual rate of close to 6%. That is truly obscene. With a tax cap in place, I still pay a higher rate than my friends elsewhere in Lake County and in Porter County. My "pay 2008" taxes came in at a rate of 2.4%, quite high indeed. I cannot afford to have them go even higher, which is what will happen if you approve Gary's appeal.

Unfortunately for us in Gary, the only thing that has forced our city, school board and other taxing entities to make the tough decisions that they need to make is the property tax cap. Without it, the spending would continue unchecked. Gary's population has declined from a high of over 170,000 to under 100,000 now. The school population has declined from over 40,000 to less than 10,000. However, this reality was not accepted and spending continued as if nothing had changed. That is truly unsustainable and the tax cap has started to force needed changes.

Every day we read a story in the paper about a no bid contract going to friends of Gary's mayor in exchange for cash and about unneeded jobs being created for family members. Until every unnecessary and corrupt spending item is out of the budget, no relief should be given to Gary.

We all support the police and fire and the need for those services. However, until Gary makes the cuts it needs to make elsewhere in its budget, we won't respond to "crying wolf." We sincerely hope that you won't either.

Thanks!

Linda Simon, a Gary taxpayer

----- Original Message -----

From: Pete

To: [nglenn@netnitco.net](mailto:neglenn@netnitco.net)

Sent: Tuesday, December 16, 2008 4:57 PM

Subject: Gimme a Break!!!!

From the PT op-ed page, I can't believe that they over simplify this and say that none of this is the taxing district's (City, School City, GSD, etc) fault for corruption, patronage, and mis-management. Who is editing this paper????

State Appeals Board must lend Gary a hand

[Recommend \(1\)](#)

[Comments](#)

December 15, 2008

Gary Mayor Rudy Clay isn't Chicken Little, but the sky actually could be falling in Gary.

The Steel City is a prime example that when it comes to taxation, one size doesn't fit all.

The city last week filed an appeal with the Indiana Distressed Unit Appeals Board. It is seeking relief from the 1 percent cap on property taxes, which will cripple the city financially.

Gary is right, and we hope the Appeals Board will grant the request to allow the city to raise property taxes and give the city until 2012 to drastically reduce its budget.

The state's new property tax caps enter Phase II in 2009, and Gary would be forced to lay off 71 police officers and 74 firefighters next year and about 800 other employees by 2010, the city said in its appeal.

The city predicts that Gary will see just \$31.9 million in property tax revenue for its 2009 general fund. The City Council has approved a 2009 budget with a \$63 million general fund.

While Gary can trim its budget by more than it has, going from \$63 million to \$31 million is absurd.

Things beyond the city's control have decimated Gary. Foremost was the drastic reduction in the amount of property taxes paid by U.S. Steel -- the city's largest taxpayer. That tax reduction, coupled with a reassessment that wrongly inflated the value of some property in the Miller section of the city, sent taxes soaring.

Gary, too, is a poor city, impacted heavily by flight from the city as well as the downturn in steel more than two decades ago. Its tax base is a shadow of what it once was. While Gary must continue to function, it isn't the city's fault that it won't have enough revenue. It is incumbent upon the Appeals Board to help the city stay afloat.

5.----- Original Message -----

From: Pete

To: nglenn

Sent: Tuesday, December 16, 2008 5:29 PM

Subject: Re: Fw: YOU GO, GRIMES! or So much corruption so little time (Besides the Sheraton, what about the GSD? What else is there?)

Driving a hummer when gas is over \$4 at taxpayer expense

Jerry Haymon

Jewell Harris

Rudy Jr., film maker, photographer and fake ID maker

Allied Waste

Otho Lyles , filmmaker also mentioned below in another starring roll

"Let's go to China" featuring Rudy Clay

"Let's go to Japan, Orlando and a few other places" with Andrea Ledbetter

Sheraton Hotel

County Market

Katie Hall, Gary city clerk, extorting \$19,000 in campaign contributions from office employees.

Junifer Hall, chief deputy Gary city clerk and daughter of Katie Hall, extorting \$19,000 in campaign contributions from office employees.

Gary City Parks Superintendent Kimberly Lyles, lying to federal agents about influence peddling.
Robert White, Gary city councilman, fraud.
Jojuana Meeks, embezzling money from Gary Urban Enterprise Association.
Charmaine Pratchett, embezzling money from GUEA.
Derrick Earls, embezzling from GUEA board.
Johnnie Wright, embezzling from GUEA board.
Greg Hill, contractor who didn't report GUEA income.
Will Smith Jr., Lake County Council president, tax evasion for a questionable land deal with GUEA.
Roosevelt Powell, former delinquent tax collector for Lake County, tax evasion, theft conspiracies involving GUEA land deals. (one of Clay's closest friends)
Willie Harris, Gary attorney, tax evasion, theft conspiracies involving GUEA land deals.
Nancy Fromm, addiction counselor, lying to federal agents.
Otho Lyles III, tax evasion and lying to FBI in Gary City Hall investigation

I'm sure there is much more, but these are just a few of the reasons I think the DUAB should turn down the request. And don't forget about the crazy schemes, like the casino in Gleason Park, the hovercraft, the new I65 train depot. Did the taxpayers pay for the "Rudy Clocks" And don't forget about the fed's raiding the sanitary district. These are your tax dollars at work.

Tax increase possible for Gary if bailout is OK

December 13, 2008

By Jon Seidel Post-Tribune staff writer

GARY — Amid a mood of fiscal belt-tightening at each level of government, Gary became one of two Hoosier cities this week to ask for a state bailout in 2009.

The situation doesn't bode particularly well for Gary taxpayers. A successful appeal by Mayor Rudy Clay would effectively increase local tax bills next year.

But a failed appeal, city officials warn, would force the firing of at least a quarter of Gary's police and firefighters in 2009, followed by another sizable cut in 2010. Hundreds of other jobs would also be lost, they say.

The mayor promises to lay out his plan and answer questions at a town hall meeting at 5:30 p.m. Monday at the Genesis Center. He is scheduled to make his formal appeal in Indianapolis three weeks later on Jan. 5. No time has been set for the hearing yet.

"I'm hopeful that they will make the right decision," Clay said this week of the state's appeal board. "The decision that they make is going to have a direct impact, major impact, on the quality of life in the city."

Southern Indiana's Monroe City, population 524, and the Beech Grove Public Library near Indianapolis will join Gary when it asks for state help next month.

