

City of Caldwell “State of the City Address”

Mayor: It is a pleasure to be here with you today and I want you to know that it is with the deepest gratitude that I stand before you for the amazing things that continue to happen in the City of Caldwell. As I started looking at what I would talk about today, this is lucky number 13. This is the 13th State of the City Address that I have had the privilege of giving and it's been a tremendous experience. The journey has been incredible. It has been an education that I could not have received anywhere else. And I've met some of the most wonderful and amazing people in the world. We are completing a new decade in the new century. You cannot think about this past 10 years without considering it kind of like a rollercoaster road at the Lagoon. Just not quite as fun. This decade has brought a myriad of emotion, experiences, challenges, and opportunities to both this nation and in fact the State of Idaho and the City of Caldwell. Think back with me to December 31, 1999 and the emotion with Y2K. Computers were going to fail. Televisions were going to quit working. Video recorders were not going to record anything past midnight. Remember all the rumors and talk about Y2K? And it happened without event. It did help us evaluate where we were at from an IT standpoint and helped us move forward from a planning standpoint to make sure that we were prepared for this new century. It did have value even though those things that were talked about did not come true. Then we had the emotion and the experience of watching an airplane crash into the side of a building in New York City. And the shockwave that transferred across this country. Being attacked by terrorists and having human life taken on American soil. But there was also something good that came from that. Patriotism was at an all-time high. American flags were flown across this nation. And we gathered together as a people, as Americans and decided we will prevail. And we did. And we began to move forward and things began to change in the new century. This was a horrible experience on one hand, but another experience that brought us together as a nation. And then those of us that have 401K plans and planned on retiring saw our 401Ks drop by 50% shortly after 9-11 and the stock market crashed. But then again we recovered didn't we? And the banking industry drew together and we as Americans figured out a way through that again as well. And then came Operation Iraqi Freedom in March of 2003. The United States engaged in a war that continues today. And I'm so proud of our armed service men and women, and those that have defended the freedoms that we enjoy in this nation year after year, decade after decade, century after century. This nation was built on patriotism, the love of liberty, compassion for each other and also a drive to become better than we are and that was demonstrated again in Operation Iraqi Freedom. After the financial crash we saw an amazing turnaround in the economy. Property values increased beyond anyone's imagination. In fact, increased beyond reality. We saw property values escalate to well over \$80,000

an acre for residential property and over \$7.00 a square foot for commercial property. And there was a feeding frenzy even at those prices and property was gobbled up. And the stock market escalated to over 14,000 points again, an artificial ceiling as we found out. And then came October of 2007, another crash just when our 401Ks were really 401Ks again. And within a few months, we saw the stock market hit the lowest point it had been in decades. And that has presented an economic challenge that many of us are now struggling with. This recession has been viewed as equivalent to or even worse than the Great Depression of 1929 and it's created what we consider to be the new normal and I will talk about that more as we go along. The national debt is \$12 trillion dollars. The rollercoaster ride continues and the question is how will we respond? Well, I believe we as a city have responded very well to the rollercoaster that we've been on for the past decade. We have expended our resources and asked our employees to participate with us to make sure that we continue to offer the services that are necessary to enjoy quality of life in Caldwell that we've all come to enjoy and expect. And I think we've done a very, very good job of that and I will talk to you about that now. First of all, city finances, the city is in good shape financially even though this economy has affected us dramatically. We do have solid fund balances in place. They are dropping but that's the reason we have them. That's the reason we planned for them because we do know that the economy does not always stay in an upward motion. That it does have cycles. Our balances have been reduced but we've made it through. That's from good financial planning. That is from cooperation among employees who understand the value of hard work and efficiency and they have committed themselves to that end. Our levy rate is .0093, however, that is actually between 9 and 10% lower than it could be if we had taken the 3% allowed by state law over the past three years, which we did not do. We tightened our belt early. We have been efficient for the past decade. We have created strong fund balances. We have a performance-based pay program that has created efficiencies in our departments. We have wonderful employees who share resources and we have not had to cut back services and we have not had to raise taxes. That is a tremendous compliment to the City Council, to staff, to our finance department, and to the citizens of Caldwell. We have had several programs in effect but we have deferred some projects. We have encouraged efficiency across all departments. We have not allowed for overtime. We have cut back on travel. And when we've had attrition, we have not replaced some of those positions in order to make sure that our finances stay in good shape. We're also in the process of renegotiating contracts that exist with the city and looking for better ways to fulfill those contracts. The next thing that I'd like to talk about is something that we have worked on for the better part of a decade. And it continues to pay benefits for all of us. Again, the City of Caldwell's crime rate dropped in 2009. That is a big deal. We don't have the final numbers for 2009, so you do not see the 2009 on the graph but the population would be approximately 45,000 people and the red

