

State of the City Report

January 16, 2007

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 Councillors and citizens of the City of Beloit. Our ordinances dictate that once a year the City Council president deliver to the citizens a State of the City report, detailing the accomplishments and progress of the city during the previous year. Traditionally, my predecessors have chosen the month of January to deliver this report and in keeping with that tradition, it is my pleasure to present the State of the City address to you this evening.

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 not only sound but continues to improve in nearly every measurable way. As we ask once again that classic question “are we better off than we were four years ago,” the answer clearly is yes and an overview of activities of 2006 shows that our strong growth continues unabated.

The past year saw 283 building permits issued for new housing units and developers continue to find the housing market in Beloit to be quite active, despite slowing growth in other areas of the country. Subdivisions such as Deerfield Estates, Fuller’s Woods, Walnut Grove and Eagle’s Ridge continued to expand and add to Beloit’s housing stock and tax base and new developers from outside our community are now looking for opportunities here. We have made significant progress in existing neighborhoods as well, particularly in the Neighborhood Development Initiative areas where infrastructure upgrades and housing renovations continue to add to the value of older sections of the city. The average home value in Beloit grew an additional 6.1% to \$84,600 and Beloit’s total tax base grew 8.1% to a record \$1.49 billion.

Numerous public works improvements were undertaken across the city again in 2006 with the reconstruction or resurfacing of Keeler Avenue, Huebbe Parkway, White Avenue and Colley Road among others. Improvements in targeted neighborhoods for the Neighborhood Development

program included the Chapin and Central Avenue area on the East Side and the Parker, St. Lawrence and Roosevelt Avenue area on the West Side. Substantial improvements to our parks were also undertaken in 2006 with the replacement of the Riverside Park shelters along Riverside Drive, the opening of a new skate park at Telfer Park, continuing improvements at the Krueger-Haskall Golf Course, major relandscaping around the monument in Horace White Park and a mild face lift and other improvements to the East Lawn Cemetery office. Also of note was the completion of the 2006-2010 Parks and Open Space Plan. This plan was developed with considerable community input and will allow the City to qualify for state and federal funding for park land acquisition and development.

Economic development continued to surge during 2006 with numerous projects coming online or under construction. Stateline News, a.k.a. The Shopping News, opened offices in an impressive new building on Willowbrook Road in our existing Industrial Park. Major construction projects in our downtown were completed in 2006, as well, with the opening of Regal Beloit's state-of-the-art corporate training center which will bring as many as 1500 employees from around the world through our city every year. Another major downtown project is Heritage View, a mixed use commercial and residential development next to the Beloit Inn which will move our downtown in a bold, new direction and further enliven an already dynamic central business district.

Rehabilitation of older industrial properties in the City Center continued in 2006 with the \$5.5 million renovation of the former O.P. building at the north end of the Fairbanks Morse complex which will house American Construction Metals and will be home to sixty jobs. At the south end of the Fairbanks complex, Fairbanks Morse Engine Division is investing up to \$30 million over the next five years in substantial upgrades to its manufacturing facilities.

Beloit's retail sector was quite active with the opening of Menard's home improvement center along Milwaukee Road in October, a new "combo" unit with a convenience store and relocated McDonald's, also on Milwaukee Road, a new Taco Bell on Riverside Drive and The Rock restaurant on Maple Avenue. Vacant properties turned into development opportunities as the former Perkins and Fazoli's restaurants on Milwaukee Road are transformed into new uses and will house an Atlanta Bread Company, Starbuck's Coffee, Jimmy John's Sandwiches and other businesses when they reopen later this spring.

Our Gateway business park continued to make headlines in 2006 with the opening of the massive Staples order fulfillment center last summer. Construction of Kettle Food's new

production facility is well under way and is expected to open later this year and Southeastern Container, Inc. which produces plastic bottles for Coca Cola bottlers began construction of its new factory in the Gateway last year, as well. Also completed in 2006 was Specialty Tool's new building at the corner of Gateway Boulevard and Colley Road. The past year saw the addition of six new businesses, the expansion of nine existing businesses and 584 new jobs added to the local economy representing a total investment of over \$93 million.

The one development still hanging in the balance is the Beloit Casino Project. This proposal by the St. Croix and Bad River tribes, in partnership with developer Kurt Carlson, promises to bring to our community jobs by the thousands and revenue by the millions. Mr. Arft and I, along with South Beloit mayor Randy Kirichkow and Rock Country Administrator Craig Knutson were in Washington last week to discuss the tribal application with representatives of the Bureau of Indian Affairs. This should represent one of the last steps in the process before the application is forwarded to Governor Doyle for his concurrence and we now are cautiously optimistic that this dream will soon become a reality.

Our City's financial health remains strong as well. Recent years have seen a trend toward lower municipal tax rates and 2006 was no exception as the mil rate was reduced once again from \$7.68/1000 to \$7.58/1000. The total tax levy grew slightly, due largely to funding associated with capital costs for a new library but was still kept within State mandated limits. Fiscal discipline has maintained our municipal bond rating at the "A" level, a significant improvement over years past and which pays off for the City in reduced borrowing costs.

Another 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 was enhanced for clients with the opening of new offices in the former Beloit Mall, adjacent to other public service offices. An ad hoc transition overview committee monitored the activities of the new, merged department over the past year and found that all services have continued as before and in some cases have been improved under the new merged department.

Public safety is a major concern for municipal government and our community is justifiably proud of both our police and fire departments. The Police Department continued to make impaired driving enforcement a major focus during 2006 and officers issued 317 citations versus 281 in 2005. Overall traffic citations, including speed enforcement, increased over the previous year and

resulted in a decline in reported crashes from 971 to 929. A major accomplishment during 2006 was the arrest of 21 defendants on 18 federal indictments relating to gang and drug distribution cells in the area in May. Also of note was the department's formal reaccreditation by the Commission on Accreditation for Law Enforcement Agencies in November.

The Beloit Fire Department had a typically busy year with nearly 3400 ambulance runs and nearly 3800 engine runs. The department responded to 31 building fires, 16 cooking fires and 21 vehicle fires during 2006. Emergency services for city residents have been enhanced in recent years as our Fire Department has received Homeland Security grants for equipment procurement including an impressive new heavy rescue truck that the department took delivery of last fall.

Relationships with our surrounding jurisdictions are critical to our City's future and we did post successes during the past year. Discussions with the Town of Beloit regarding sewer service areas appear to have resulted in a satisfactory resolution of those issues and our extensive meetings with Rock County officials regarding the merger of our two Health Departments have yielded a new level of respect and trust between our two governments that will pay dividends in the future. Regional co-operation can and does reach across the state line and our solid relationship with South Beloit, particularly in pursuing the Beloit Casino Project, is proving advantageous for both jurisdictions.

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 successfully addressed during the past year and will continue to guide both staff and Council in the year ahead.

Of course, municipal government cannot take all the credit for the high quality of life which we enjoy in Beloit today. One of our city's greatest strengths, in fact, is the long tradition of volunteerism among you, its citizens. The contributions of groups such as the West Side and Merrill Asset groups, Neighbors Who Care, Friends of Riverfront, Beloit 2020, Beloit's numerous service clubs, and interfaith charitable efforts have enhanced and enriched our community in countless ways. Some of Beloit's most notable major attractions such as Riverfest, the Beloit/Janesville Symphony Orchestra, the Beloit Snappers, Celebrate Downtown Weekend, and this week's Beloit International Film Festival could not exist without the support of armies of volunteers who give freely and gladly of their time and energy. I am truly awed when I consider how many of you are willing to work so hard and give so much to make Beloit a better place in which to live.

It is for all of these reasons that I have determined that the state of the City of Beloit is sound and healthy. The past year has seen many, many successes, very few set backs and where there are shortcomings the City recognizes the issues and works diligently to find solutions. As we look forward to the year ahead and on into the future, our greatest challenge will be to avoid complacency, allowing ourselves to be satisfied with where we are and what we have accomplished. 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 Sixteenth Day of January, 2007

Martin Densch
President Beloit City Council