All three will ask for relief from new property tax caps created in response to a state-wide outcry over expensive tax bills.

The reform package, passed in March, caps 2009 tax bills at 1.5 percent of a property's assessed value for homeowners, 2.5 percent for landlords and 3 percent for business owners.

The loss of tax revenue, however, means less money for local government. Without state help, one study shows, Gary's general fund will see just \$31.9 million in 2009. The city is budgeted to spend \$63 million.

Lawmakers created the Indiana Distressed Unit Appeals Board as a safeguard for any city crippled by the tax caps. It's a nine-person board whose members are appointed by Gov. Mitch Daniels.

Gary claims to be just such a city, and it is specifically asking the board to "increase circuit breaker caps for City of Gary."

Ryan Kitchell, the director of the state's Office of Management and Budget and chairman of the appeals board, said board members could either grant Gary's request and raise the tax caps or it could reduce tax cap credits.

A reduction in credits, Kitchell said, would ultimately look the same to taxpayers as raising the tax caps themselves.

"It's really just done in a different mathematical way," Kitchell said.

Such relief would last only one year, Kitchell said. Gary would be forced to petition the appeals board again for 2010 and 2011.

After that, Gary could be forced to live within the tax caps. Daniels will push next year to make them constitutional, Kitchell said. If that happens, he said, the appeals board would be powerless to grant relief in 2012.

"What we're trying to do is just provide a little bit more time," Kitchell said.

The board might also deny Gary's appeal. Kitchell and Daniels have each said any city qualifying for "special treatment" must prove it has done all it can to help itself first.

Kitchell declined Friday to be any more specific with the board's criteria.

"It'll ultimately be a decision of the majority of the board members," Kitchell said, "what they think is a sufficient level of self-help before asking for more taxpayer dollars."

City Hall has yet to convince many of its own residents that it has met that threshold. Members of the Miller Citizens Corp., led by attorney Douglas Grimes, said they will oppose Gary's petition in Indianapolis.

"We are opposed to any new taxes," Grimes said, "regardless of how that occurs. That's our fundamental position."

MCC members are especially upset because the city didn't publicly share its report to the appeals board before the City Council approved the official petition. Clay shared his report with elected leaders and union members before that vote, but it wasn't available to the general public until Tuesday.

"The people had no way of knowing what the plan was or how they were going to be affected by it," Grimes said. City Hall also suffers from a "credibility issue," Grimes said, because of reports of questionable spending. "It begs the question, 'What do you mean pay more?'" Grimes said.

Clay said his city has already "cut to the bone," having dealt with an \$11 million budget shortfall in 2007 and a \$13 million shortfall in 2008. He said the MCC's opposition to the city's appeal is harmful.

"Anyone that goes down with that kind of attitude does not have Gary at heart," Clay said of the MCC. "They have another agenda."

Kitchell said the distressed board is willing to hear public comments "within some reason from a time standpoint."

"I'd really encourage any written comment in advance," Kitchell said. This is the first year for the appeals board, though, so Kitchell declined to say when Gary will have its final answer. He said City Hall's expectation that a conclusion be reached by February is "reasonable."

"My personal preference would be to get this resolved as quickly as possible," Kitchell said.

URGENT NOTICE TO ALL!

The tax caps that we worked so hard to get will fall by the wayside if the Gary political system gets their way.

Tax caps may be reduced to increase revenue if the City of Gary's appeal to the State Board wins!

There will be an Indiana Distressed Unit Appeals Board meeting to consider Gary's petition for more tax money in 2009. That meeting will take place on January 5, 2009; however, the "City" will share its petition to the Indiana Board on Monday, December 5th @ 5:30 p.m., at the Genesis Convention Center, where the major promises to lay out his plan and answer questions at this meeting. He will make then make his formal appeal in Indianapolis 3 weeks later (January 5, 2009).

Bottom Line: If this appeal is approved, we will all be paying much higher taxes.

*** We ask each and every one of you to attend the December 15, 2008 meeting at the Genesis Convention Center. In addition, we ask that you comment in writing regarding your opposition to this move. Your comments can be submitted to srusso@sbs.in.gov or send your letter to: Indiana Office of Management and Budget, 200 W. Washington Street, Suite 212, Indianapolis, IN 46204.

We have just been given notice of this, another potential hardship, on our community...one that none of us can afford to absorb.

Please join us in our efforts to stop this petition.

To read complete information, please log onto the Post-Tribune website, December 13th publication, written by Jon Seidel staff writer, entitled: "Taxpayers to pay more if bailout OK'd".

The Miller Improvement Group thanks you for your help.

Russo, Stephanie

From: jeff kumorek [crab7749@sbcglobal.net]
Sent: Wednesday, December 17, 2008 11:44 AM
To: Russo, Stephanie
Subject: Gary Appeal

I am strongly opposed to granting and relief to the City of Gary. It has not done enough to bring it's budget under control. The State properly gave us homeowners property tax relief when we were struggling. If the city is allowed to have tax caps removed their is no doubt I will lose my house next year.

Make Gary take responsibility for itself.

Jeffery A. Kumorek
7600 Oak Ave
Gary, IN 46403

Russo, Stephanie

From: Kathy Long [kathyannlong@yahoo.com]
Sent: Wednesday, December 17, 2008 10:55 AM
To: Russo, Stephanie
Subject: Gary Indiana -- DUAB request

While I admire Celita Green for her diligent work in Gary, the Mayor seems unwilling to give up political perks that cost the city.

His elected cronies and their employees still fill their cars up at the city's gas pump and publically refuse to stop this behavior. The Mayor refuses to do anything to lock the practice down.

These folks would sacrifice city safety by cutting police and firefighters in order to retain their own comforts and graft. This city is mismanged by folks that have 'honorary GED certificates.'

Only Celita Green seems to have a handle on it, but as an accountant for the city, has no power to hold departments and politicians accountable for waste and fraud.

Please don't bail this city out. Let them declare bankruptcy and put them in a position to rebuild, not continue to carve out golden eggs from a half dead golden goose.

I live in Gary, and I pay property taxes. We get little for our tax dollars in the way of city services and now are paying for our trash pick up. Our schools are the worst in the state.

More money won't solve this -- it's like sending money to a third-world nations and expecting their dictators to NOT pocket it.