line would be approximately 4% lower than it is on the bottom side. Now again I would remind you if you take a look at this graph population, going upward and crime going downward it simply does not make sense from a practical standpoint. It took effort. It took commitment by the City Council. It took an investment in this community. It takes a professional police department with good resources to make this happen. But this is also like any math equation. Those of you that are mathematicians, you know that what happens on the left side of the equal sign determines what happens on the right side of the equal sign. And if you change anything on the left, it also changes the right, correct? So, what is on the left side of the equation, the left side of the equation is prevention, intervention, and enforcement. Prevention things like National Night Out, Neighborhood Watches, the YMCA, the Mayor's Youth Advisory Council. These would all qualify on the prevention side of the equation. Intervention, the mentoring programs that are available through our school programs. The partnership that we have with Caldwell and Vallivue School District is second to none. We are the only city that I know of that allows our employees to mentor on city time, because there's a value to it. We believe it's an investment in our children and the benefits, I believe, are not quantifiable. But they're part of the intervention side. School Resource Officers and these great police officers that spend time in the school and develop relationships with these students that is in the intervention side. And then of course, enforcement, we have great police officers, men and women, staff, those that are CSO's working in our police department that have done an incredible job of dealing with crime as it happens. Our closure rate, which means that once a crime happens we solve it, I believe, is the highest, in Canyon County. That means we are getting the job done. Now here's another statistic that is staggering, our crime rate is the lowest it has been since 1984. Congratulations to the City of Caldwell. I'd like to talk about some things that sometimes fly under the radar screen. So it's easy to talk about building permits and how many miles of water line we installed and how many roads we chip sealed, and how many new roads were built, and those things are available throughout the room. But rather than spend time on statistics I would like to take a moment and talk about a couple of things that probably flew under the radar screen but they fit in with the goals and priorities of the City of Caldwell. This year we established the C.A.T.C.H. of Canyon County program. This is in a public/private partnership with faith-based groups, with our local business community, and with the public sector. This program places homeless families with children under the age of 18 in housing rent-free for six months. This has been an incredibly important program over the past year. You've seen the foreclosure rate. You have seen the unemployment rate. It has been devastating to the families in this valley. This is one way that we can work together, share resources, and give these families a hand up, not a hand out. This is very, very important. And what's really amazing is this program has been active in Ada County for about three years I believe. And with an over 80% success rate as these families enter the program they're

helped to be trained in the areas that caused the homelessness. They are helped in areas to help get them back into the work force and become self-sufficient. That is an incredible benefit to these families, but it's a benefit to our community as well. We also had another wonderful event. We were the recipients of an energy efficiency conservation block grant in the city of \$169,800. But this is just a continuation of efforts that had been started many, many years ago. In 1998, the city was the first city to join Rebuild America, which was an energy awareness and advocacy organization. We were the first city in Idaho to join as I mentioned. We were also then the first city to develop an energy plan for our city, which we have been following over the past several years. We also then were the first to use performance contracting and we renovated several city buildings to make them more energy efficient. At that time, the cost savings was approximately \$25,000 per year. We also then were committed to taking this idea out to other governmental entities and encourage them to become more energy efficient as well. Now I want to remind you 10 years ago was way before we talked about green in this nation or this country. This was an example again of Caldwell being ahead of the curve and being proactive. We discovered that state code did not allow state entities to participate in performance contracting. So we set about with our current legislators at that time and we proposed legislation that was adopted that allowed schools to participate in performance contracting. Now that may not seem like a big deal but it is, because this year Caldwell School District just opened the first two LEED Silver Certified schools in the State of Idaho. Again, Caldwell taking the lead way before the rest of the state as done so. But I want you to know that it wouldn't have happened if Caldwell hadn't been proactive a decade ago in changing legislation. So our goal is to become energy efficient. To lead the way. The new Treasure Valley Community College is being built by the Oppenheimer Group and I'll talk more about that in a minute, is going to be LEED gold certified. Another thing that we're doing that kind of flies under the radar screen is we are trying to be proactive on the recycling front. This year all city buildings and offices will begin a recycling program through Allied Waste. I'd like to read to you a poem that I heard recently and I really believe that this is a question that sometimes we need to ask ourselves.

