

Property tax outlook is poor

After months of consultation and deliberation, the Distressed Unit Appeal Board responded on May 20 to Gary's request for exemption from the state-wide property tax caps. In January, when the city presented its case for more tax revenue, MCC representatives were present to oppose the requested relief, on the grounds that the city had done little to reduce spending and live within the caps. Subsequently, MCC members and other citizens kept up a steady stream of messages to the DUAB, highlighting frivolous and wasteful spending by the administration.

As time passed, the city was continuing to spend money. By late May, when the DUAB handed down its decision, the city government had already spent most of the money they would ever get in 2009 under the tax caps.

In this context, the DUAB set tax rates for Gary which significantly exceed the caps that are in place everywhere else, allowing the city to collect about \$23 million in additional revenues. The following are the authorized maximum rates:

	Cap Rate	Gary Rate
Homesteads	1.5%	2.0%
Rental properties	2.5%	3.27%
Business properties	3.5%	4.55%

In addition, Lake County governmental units are allowed to collect taxes above the caps for the retirement of bonded debt. Right now, there is no official word on how much this will be, but estimates of the additional tax required run up to 0.75%. **This means that the actual tax rate for homesteads will be about 2.75% (compared with a maximum of 2% last year).**

George Rogge, the MCC Tax Committee Chairman, noted, on the plus side, that this decision retains the 2% cap for homesteads and gives other taxpayers lower rates than they have had previously. On the down side, the DUAB did not enforce the tax cap concept and Gary taxpayers will still be paying higher rates than anyone else.

Furthermore, there is widespread concern that assessed valuations will also increase, even though real property prices are currently falling sharply. In any case, owners will not be informed about the assessed value of their property until they get their tax bills (maybe in October), and those bills will probably be a lot higher than last year's.

As a condition for granting the city additional property tax revenues, the DUAB is requiring Gary to acquire a fiscal monitor, to "further develop and oversee the fiscal plan." This party will be chosen by the city, but the choice must be approved by the DUAB. Whoever is chosen must issue a preliminary report within 90 days, outlining a prioritized course of action, including organization changes, budget and spending controls, review of contracts, asset management and personnel policy. The object is to create a stable base for the operation of the city in future years.

For the DUAB order to become effective, it must be ratified by the boards of all the involved units of government, including the civil city, the sanitary district, the airport, the public transportation corporation, and the storm water management district.

The Gary tax rates, which exceed the state-wide caps, are valid for this year only. If the city needs an exemption next year, it must apply again to the DUAB.

Garbage collection saga

The City of Gary is attempting to outsource garbage collection to Allied Waste, and to impose a fee on every household to pay for this service. The MCC objects to the added fee as a tax increase, and has sued the city on two counts: the contract with Allied was not submitted for public bids and the fee may not be levied without the approval of the Gary Common Council.

Last November, the City submitted a brief to Judge Webber which stated that no fee would be collected until it had been approved by the City Council. The judge foolishly assumed that the city would do what it said.

In February, the judge ruled that the Allied contract was null and void, but his ruling made no mention of the fee issue. In March, the judge affirmed that the city could collect a garbage fee if it was approved by the Council. Only when the MCC requested that the city be held in contempt did the judge learn that residents were being billed for the garbage fee, even though it had not been approved by the Council. At this point, the judge was not happy. He issued a further order on May 26, finding the city in contempt and awarding the MCC \$7,500 toward the payment of lawyers' fees. In addition, the city must refund any garbage collection fees which have been paid, and must eliminate the fee from their billings unless and until it is approved by the Common Council. The various parties must appear in court again on July 9.

In the meantime, the Indiana Utility Regulatory Commission has continued, indefinitely, its order prohibiting the water company from disconnecting customers who fail to pay the garbage fee. It also ordered the Sanitary District to include a statement with its bills, indicating that water would not be turned off. It is not known at this time if they have complied.

The City of Gary has reacted to all of these rulings in ways which guarantee there will be further court proceedings. As ordered, the city has publicly solicited bids for the garbage collection service, but has written the specifications so that only Allied Waste could qualify. Next, the City Council is considering a fee ordinance which would be **retroactive to January 23, 2009**, even though there is no contract to determine the cost of the service the fee would support.

A large number of citizens, mostly MCC members, attended the council finance committee hearing on May 26, to oppose the proposed garbage fee. Opponents of the fee are also urged to attend the City Council meeting on June 2 to continue the protest. In addition, the MCC has notified all the council members that we plan to sue if they pass the proposed ordinance.

MCC members have also noted that the proposed fee is a "soak the poor" tax, where every household pays the same amount regardless of their means. At the same time, we are firing Gary residents who previously performed this function and hiring outsiders to do the work. In addition, we have observed that the city still has 15 garbage trucks, which could be put back in service at little cost, so that NOT contracting out the garbage collection function is an attractive alternative, for anyone who is not profiting from the Allied Waste contract.

Finally, despite all the legal developments, the city was still sending out bills for the garbage fee, as recently as May 25. **TO BE CONTINUED.**

P.S.: If you have any problems with Allied Waste garbage collection services, call Jerome Prince at 712-0933. Our county councilman is now working for Allied. For problems with recycling, call 977-0918 or General Services at 882-8445.

Duly noted . . .

"EYESORE" COURT DATE. The first eight distressed properties to be identified and researched by Barb Hansen and her "Eyesore" committee were heard in Gary City Court on May 20. Only two of the owners actually appeared, and all the cases were continued until **June 24 at 1:30 pm**. Meanwhile, the "Eyesore" team is continuing to identify and document derelict properties throughout the First District. If you have information to add on this subject, contact the COP office at 938-0281.

GALLERY OPENING. The Lake Street Gallery, 613 S. Lake Street, invites the public to an opening reception on Saturday, June 27 at 7:00 pm, for a display of hand-painted Cyanotypes by Dan Novakowski. The exhibit will run until August 1.

NEW BOARD MEMBER. Richard Barnes, who has been active in MCC affairs for the past several years, has been elected to the MCC Board of Directors. There are still two vacancies on the board, and we are looking for new members who are willing to work for the betterment of our community.

SICKLE CELL WALK-A-THON. The tenth annual Fun Run Walk-a-thon and Motorcycle Run for the Sickle Cell Disease Association will be held at Marquette Park on Saturday, June 13, with registration starting at 6:00 am. The cost is \$20 for adults, or \$10 for children under 18 and seniors over 55. For more information, contact 219-949-5310, or call James Ward at 219-789-0960 or inquire on-line at www.nwinsicklecell.org.

THE NEXT MEETING OF THE MCC BOARD OF DIRECTORS WILL BE HELD AT 7:30 PM ON MONDAY, JUNE 8, IN THE DOWN-STAIRS MEETING ROOM OF THE MAR-QUETTE PARK UNITED METHODIST CHURCH, ON GRAND BLVD. MCC members are invited to attend and participate.

To contact the MCC between board meetings, write to MCC, PO Box 2645, Gary, IN 46403; send e-mails to mceaton@aol.com; or phone 938-8831.

BIBLE SCHOOL. The Marquette Park United Methodist Church is hosting a vacation bible school on June 15 to 19 at 6 to 8 pm. Call the church at 938-4106 to register your child. All are welcome.

ART AT WELLS STREET. Throughout the summer, **Deb Weiss**, local artist and Emerson school art teacher, will be offering all levels of painting classes, ceramics and potter wheel instruction at the Wells Street Beach. Call her at 938-0574 to check on the schedule.

THEATER AUDITIONS. The Theatre by the Lake at 436 S. Lake Street will be scheduling appointments in June to audition persons who are interested in joining their ensemble, without regard for specific plays or parts. Theatre by the Lake will also host its annual Summer Camp during June and July, with Monday and Thursday workshops on acting and stagecraft etiquettes; writing; poetry; and aerobics. For more information, log on to www.lakestreettheatre.com, or call Nate Tate at 219-614-9543.

AMERICAN LEGION. The American Legion post on Old Hobart Road continues to put on fish fries for the general public, at a cost of \$6 to \$10, every Friday evening from 4 to 8 pm. They also offer specials from Michelle's Kitchen, every Saturday afternoon from 1 to 5. Phone orders are accepted at 938-9856.

FARMERS MARKET CONTINUES. Come out to the Miller Beach Farmers Market and check out the wares of local farmers and food vendors, health and fitness services, arts and crafts. The market will be in operation from 10:30 to 3:30 on the second and last Sundays of each month through October. The dates for this month are June 14 and June 28. For more information or a vendor application, contact Sandra Rodriguez at socheckchick@yahoo.com, or phone 219-938-7720.

TENNIS SESSIONS. Chester Baran will be offering tennis instruction for children from 8 to 12 years of age at 4:00 pm on Wednesdays, at the former Kennedy-King school. Participants should bring a parent, a racket, and a water bottle. A few spare rackets are available for those who don't have one. This is a great opportunity to introduce children to a new sport.

FREE PRE-SCHOOL. **Geminus Head Start**, located at St. Mary of the Lake on Miller Avenue, is offering free pre-school for children of parents who work or attend school full time. Call 938-4933 for details.

ACUPUNCTURE OPEN HOUSE. Thrive Acupuncture, which shares quarters with the Marquette Perk at Locust and Shelby, invites the public to an open house on June 6 from 2 to 8 pm, to see their facilities, learn about their services, and relax on the patio of the Perk. Please RSVP by phone at 219-979-0396 or by e-mail to thriveacupuncture@gmail.com, so they will know how many people to expect.

FRIDAY NIGHT FREESTYLE. The South Shore Center for the Arts, at the Old Miller School, is holding free-style dance evenings on the second and fourth Fridays of the month, beginning on June 12. The space and the music will be provided, and participants are welcome to move around the dance floor with or without a partner. Admission is \$4 and is open to anyone 18 or over. Mike Korba will be the facilitator.

DOG WASTE. The Miller Improvement Group and the Miller Beach Bums have donated dog waste receptacles at several beach access paths, to encourage pet owners to clean up after their pets. Residents are asked to recycle old plastic shopping bags by inserting them into the receptacles.