Kathy Long
101 N Hancock
Gary IN 46403
219-938-3239

December 17, 2008

Indiana Office of Management and Budget
200 W. Washington St.
Suite 212
Indianapolis, IN 46204

Dear Sir or Madam,

I am writing to urge you to not give Gary free reign to raise property taxes again. Mayor Clay has not tried very hard to cut the non-essential services and never will unless there is no chance that he will get bailed out. Our earlier taxes of almost 9% of a houses assessed value just devastated our community. Please do not let this happen again. We are already paying more than the 1% that most of Indiana pays so as to pay back old bonds. With my husband unemployed now, this time we could loose our house if taxes went back up like before. Again, please hold the line of taxes.

Sincerely,



Karin Kirulis
819 N. Vigo St.
Gary, IN 46403

Russo, Stephanie

From: Simon, Linda [LSimon@lockelord.com]
Sent: Thursday, December 18, 2008 12:11 PM
To: Russo, Stephanie
Subject: FW: Distressed Unit Appeals Board

I think you already have this, but thought I'd re-send now that I have the correct address. Thanks!
Linda

From: Simon, Linda
Sent: Monday, December 15, 2008 10:43 AM
To: srusso@sbs.in.gov
Cc: Nora Glenn
Subject: Distressed Unit Appeals Board

I am writing to voice my strong opposition to the City of Gary's appeal to the Distressed Unit Appeals Board.

I am a homeowner in Gary and I cannot afford to pay taxes that are 2 to 3 times higher than the rates paid by neighboring communities. In one year, my property taxes increased from \$3,000 per year to \$18,000 per year. This was not because my house was so valuable. It was because I was taxed at an annual rate of close to 6%. That is truly obscene. With a tax cap in place, I still pay a higher rate than my friends elsewhere in Lake County and in Porter County. My "pay 2008" taxes came in at a rate of 2.4%, quite high indeed. I cannot afford to have them go even higher, which is what will happen if you approve Gary's appeal.

Unfortunately for us in Gary, the only thing that has forced our city, school board and other taxing entities to make the tough decisions that they need to make is the property tax cap. Without it, the spending would continue unchecked. Gary's population has declined from a high of over 170,000 to under 100,000 now. The school population has declined from over 40,000 to less than 10,000. However, this reality was not accepted and spending continued as if nothing had changed. That is truly unsustainable and the tax cap has started to force needed changes.

Every day we read a story in the paper about a no bid contract going to friends of Gary's mayor in exchange for cash and about unneeded jobs being created for family members. Until every unnecessary and corrupt spending item is out of the budget, no relief should be given to Gary.

We all support the police and fire and the need for those services. However, until Gary makes the cuts it needs to make elsewhere in its budget, we won't respond to "crying wolf." We sincerely hope that you won't either.

Thanks!
Linda Simon, a Gary taxpayer

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Russo, Stephanie

From: nglenn [nglenn@netnitco.net]
Sent: Thursday, December 18, 2008 10:41 PM
To: Congressman Pete Visclosky; Russo, Stephanie; rkitchell@sba.in.gov
Subject: Fw: Rudy Clay C'mon Down

Importance: High

----- Original Message -----

From: Gary Votes
To: nglenn Nora
Sent: Wednesday, December 17, 2008 8:06 AM
Subject: Rudy Clay C'mon Down

Greetings,

I attended Rudy Clay's "dog and pony show" at the Genesis Center on Monday night, in which he and his administration made their case for additional funding from the Distressed Appeals Board...

Gary residents and taxpayers are paying a price for Clay's arrogance and ignorance.

Clay receives \$88,000 a year in salary, plus \$33,000 a year as special administrator for the Gary Sanitary District. Going through his prospects-of-doom rhetoric depicting how the city was going to lose vital services and how difficult it was to find funds to run government, one woman asked him "What about the money you get from the GSD?"

Somewhat taken back by the question,
Clay paused and with a smirk on his face said,
"All I can say is... God is good!"

The audience erupted with boos, catcalls and yells of disgust.

Clay and his attorney said last month that Clay "did not have to do anything" for his \$33,000 a year as special administrator for the GSD.

Not true! According to the Federal agreement which established the position of special administrator (a post which Clay assumed when he became mayor and took the special administrator job from the previous mayor), the special administrator is to submit quarterly reports to IDEM that tells how well GSD is complying with the federal order... If Clay is not submitting the quarterly reports to IDEM, he is not doing his job and should not receive any payment at all.

Plus, the request from the City includes a distressed appeals request for the Gary Sanitary District, an organization that last April raised our sewer fees by 87 percent! How can you double fees and income and then say you need more? This suggests that the GSD Board arbitrarily picked a number out of thin air and had no clue as to what the real budget needs were.

At the same meeting in which they GSD Board said the 87 percent increase in sewer fees was necessary to meet expenditures, they awarded Rudy Clay's son with a \$30,000 annual contract to videotape their meetings (that's \$2,750 for videotaping a 3 hour meeting each month)... a service that had been provided free by our local cable station.

More incompetence! More ignorance!

The time has come for Gary residents to call for Rudy Clay's resignation! The poor judgment, the political patronage, the excessive spending, the threats to our public safety and welfare, are just some of the reasons why he should step down.

Yes, Rudy, God is good!

But She is no friend of injustice, greed and arrogance!

Russo, Stephanie

From: pat colander [pccolander@sbcglobal.net]
Sent: Thursday, December 18, 2008 11:04 AM
To: Russo, Stephanie
Subject: City of Gary Appeal.

I am writing to request that the appeals board REJECT the Gary appeal. The City has not done enough to tighten its belt. Remember the Mayor hiring his son a a photographer. If the tax caps are lifted there is no way we can pay our taxes and will lose our house.

Sincerely

Pat Colander
7600 Oak Ave
Gary, IN 46403

Russo, Stephanie

From: Buckpr@aol.com
Sent: Friday, December 19, 2008 1:58 PM
To: Russo, Stephanie
Subject: property taxes in Gary

Our message is for the Indiana Distressed Unit Appeals Board and Ryan Kitchell, the director of the state's Office of Management and Budget and chairman of the appeals board.

We live in Gary and have watched our city disintegrate more and more as the years go by. We have worked to develop the philosophy of Community Oriented Police and establish offices around the city. We have tried to watchdog the 'powers that be' in enforcing the laws relative to the strip joints here. We have voted in every election and worked our hardest toward better government. The corruption, greed, and plain lack of common sense in our government is winning.