“I watched them tearing a building down, a group of men in a busy town with a ho heave ho and a lusty yell they swung a beam and a sidewall fell. I asked the foreman are these men skilled? Would you hire these men if you were going to build? He smiled and said, no, indeed simple labor is all I need. I can easily wreck in a day or two that which takes builders years to do. So I thought to myself as I walked away which of these rolls have I tried to play. Am I a builder who builds with care, who measures life with a compass and square, who follows life with a straight laid plan and patiently does the best they can? Or am I a wrecker who walks the town content on the labor of tearing things down?”

Now I believe we're builders in this city. I believe we are the ones who are proactive. I believe we are the ones that have a can do attitude and there are numerous things over the past few years that have proven that. But we also recognize that you cannot do it alone. I have discovered that the three most important items for success are number one partnerships. Number two partnerships and number three partnerships. We cannot do anything by ourselves. You could also substitute the word for relationships. Relationships and partnerships are synonymous. And I believe we have spent a lot of time building those partnerships over a period of years that have placed us in the position that we are today to be successful for the future. One of those partnerships has resulted in the creation of a new building in downtown Caldwell for Treasure Valley Community College. Often times we have been asked as a city to run it like a business. Well, there are lots of rules and regulations that keep us from doing that in a lot of circumstances. But in this instance, I believe that this is the perfect business model. Treasure Valley Community College provides a much needed education for people in our community who are trying to recreate themselves or obtain their educational goals. There is not a wiser investment that we can make that in human capital especially in these difficult economic times. We need to help people achieve their goals and education is power. Knowledge is power. It gives us the ability to create what does not yet exist. To become what we not yet are. And that's what Treasure Valley Community College does. And they needed to expand in our community. This building is being constructed by the Oppenheimer Development Group with private dollars. TVCC will lease space in this building. The Urban Renewal Agency will then move forward and buy this building. That agreement has not been yet reached but will be reached and the Urban Renewal Agency will become the landlords in this building to ensure that the model for Treasure Valley Community College is sustainable. Now I want to remind you that TVCC has been in the city for six years. They serve well over 1,400 students on a daily basis. This is creating critical mass for downtown. Bringing people downtown that were not there before, and on their way there they need to drive down 10th Street and Ustick, and the interstate and go past the other businesses that are there and this creating critical mass in downtown. Not only that it's educating a workforce and making us more competitive in the economic development arena. And helping people achieve their educational goals and its being done in a partnership with the private sector. As I mentioned this is the perfect partnership because it is being built with private dollars. It's being leased by an educational community that does not use taxes to pay for its operations. The tuition fees pay for all of the costs associated with that. Then the building will be purchased by Urban Renewal and it will be paid for, and granted those are tax dollars, but then TVCC continues to pay lease at approximately \$350,000 a year, which return all those tax dollars back to the city. And when that is paid back that becomes a \$350,000 plus revenue stream each

