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By JAMES W. WADE III

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Cleveland Mayor Frank G. Jackson said Cleveland will lose $9.1 million more in 2011 than city officials anticipated just weeks ago; shortly after Gov. John Kasich released his two-year budget proposal.

Jackson had anticipated a cut, but the proposal from the Gov. Kasich was larger then he had ex pected.

Jackson says layoffs, a hi
ring freeze and consolidation will be necessary steps if the Ohio state budget passes. Mayor Jackson said that after recalculating the city's budget based on the full details of Kasich's plan, he will have to make even more dramatic cuts to city services.

“It will be a systemic adjustment that will not be good for the city as a government or the citizens of the city of Cleveland in terms of the quality of life or standard of living,” Jackson said Wednesday during a briefing with reporters.

Jackson, backed by a 10-page budget summary sent to the governor and legislators, painted a new picture of city life, one where fewer vacant lots are cleaned, plans to increase EMS ambulance service are abandoned, fire companies are closed, recreation programs are reduced and eliminated, traffic signal malfunctions are left unattended longer, snow removal will be slow er during early and late season storms, and city buildings are closed.

“When you look at police and safety as a whole, with it being 60 percent of the city budget it can’t go unscathed,” he said. Jackson was clear about the effect the Governors cuts.

The Governor’s budget, as currently proposed, breaks a long honored covenant between the State of Ohio and Ohio’s local governments dating back to 1935, when the state sales tax was first enacted. That measure enabled local governments to provide essential services to its citizens that otherwise could not be provided due to a devastating economic downturn and severe cuts in local revenue from real property taxation.

Division of Construction Permitting will be affected from the cuts. Timely project plan review and permit issuance are both a significant source of general fund revenue and a means to ensure that key revenue generating economic development projects are not delayed.

The State-imposed budget cuts would weaken this Division which reviews development projects at a period of time when several large, noteworthy construction projects are emerging. Currently, one and one half examiners are assigned full-time to the Convention Center – Medical Mart project plan review, the Flats East Bank project plan review and the Casino Higbee Building
project plan review.

In addition, the City anticipates large construction projects at the Cleveland Clinic and the Tower City Casino, both of which will require review.

Kasich's budget proposal chops 25 percent from the fund in 2012 followed by 50 percent in 2013 when compared with 2011 funding levels. His budget also reduces or eliminates tax reimbursements the state makes to cities to cover lost revenue brought on by previous changes to the tax code. These reimbursements were set to expire in the coming years and Kasich's plan accelerates the timetable for larger cities such as Cleveland.

Cutting the Local Government Fund "breaks a long honored covenant between the state and the local governments" and "usurps tax revenue originating from the local government for the subsidy of state operations far from those citizens and communities that bore the burdens of the taxation," Jackson writes in his budget summary.

Kasich spokesman Rob Nichols defended the cuts, arguing that the $8 billion state budget hole makes them necessary and said that cities will have new tools such as the collective bargaining law known as Senate Bill 5 at their disposal to help them cut costs.

"That is precisely why we are giving them tools like SB5 so they can deal with shrinking revenue," he said.

Jackson said the new collective bargaining law which may become the subject of a statewide referendum could save the city money but does so on the backs of employees. He said that's why he doesn't endorse the bill.

The mayor said that even if Senate Bill 5 takes effect in 90 days, there is no way it will make up for the deep cuts.