Please try to find out how Gary is spending the money it has. We believe that you cannot trust Rudy Clay's verbal or written presentation. An unbiased investigation into the cities budget and spending practices needs to be done before a decision is made as to whether they need to increase our property taxes. We cannot afford to have more people leave our area because of taxes. The city needs a line by line audit to see what can be done. It is our understanding that Mr. Clay has hired his son to be his "photographer" and paid an unusually high amount by the city to do this. If this is true, couldn't we get rid of that position instead of a firefighter or police person?

My family and friends are wearing down and feeling helpless in the tangled web of politics here. We vote and it doesn't change a thing. There is too much control in the wrong hands and it has been this way for too long. Please help us by scrutinizing every thing you have come before you from the city of Gary.

Thank you.

Patricia and Richard Gonzales

buckpr@aol.com

219/939.9946

One site keeps you connected to all your email: AOL Mail, Gmail, and Yahoo Mail. [Try it now.](#)

Russo, Stephanie

From: ELIZABETH TEGARDEN [gtegarden@sbcglobal.net] **Sent:** Fri 12/19/2008 11:22 PM
To: Russo, Stephanie
Cc:
Subject: Gary Tax Rate
Attachments:

Dear Members of the Distressed Unit Appeals Board:

Gary's tax cap for Homeowners should be lowered to 1% to be consistent with the majority of the State and no consideration should be given to Mayor Clay's attempt to raise the tax cap. Spending by Gary's mayor and city council cannot be justified in light of population loss and the loss in housing stock and, frankly, the basic needs of our communities. I sit here early Wednesday morning looking out of a street that has not been plowed and has not been plowed in over two years. I do not ask for much for my tax dollars, but I think drivable streets, garbage pick up and snow plowing would be a good start. This administration is so ripe with incompetence and dishonesty that little of anything is done to benefit the citizens while thousands of tax dollars are passed out to benefit the mayor's friends and the council member's buddies. Yes, Gary needs help but raising the tax rate on those of us who have paid so much for so very little is unfair, unjust and will do nothing but further feed a beast that needs serious reform not more money.

I have lived in Gary for 27 years and have paid taxes as high or higher than friends in neighboring communities owing bigger and better homes. This is wrong. As I've paid more and more, services have dwindled and dwindled now to just a trickle. Our city government has forgotten that we pay taxes for services - for road repair, snow removal, fire and police protection.

What we need here is the Local Option Income Tax. We need to put politics aside and the state should mandate our county to pass this tax. It is only fair and only just that the whole of the county help pay and be financially responsible for the poor and unemployed people on our cities. Nothing will improve as long as the number of citizens who are tax consumers and not tax payers increase. Nothing will improve when you demand that the tax paying base in Gary take up the financial responsibility for the economic, social and management mess that is the city of Gary. We pay and pay and pay for no tangible benefit.

It is now 5:30 am. The snow fall ended about 10 hours ago and although I live on one of the major streets in the Miller section of Gary, the street has not been plowed. And it will not be plowed. So I will bundle up and get out the snow blower and clean my drive and walk and the portion of the street in front of my house so that I can get access to the street. My neighbor will do the same. Between all of us, the street will become somewhat passible and we will all go to work because we have taxes to pay.

Please, before you buy Mayor Clay's pleas, talk to the people who work everyday and pay their taxes. You have a responsibility here. Yes, Gary need help but raising the tax cap is not the answer. Raising the tax cap will only serve to feed an incompetent, dishonest administration and force more working people to give up and move to Munster, or Hobart or Highland or Crown Point because in these communities you get something for your tax dollar. Thousands of honest hard working people who have decided to stay in Gary and make a life respectfully request that you deny Mayor Clay's attempt to raise the tax cap.

Sincerely,

Elizabeth G. Tegarden

Attorney at Law

8227 Locust Avenue

Gary, IN 46403

December 19, 2008

Stephanie N. Russo
Executive Assistant to Ryan Kitchell and Chris Ruhl
Indiana Office of Management and Budget
State House Room 215
Indianapolis, IN 46204

Via Email To: srusso@sba.in.gov

Brice Johnson
9513 Forrest Dr.
Highland, In 46322

Ms. Russo:

Per your direction, I am submitting this correspondence to you. Please relay to the Indiana Distressed Unit Appeals Board the following:

Sirs:

For decades the city of Gary has been an example of all that can go wrong in America when apathy reigns supreme over justice, freedom and moral and ethical governance. We, the people of the United States of America, the State of Indiana, Lake County and the City of Gary itself have all empowered and enabled the successive regimes in charge of this city to push it deeper and deeper into the abyss of the collective poverty of hope that it has become. The city has been run in similar fashion to the many socialist third-world dictatorships that have come and gone in modern history which have enriched the few at the expense of the many, practiced exclusionary economic development policies, and sustained power by keeping their constituency poor, undereducated, clustered together and living in fear. This is not a newly formed opinion. I wrote a guest editorial that was published September 26, 2005 by the Times of Northwest Indiana following the Hurricane Katrina disaster. Its effect on the poor of the ninth ward in New Orleans and how the conditions that allowed that to occur there are identical to cities around America, including Gary, IN.

http://www.nwi.com/articles/2005/09/26/opinion/guest_commentaries/1089a914c931f29586257085007e8956.txt

In preparing this correspondence, my inclination is to advise you not to help the city of Gary because its apathetic leadership will only do what it always does, squander its resources as fast as it gets them, but because the required "financial plan" submitted has material defects which render it something far less than a plan.

As a Christian, obviously I have to think of the tens of thousands of very poor people being kept captive in this hell by the very same leadership seeking relief from you, but not necessarily on their behalf. The poor are the ones who really need help, not the sociopaths in charge of this city who are single-minded on enriching themselves.

HB 1001 was fought hard by Mayor Rudy Clay and his appointed senators and representatives downstate with the argument that police and fire services would suffer. Again, the fear tactics are the weapon of choice. Today the prophecy is coming true. Amazingly, with some 1300 non-school employees, the city attacks its police and fire departments with budget cuts, reduction of hours and staffing. Yet, the mayor himself continues to draw multiple paychecks, maintain family on the city payroll and keep all the patronage pigs fat at the trough of public funding. But still bloated payrolls are only part of this mess.

The Calumet Township government parallels the City of Gary in keeping bloated payrolls and heaving money at ineffective programs as if to make certain that the poor stay poor and the captive constituency stays in their districts.

Lake County government leadership actually benefits from the tax collection mess that is the City of Gary in that a significant percentage of Gary properties are cycled through the tax auction process,

often over and over with little or no money or fees collected going to this blighted city but a fortune going to the sheriff personally and vast sums kept by county departments and their vendors.

The city's storm water management service is a mess and has been for years, yet the mayor who draws a salary for (also) leading this body admits he does not manage the organization.

We could go on for days about the city's past and present sins. If we choose not to be apathetic, we can change it all with careful and deliberate intervention.

The city has petitioned you for help. Their submission contains a proposed, and materially flawed budget that makes no plan to reduce costs as required, but actually forecasts the imposition of a county option income tax (COIT) to shore up their expressed plan for NOT conforming to the cap. Clay and the mayors of the other two cities along the lake have demonstrated that they fully intend to have COIT imposed for the express purpose of taxing ALL of Lake County and redistributing the money in whole or in part to Gary and to a lesser degree East Chicago and Hammond. Clearly, this is unconstitutional, but it is also unconscionable that the people of Lake County, already a donor county to the state in an amount over \$1.2B, would be forced into yet another tax under the guise of property tax relief, which it clearly is not. The city should be forced to plan a budget NOT including the COIT that conforms to the caps and does not include new or captured special taxes and fees. It is highly unlikely COIT will ever pass as the city wants and if it does it will be tied up in court and cost the state and county enormous amounts of money to fight to keep.

The COIT is not the only county-wide scheme for redistribution of wealth for the benefit of incompetent city management. There is a plan in the works to raise and capture hotel and restaurant taxes (traditionally used for tourism enhancement efforts) to fund public transportation, another completely unmanaged mess here.

The feeding frenzy will not stop unless and until you step in and assert your authority and force them to be responsible.

You have a unique and historical opportunity before you. For the first time the state has been invited to take control of the city of Gary – at *their* invitation.

You may allow the temporary relief to the city contingent on:

1. The DLGF and State Board of Accounts having free access to all departments and all records once and for all and continuously. You can evaluate how and where they are spending money.
2. You can evaluate the bloated departments and its staff members and evaluate their competency to hold the positions they are in and whether the positions are necessary for the improvement of the city. You can force them to remove all the cronies from office.
3. You can go through all the records of the hundreds of millions of dollars squandered year after year by this city and this administration and make those responsible accountable for their crimes against the poor people of this blighted city.
4. You can force them to stop the scandalous system of bidding, letting and mismanaging public work by forcing them to retain the services of companies experienced in project oversight and force them to stop the nonsensical practice of only letting contracts to contractors and vendors located within the city with preference to minorities and with preference to city residents. It's the people's money and should be managed better and spent on the very best materials and services available, not just to politically subservient contractors and vendors. It is very easy to hide money in construction projects, especially large ones. In 2001 the cities of Gary and Joliet, IL built remarkably similar minor league baseball stadiums. Gary's cost thirty million dollars more and took a year longer to build. The system doesn't work and never will there. It enriches criminals and rapes the poor, captive constituency. How do I know? I managed the construction of the Joliet project, which was on time and under budget and no one in the city gained personally by the activity I can assure you. Mayor Art Schultz runs a very tight ship there and always has.
5. You can offer hope that the State of Indiana has not abandoned them and has come to resurrect the city and save its people. You can clean house here and impose cleaner government. You can make them better and be more responsible with the fortunes of the most heavily taxed property owners in the state by rate.

6. Speaking of property taxes, you should also make certain that they at least make some effort to actually collect the revenue. Some 2/3 of the properties in the city have somehow been allowed to be classified as tax exempt, non-profit. Clearly there must not be that many active churches and community organizations. Who audits these claims? Are you aware that when the tax sales are advertised here, it is typical for a few properties from each town in the county to be listed, but for whole sections of the paper to be needed to list, in fine print, the properties in the cities along the lake, especially Gary? I have to believe that there are thousands of victims in these lists and very little revenue being generated by it all. Add to your list the requirement for the city to implement a plan to drastically increase home ownership and the collection of property taxes. If the buildings need to be razed, then remove them and redevelop. Why list the same properties over and over with no one paying the required taxes.
7. Establish a State Police unit in the city to not only protect the public, but to police the public officials.
8. Put the school system, all city departments, storm water utility and other departments into receivership and take over their management.
9. Keep the short-term deadlines to reduce their budgets.
10. Do not allow the city to budget contingent on the unlikely COIT and do not support its implementation by empowering the city to plan for it. The re-distribution of wealth being proposed here is immoral and will only add more money for these apathetic leaders to waste as they have the billions that have been lost in this city during the last 40 years.
11. Make the City of Gary pay for all of the above until they put their house in order.

Evaluating applications like the one submitted by Gary is more than complex. I do not envy your position and the burden it must place on you morally and ethically.

I wish we did not have to have this exchange, but we are faced with the result of a long series of missed opportunities by the city and even by the state. Let's not miss this opportunity.

The silver lining is that from this comes an opportunity to turn the tables on the city's incompetent leadership by responding with "After you reconstruct your financial plan without COIT, Yes, but with the money will come an immense amount of oversight and investigation of the city's governance". It's time to stop this madness once and for all. No more leniency, no more probation periods. If they are not all in jail by the time your investigations are done, then they should either follow your plan to the letter or leave. In either case, we've finally improved the city despite itself.

Thank you for your valuable time and consideration.

Respectfully submitted,

Brice R. Johnson

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21 Dec 08

To: Stephanie N. Russo
Exec. asst: Ryan Kitchell and Chris Ruhl
IN, OMB
State House Room 215
FAX 317-233-3323

Please vote to dis-allow The City of
Dary exceeding the 2009 Tax caps.
The legal level of Taxation is already
budget-festing for our family. As
a Resident of Miller Beach area of Dary
and long time member of MCC (Miller
Citizens Committee) we back the MCC
Stance against any Tax increases that
are otherwise not authorized
John Collie
Jessie Hoell

Russo, Stephanie

From: Yolanda [ystoffregen@sbcglobal.net]
To: Russo, Stephanie
Cc:
Subject: FW: Bite the bullet now...
Attachments:

Sent: Sun 12/21/2008 10:45 AM

I'm forwarding this from a fellow Gary citizen. **Please take the time to read this.** It expresses the thoughts and frustrations of many Gary residents. I oppose allowing an exemption to our current property tax rate. I oppose Mayor Clay's request for additional monies that, I believe, will continue to be wasted on endeavors that **will not** benefit the general population.

Yolanda Stoffregen

...or take one to the head later!

If anyone has been keeping score, they should have made the observation over the past several years, that as the cost of local government has escalated, the level of services--along with the standard of living--has dropped significantly. So therefore, how can it be defended that we should give the local governments more money?

They really haven't shown us even one thing that they need this money for--this property tax surcharge--that will provide us any direct benefit. They threaten us by saying that without it they will have to cut public safety--that this will be the first order of business. Well, that's no surprise as neither the police or fire departments have really been considered parts of the patronage army, at least not the rank and file. Surely some in their administrations have been compliant pawns, but overall, these departments have not represented the blindly loyal and obedient troops that the rest of the city payroll traditionally has.

So for the moment, consider the threat of making significant staffing reductions in public safety, off the table. If in no other capacity, the State WILL have to become involved to ensure that the citizens of Gary do receive an adequate level of public safety. But Clay's willingness to freely and regularly make this threat demonstrates how desperate he and his palace guard are. Where else in the country could a mayor, someone ostensibly elected to protect the citizens, threaten to take such an action, an action which would without question put these same citizens in immediate danger? Essentially what he said was, the first cuts he will make are to public safety, long before he even explores the possibility of trimming any fat from the insatiable diet of his enormous, yet immobile, patronage army.

But as we study this inverse correlation between the cost of services and the actual level of services that are delivered, we can immediately recognize that as costs have risen, services have dropped dramatically. Why then don't we simply hypothesize that as costs are slashed, services will improve? At a minimum, we should be able to conclude that they will not get any worse. That they can't get any worse. And that they can't get much costlier. Please note that services have sunk to an all-time low over the past several years. It is through these same years that the budget had climbed to the highest on record. In years past, even though the budget was at

nowhere near the level it has more recently grown to, the City had always been able to provide the necessary and expected services--at least to some minimum standards. Now, they don't even try. They've thrown in the towel. Giving them more money is not the answer.

Body Count

Where is everybody? And what are they all doing? Besides Public Safety, there are over 800 other employees. (And I would be remiss if I didn't also remind everyone that there are many more people "employed" by the city through personal service contracts. This is where you'll typically find the most fat. And then there are even more whose employ are funded by grants) I can't figure out where they all could be hiding, much less figure out what they are doing. The vast majority of them are tucked away in offices scattered across the city. But let me remind everyone, you can't operate a city solely from an office. The majority of the work of running a city is field work. Maintaining streets, sidewalks, parks, pools, streetlights, street signs, etc. And snowplowing, salting, fixing potholes, etc.

Forget economic development. Forget redevelopment. Forget going to China. Forget cozing up to a long line of developers with big plans and small bank account balances. These are all luxuries--luxuries we cannot afford--at least not if we have to sacrifice public safety and other basic services to pay for them. What is so hard to understand that if we provide good basic services at an efficient cost, that all of the rest will naturally follow? And why do they think that if they devote all of their resources to all of this other stupidity, that they will be able to overcome all of the negative aspects of the city that emerge and expand while they neglect their basic duties and shirk all of their other responsibilities?

But really, where is everybody? There isn't anyone at the new General Services building at 9th and Madison. There isn't anybody at the old place on 9th Place and Madison. There isn't more than one person at 11th and Madison. There isn't anybody at 11th and Pierce. There isn't anybody at the old Reichman Trucking building on Chicago Ave. that the city occupied for a while. There may be a few people at the garage at 13th and Massachusetts. There isn't much to do at the parks in the winter. What do Parks department employees do all winter? GSD is supposed to be run by a private contractor, so we shouldn't have many city workers over there. Allied Waste is picking up the trash, so we don't need garbagemen anymore. They just demolished the Gary Neighborhood Services building on 19th and Madison, so they can't be hiding there. There are probably a few workers at Truck City of Gary's old building on Chicago Ave.

But alas no, the majority of the 800-plus non-public safety employees are not where they should be, not where one would expect to find them. The bulk of these workers can be found not in the field where they are needed--where they could do some good, but are holed up in offices and cubicles, wearing leisure suits and loafers, and designer dresses and high heels. Cities even Gary's size, only need a handful of administrative personnel. The maintenance and services that they are required to--obligated to--provide can only be performed by people that are appropriately skilled, properly equipped, and willing to perform said work.

So if you want to start making some progress on this head count, first go to City Hall at 401 Broadway. Next go to the Annex Building at 839 Broadway. Then go to the Public Safety facility at 555 Polk and go to the Clerk's office. As you visit these places, you will probably notice that there are no trucks, no street sweepers, no shovels, no brooms, no equipment of any kind whatsoever that is usually associated with maintaining the

services which cities are responsible to provide.

But if you have the time to stop and observe any of the comfortable denizens of these office complexes, you'll be certain to find hundreds of people that wouldn't be caught dead in coveralls and work boots. I'd be surprised if they still remembered how to tie the laces on a shoe!

So while Rudy Clay fearmongers that without relief from the Distressed Unit Appeals Board that public safety will collapse, and attempts to use other scare tactics to influence citizens and taxpayers to support the City in its pathetic appeal. Don't buy it! The result will be exactly the opposite.

To begin with, there won't be any money for his horsesh#t. There will only be money to perform the necessities. And it will be necessary for them to be performed efficiently. Quite simply, it will become a lot harder for them to steal. Next to impossible. Of course he and his minions are in a panic. The party is nearly over...for them. Ours can finally start. Not so much a party as just the ability to breath...to just live. That in itself would be a major improvement.

So, as you consider whether or not to support Rudy and his cronies as they shamelessly beg the State for the approval to misspend MORE of our tax dollars--as they ask for permission to overtax us even more; or if you consider not responding at all; or if you hopefully, vehemently object and are willing to take the time--to make the time--to write to the State, or appear in person at the hearing, just know what is riding on the verdict. This is for all the marbles! The city cannot survive the next four years if they are permitted to surcharge our taxes--to raise them back up. It was the State that saw fit to provide us with this legislation to reduce them. Make sure the relief we were promised doesn't get detoured. We need it now! The city cannot afford to wait. It can't afford the slightest delay.

If you think the city has already bottomed out, I've got news for you..."You ain't seen nothin' yet!" Imagine a mass exodus of the few remaining businesses. Imagine commercial residential properties becoming first vacant as the landlords are forced to raise rents, then imagine the abandonment of many of these properties that will soon follow. Imagine that the few jobs provided by the ever-decreasing number of private sector businesses located in Gary dry up as they finally fold up shop. Imagine that as this unemployment increases due to the collapse of the small business community, that street crime and other illicit activities will increase. The largest employer in Gary is not US Steel. It is not even local government (although this may be difficult to believe). It is small business. The City's request for the ability to surcharge taxpayers that they will be presenting to the State's Distressed Unit Appeals Board (DUAB) on January 5, 2009, if approved, will be the kill shot to the temple of small business, industry, and the commercial residential business communities. We may have a lot of residents that will be happy--if as Clay states they will be excluded from the effects of his request, but unfortunately, they will be residents of an economic wasteland, the likes of which no one has yet come close to experiencing in Gary.

Clay portends that if the DUAB does not grant him and the City relief, that there will be devastation. I contend that there will be far greater devastation if they do!

Just imagine

What if we had a low enough tax rate that it would ATTRACT--rather than repel--businesses to the city? And that it would encourage private investment to pour in instead of chasing it away? Just imagine if we had a tax rate that would ENCOURAGE people to fix up their houses and properties rather than discouraging them from doing so for fear that their assessed values would be increased and then multiplied by our incredibly high tax rate. Just imagine a THRIVING small business community rather than a dying one. Just imagine landlords and investors flocking to the city rather than running away from it.

You won't have to imagine long! The tax relief that will allow this to happen is just around the corner--as long as we don't let this administration get in its way...to stand in its way.

We are the largest city in the county. We are the most populated city in the county. We are the best situated city in the county. We have by far the largest lakefront in the county. We have the best highway access in the county.

I can't imagine that the city will not rise again if the State forces us--enables us--to rein in our tax rate. And to stop the uncontrolled spending and flagrant fiscal abuses in the process. It's a sure bet! You just need to make sure you are backing the right horse! Bet on you. Bet on us. Bet on all of us working together--to win!

And please...write to the State's Distressed Unit Appeals Board and let them know what you think. Send emails in care of srusso@sba.in.gov . You owe it to yourselves, you owe it to your children, and you owe it to your neighbors. It is really the least you can do.

When they lose, we all win!

One site keeps you connected to all your email: AOL Mail, Gmail, and Yahoo Mail. [Try it now.](#)

Russo, Stephanie**From:** Jack Lund [londonjack@sbcglobal.net]**Sent:** Sun 12/21/2008 8:52 AM**To:** Russo, Stephanie**Cc:****Subject:** DENY City of Gary's Petition!**Attachments:**

NOTE TO DUAB: I wholeheartedly endorse the following letter, penned by Beach, which makes the case that the dysfunctional administration of Mayor Rudy Clay is simply unworthy of any further financial support. Why? Because it doesn't do anything for the citizens; it provides few, if any services (other than public safety, which it has already cut and threatens to cut even further).

Most of the city's 'workers' are apparently "overseeing" the very few who are pulling the laboring oars. The Mayor, Deputy Mayor, and various and sundry assistants to The Mayors have little or nothing to do, given the glut of hundreds of supervisory personnel who, as Beach describes in his letter, *"are holed up in offices and cubicles, wearing leisure suits and loafers, and designer dresses and high heels. Cities even Gary's size, only need a handful of administrative personnel."*

Any further financial support would simply perpetuate the leisure suit/designer dress syndrome, while giving the citizens no additional services, and possibly even fewer -- if that's possible.

If *ever* an entity should be permitted to fail - to file bankruptcy - it would be the ever-so-deserving City of Gary, as it is currently administered. Please *do not* be persuaded by the wholly fallacious presentation of the City in support of its Petition, which is obviously a computerized "dog and pony show", bereft of any real factual content or real statistical information. Assertions - mere assertions, wishful thinking - designed to pull the wool over your eyes. Don't fall for it; rather, read on to Mr. Beach's letter, below:

If anyone has been keeping score, they should have made the observation over the past several years, that as the cost of local government has escalated, the level of services--along with the standard of living--has dropped significantly. So therefore, how can it be defended that we should give the local governments more money?

They really haven't shown us even one thing that they need this money for--this property tax surcharge--that will provide us any direct benefit. They threaten us by saying that without it they will have to cut public safety--that this will be the first order of business. Well, that's no surprise as neither the police or fire departments have really been considered parts of the patronage army, at least not the rank and file. Surely some in their administrations have been compliant pawns, but overall, these departments have not represented the blindly loyal and obedient troops that the rest of the city payroll traditionally has.

So for the moment, consider the threat of making significant staffing reductions in public safety, off the table. If in no other capacity, the State WILL have to become involved to ensure that the citizens of Gary do receive an adequate level of public safety. But Clay's willingness to freely and regularly make this threat demonstrates how desperate he and his palace guard are. Where else in the country could a mayor, someone ostensibly elected to protect the citizens, threaten to take such an action, an action which would without question put these same citizens in immediate danger? Essentially what he said was, the first cuts he will make are to public safety, long before he even explores the possibility of trimming any fat from the insatiable diet of his enormous, yet immobile, patronage army.

But as we study this inverse correlation between the cost of services and the actual level of services that are delivered, we can immediately recognize that as costs have risen, services have dropped dramatically. Why then don't we simply hypothesize that as costs are slashed, services will improve? At a minimum, we should be able to conclude that they will not get any worse. That they can't get any worse. And that they can't get much costlier. Please note that services have sunk to an all-time low over the past several years. It is through these same years that the budget had climbed to the highest on record. In years past, even though the budget was at nowhere near the level it has more recently grown to, the City had always been able to provide the necessary and expected services--at least to some minimum standards. Now, they don't even try. They've thrown in the towel. Giving them more money is not the answer.

Body Count

Where is everybody? And what are they all doing? Besides Public Safety, there are over 800 other employees. (And I would be remiss if I didn't also remind everyone that there are many more people "employed" by the city through personal service contracts. This is where you'll typically find the most fat. And then there are even more whose employ are funded by grants) I can't figure out where they all could be hiding, much less figure out what they are doing. The vast majority of them are tucked away in offices scattered across the city. But let me remind everyone, you can't operate a city solely from an office. The majority of the work of running a city is field work. Maintaining streets, sidewalks, parks, pools, streetlights, street signs, etc. And snowplowing, salting, fixing potholes, etc.

Forget economic development. Forget redevelopment. Forget going to China. Forget cozying up to a long line of developers with big plans and small bank account balances. These are all luxuries--luxuries we cannot afford--at least not if we have to sacrifice public safety and other basic services to pay for them. What is so hard to understand that if we provide good basic services at an efficient cost, that all of the rest will naturally follow? And why do they think that if they devote all of their resources to all of this other stupidity, that they will be able to overcome all of the negative aspects of the city that emerge and expand while they neglect their basic duties and shirk all of their other responsibilities?

But really, where is everybody? There isn't anyone at the new General Services building at 9th and Madison. There isn't anybody at the old place on 9th Place and Madison. There isn't more than one person at 11th and Madison. There isn't anybody at 11th and Pierce. There isn't anybody at the old Reichman Trucking building on Chicago Ave. that the city occupied for a while. There may be a few people at the garage at 13th and Massachusetts. There isn't much to do at the parks in the winter. What do Parks department employees do all winter? GSD is supposed to be run by a private contractor, so we shouldn't have many city workers over there. Allied Waste is picking up the trash, so we don't need garbagemen anymore. They just demolished the Gary Neighborhood Services building on 19th and Madison, so they can't be hiding there. There are probably a few workers at Truck City of Gary's old building on Chicago Ave.

But alas no, the majority of the 800-plus non-public safety employees are not where they should be, not where one would expect to find them. The bulk of these workers can be found not in the field where they are needed--where they could do some good, but are holed up in offices and cubicles, wearing leisure suits and loafers, and designer dresses and high heels. Cities even Gary's size, only need a handful of administrative personnel. The maintenance and services that they are required to--obligated to--provide can only be performed by people that are appropriately skilled, properly equipped, and willing to perform said work.

So if you want to start making some progress on this head count, first go to City Hall at 401 Broadway. Next go to the Annex Building at 839 Broadway. Then go to the Public Safety facility at 555 Polk and go to the Clerk's office. As you visit these places, you will probably notice that there are no trucks, no street sweepers, no shovels, no brooms, no equipment of any kind whatsoever that is usually associated with maintaining the services which cities are responsible to provide.

But if you have the time to stop and observe any of the comfortable denizens of these office complexes, you'll be certain to find hundreds of people that wouldn't be caught dead in coveralls and work boots. I'd be surprised if they still remembered how to tie the laces on a shoe!

So while Rudy Clay fearmongers that without relief from the Distressed Unit Appeals Board that public safety will collapse, and attempts to use other scare tactics to influence citizens and taxpayers to support the City in its pathetic appeal. Don't buy it! The result will be exactly the opposite.

To begin with, there won't be any money for his horsesh#. There will only be money to perform the necessities. And it will be necessary for them to be performed efficiently. Quite simply, it will become a lot harder for them to steal. Next to impossible. Of course he and his minions are in a panic. The party is nearly over...for them. Ours can finally start. Not so much a party as just the ability to breath...to just live. That in itself would be a major improvement.

So, as you consider whether or not to support Rudy and his cronies as they shamelessly beg the State for the approval to misspend MORE of our tax dollars--as they ask for permission to overtax us even more; or if you consider not responding at all; or if you hopefully, vehemently object and are willing to take the time--to make the time--to write to the State, or appear in person at the hearing, just know what is riding on the verdict. This is for all the marbles! The city cannot survive the next four years if they are permitted to surcharge our taxes--to raise them back up. It was the State that saw fit to provide us with this legislation to reduce them. Make sure the relief we were promised doesn't get detoured. We need it now! The city cannot afford to wait. It can't afford the slightest delay.

If you think the city has already bottomed out, I've got news for you..."You ain't seen nothin' yet!" Imagine a mass exodus of the few remaining businesses. Imagine commercial residential properties becoming first vacant as the landlords are forced to raise rents, then imagine the abandonment of many of these properties that will soon follow. Imagine that the few jobs provided by the ever-decreasing number of private sector businesses located in Gary dry up as they finally fold up shop. Imagine that as this unemployment increases due to the collapse of the small business community, that street crime and other illicit activities will increase. The largest employer in Gary is not US Steel. It is not even local government (although this may be difficult to believe). It is small business. The City's request for the ability to surcharge taxpayers that they will be presenting to the State's Distressed Unit Appeals Board (DUAB) on January 5, 2009, if approved, will be the kill shot to the temple of small business, industry, and the commercial residential business communities. We may have a lot of residents that will be happy--if as Clay states they will be excluded from the effects of his request, but unfortunately, they will be residents of an economic wasteland, the likes of which no one has yet come close to experiencing in Gary.

Clay portends that if the DUAB does not grant him and the City relief, that there will be devastation. I contend that there will be far greater devastation if they do!

Just imagine

What if we had a low enough tax rate that it would ATTRACT--rather than repel--businesses to the city? And that it would encourage private investment to pour in instead of chasing it away? Just imagine if we had a tax rate that would ENCOURAGE people to fix up their houses and properties rather than discouraging them from doing so for fear that their assessed values would be increased and then multiplied by our incredibly high tax rate. Just imagine a THRIVING small business community rather than a dying one. Just imagine landlords and investors flocking to the city rather than running away from it.

You won't have to imagine long! The tax relief that will allow this to happen is just around the corner--as long as we don't let this administration get in its way...to stand in its way.

We are the largest city in the county. We are the most populated city in the county. We are the best situated city in the county. We have by far the largest lakefront in the county. We have the best highway access in the county.

I can't imagine that the city will not rise again if the State forces us--enables us--to rein in our tax rate. And to stop the uncontrolled spending and flagrant fiscal abuses in the process. It's a sure bet! You just need to make sure you are backing the right horse! Bet on you. Bet on us. Bet on all of us working together--to win!

And please...write to the State's Distressed Unit Appeals Board and let them know what you think. Send emails in care of srusso@sba.in.gov . You owe it to yourselves, you owe it to your children, and you owe it to your neighbors. It is really the least you can do.

When they lose, we all win!