year that is unencumbered, that does not have strings attached to it, that this city can use for economic development, for police, for fire, for whatever it chooses to use those dollars for because it becomes a part of the general fund. That is in my opinion a perfect public private partnership. Another example of partnership and this is a brand new announcement. We won! We took on FEMA and we won. The City of Nampa and Caldwell were David. FEMA was Goliath. We got the sling out, had some folks load a couple rocks in it and we won. This is huge. The old map would have cost the cities of Nampa and Caldwell, our citizens and businesses between \$3 and \$4 million dollars a year in flood insurance to comply with this and the City of Caldwell alone it's estimated \$2 million dollars a year in flood insurance premiums. We knew that their projections were wrong. We had 99 years of empirical data that said that map was not correct and we were not about to sit back and allow those maps to be implemented in Canyon County. We called together Senator Crapo's office, Senator Risch's office, Congress Minnick's office, Governor Otter's office, the Bureau of Homeland Security and FEMA, Secretary Kempthorne, CH2M Hill, Boise Project, Bureau of Reclamation, the City of Nampa, the City of Caldwell, and staff together and we spent two years and we convinced them to use our information and the result is this. This is a huge deal for the City of Caldwell. If this map had been implemented, we would have had to put 'sorry we are closed signs' in downtown Caldwell. It would have stopped the redevelopment of downtown Caldwell. It would have cost our citizens and business \$2 million dollars a year in flood insurance premiums. If you there is a floodway you cannot build in a floodway, period. If you're in the floodplain, you can build but with the extra restrictions and costs, it makes it difficult if not impossible. I want you to know that we have been following a plan in the City of Caldwell. You've heard the statement 'if you fail to plan then you're planning to fail.' We have not failed to plan. We have been following a plan that was developed with the Urban Renewal Agency some 12 years ago. That plan included infrastructure improvements, water improvements, road, street improvements, buildings, partnering with our local agencies to create a better Caldwell and it has been followed. Through that study of many, many years ago has been completed but three items and most of them were completed by this administration. And the three items that were not completed were either substituted and completed in a different manner or for instance in the case of the city manager question, there was a vote that was held and it was dismissed. Outside of that, every other recommendation in the R/UDAT Study has been completed. A plan was followed. Then we went to the Leland report and we are completing the plans within that. We are now developing a new framework master plan for downtown. And that is being done with the assistance of local businessmen, people who have an interest in downtown Caldwell, citizens, the private sector is helping us put together a new plan that will be presented to City Council over the next few weeks and adopted, and we will continue to move forward with that. This is a plan that will make

recommendations to help move this community forward for the next decade. It has plans to do with downtown redevelopment. It has to do with streetscape facades, incentives, and a new business plan for downtown. But we've also investigated, we are prepared. Exit 29 upgrades have been completed. The Indian Creek restoration and downtown redevelopment is well under way. We've upgraded our sewer treatment plant so that we can handle a capacity of 100,000 population and the associated businesses. We built a new regional lift station out on the east side of Caldwell to handle the growth, a new clean and efficient interceptor line and sewage system, a new \$2 million dollar water reservoir to the south to handle the growth that is anticipated there. We are in strong financial condition, which means we have the capacity to continue these programs forward. We've had an addition of and a revision to city master plans and ordinances in every section of the city. There's not one plan in the city that has not been upgraded or updated in the past few years. We are prepared. I recently attended the National League of Cities Conference and in that conference, they had a priority list that was established in three areas by a national firm, and in association with a national college. And they gave us the top 30 things that developers in the industrial, commercial, and retail sectors are looking for in a community. And if you are not good in these areas, you will not succeed. The permitting process was in the top five for all three sectors. And we know we need to get better in that. But our labor force and the proximity to community colleges was high on their list. And do you know why community colleges? Because they can adapt. They're flexible. They're dynamic. A perfect example, the wine industry in this valley is booming. And we heard from winemakers that there needed to be a program to train people in the viticulture arena. Treasure Valley Community College adapted and has already opened and is conducting a class in viticulture and that's what community colleges can do. Four-year colleges were important, but they were 10th or 11th on the list. Community colleges were in the top five in all three. Of course development and operating costs, being prepared from an infrastructure standpoint and we are prepared. Our capacity at the treatment plant as I mentioned has a lot of room for growth and expansion. Developers will not wait for you to expand those because time is money, so we are prepared. