

State of the City Report

January 17, 2006

2.03 DUTIES OF THE PRESIDENT OF THE COUNCIL

The President of the Council or other presiding member shall:

(8) Prepare an annual state of the City report.

--City of Beloit Code of General Ordinances

My fellow Councilors and citizens of the City of Beloit. One of the duties of the Council President, as defined by our ordinances, is to prepare and present an annual report evaluating the state of the City. While ordinances do not dictate what time of year this is to be presented, the month of January is a traditional time to reflect on the past and look toward the future. Thus, it is also traditional that the State of the City report be presented at this time.

In reviewing the current state of the City of Beloit and the activities and accomplishments of the past year, I have determined that the state of the City is very sound, indeed. A classic political question asks “are you better off than you were four years ago?” The answer in our case is, unreservedly, yes. The City Manager will present more details of our development progress in his report to the Council later this evening, but an overview of activities of 2005 shows that our strong growth continues unabated.

The past year saw an increase of 50 new individual housing units, both traditional and condominium, and 214 new apartment units with the opening of the Hawk’s Ridge complex in the Gateway and Burton Ridge Apartments on the city’s west side. We have also seen significant improvements in existing neighborhoods, particularly in the Neighborhood Development Initiative areas where infrastructure upgrades and housing renovations are adding substantially to the value of older sections of the city. Renovation was completed on the first Neighborhood Development Initiative project on Bluff Street and the home sold very quickly for much more than anyone would have thought possible just a few years ago.

Infrastructure improvements were undertaken across the city in 2005 with the reconstruction of the southern portion of Wisconsin Avenue and the West Grand and Bluff Street area, the realignment of Maple Avenue and the completion of the Willowbrook Road extension as well as

numerous, smaller resurfacing projects throughout the city. Improvements in recreational facilities included further upgrades to the Krueger Pool and a major refurbishing of the club house at the Krueger/Haskell Golf Course. Public use of those facilities increased dramatically as a result of those improvements. We also made a substantial investment in the Edwards Ice Arena this fall with the long-overdue replacement of the floor and refrigeration system.

Economic development reached a new high water mark with numerous projects either announced, under construction or coming online in 2005. Frito-Lay, one of Beloit's largest employers, continued to expand its operations in the I-90 Industrial Park with a multimillion dollar enhancement of its transportation center and the addition of even more jobs to our community. CB Distributors opened its newly expanded facility in the Industrial Park last year as well and Stateline News, a.k.a The Shopping News, began construction of its new center on Willowbrook Road, joining the recently completed first phase of Willowbrook Village, a new retail/commercial complex.

Good news continued to come our way as Regal Beloit announced that, despite an offer to relocate to Indiana, they decided to stay in Beloit and add a new training center to their offices in downtown Beloit, bringing more jobs along with it. Our downtown will be further enhanced and enlivened when Heritage View is completed later this year. This mixed-use development combining new commercial/retail space with upscale residential units moves our downtown in a bold new direction and will further advance an already dynamic City Center. Beloit's retail sector also got a major boost with the announcement that Menard's will be opening a new home improvement center along Milwaukee Road, due to be completed in late 2006.

The biggest development news of last year, of course, was the announcement that Staples had chosen our community for the site of its latest, state of the art order fulfillment center. This massive complex is currently under construction in the Gateway and will add approximately 200 jobs to our local economy when it opens later this year. The site has been designed with future expansion in mind with the possibility of an addition which would nearly double the size of the initial facility and nearly double the work force.

The one development still hanging in the balance is the Beloit Casino Project. This proposal by the St. Croix and Black River tribes, in partnership with developer Kurt Carlson, promises to bring jobs by the thousands and revenue by the millions to a community sorely in need of both. The tribes have complied with every request and have provided every last shred of

information needed to make a final determination and yet the Bureau of Indian Affairs continues to drag its feet. Beloit has waited long enough. I call on the BIA to expedite the application and pass it on to Governor Doyle for his consideration as soon as possible and I call on the Governor to exercise whatever influence he has to move the application out of Washington and onto his desk.

Our City's financial health remains strong as well. Recent years have seen a trend toward lower municipal tax rates and 2005 was no exception as the mil rate was reduced once again from \$7.88/1000 to \$7.68/1000. The total tax levy grew only slightly and was kept well under State mandated caps. Fiscal discipline over the past several years has boosted our municipal bond rating to the "A" level, a significant improvement over past years which pays off for the City in reduced borrowing costs. The average home value in Beloit grew an additional 4.3% to \$79,700 and Beloit's total tax base grew 5.2% to a record \$1.3 billion.

Another significant development which will help to keep future budgets and taxes under control was the successful completion of the merger of our municipal Health Department with that of Rock County. Careful, thorough planning made for a smooth, orderly transition and convenience will be enhanced for clients with the opening of new offices in the former Beloit Mall, adjacent to other public service offices that they may need.

Public safety is a major concern for municipal government and Beloiters are justifiably proud of our police and fire departments. Emergency services were enhanced for west side residents with the opening of a new Fire Station Number 3, appropriately named for legendary Fire Chief Herb Christiansen. The new facility adds much needed ambulance and paramedic services to the west side and certainly improves the aesthetics of the neighborhood.

Both the Police and Fire Departments reported increased activities during 2005. The Police Department investigated six major cases of homicides and twenty major cases of aggravated assault last year. The Department made impaired driving enforcement a major focus during 2005 and officers issued 281 citations versus 187 in 2004. Overall traffic citations increased from the previous year with over 6900 in 2005 as opposed to 6500 in 2004. Total calls for service increased dramatically, with over 62,000 calls in 2005 versus nearly 55,000 in 2004.

The Beloit Fire Department posted modest increases in the number ambulance calls, 3330 in 2005 versus 3214 in 2004 as well as slight increases in both interfacility transfers and investigated fires. Total engine runs, however showed a sharp decline with a total of 3074 in 2005 versus 3756 in 2004.

The good news from the Department of Public Works was that there was no significant news. From street repair to sewer and water service, from solid waste pick up to snow removal, this department went about its business and got its jobs done in a solid, professional, competent manner. One of the most ambitious projects undertaken by the department in recent years was the complete, systemwide replacement of water meters as the City adopted a new automated reading system. This project was also completed in an efficient manner, typical of this department's work. One of the few problem areas related to disputes over new billing procedures for sewer and water service. Additional steps were taken to inform the public about the new procedures and an additional option for outdoor water users was made available to help resolve this issue.

Relationships with our surrounding jurisdictions are critical to our City's future and we did post some modest successes during the past year. Discussions with the Town of Beloit regarding boundaries and sewer service areas are ongoing and I am confident that we will find common ground and resolve the few issues that we have there. Our extensive meetings with officials from Rock County regarding the merger of our two Health Departments have yielded a new level of respect and trust between our two governments that will no doubt pay dividends in the future. Most important for Beloit's future growth, of course, will be boundary discussions with officials from the Town of Turtle. Frankly, we need to make more progress before we can be satisfied with our efforts and Council and staff will continue to focus on this issue in the months ahead.

In May of each year, the City Council meets with City Hall Staff for a strategic planning session to review the mission of City government and to set goals for the coming year. It is at this meeting that Council communicates to the City Manager and staff our vision and direction for the City of Beloit. Last May, five overarching goals were established by the Council:

- Goal 1: Develop a high quality community through the responsible stewardship of City resources to enhance Beloit's resurgence as a gem of the Rock River Valley .
- Goal 2: Continue the aggressive and responsive economic development program focused on retention and recruitment to fully serve the business and entrepreneurial community in order to promote investment and job creation.

- Goal 3: Proactively partner with citizens to promote a safe and healthy community, minimize personal injury, prevent the loss of life and protect property and resources.
- Goal 4: Promote a diverse, high quality community through historic preservation, community revitalization and quality new development.
- Goal 5: Communicate and partner with other jurisdictions and organizations to coordinate effective and efficient service delivery and stimulate regional prosperity.

Clearly, all five of these goals have been addressed to varying degrees during the past year and will continue to guide both staff and Council in the year ahead.

It is for all of these reasons that I have determined that the state of the City is sound and healthy. The past year has seen many, many successes, very few set backs and where there are minor shortcomings City Hall staff recognizes the issues, continues to monitor them and works hard to resolve them. As we look ahead to the upcoming year our greatest challenge will be to avoid complacency, allowing ourselves to be satisfied with where we are and what we have achieved. Because our citizens expect and deserve the best possible municipal services and the brightest possible future, this Council will continue to raise the bar and challenge City Hall to deliver excellence in all areas and I am confident that City Manager Arft and his staff are up to that challenge.

Respectfully submitted this Seventeenth Day of January, 2006

Martin Densch
President Beloit City Council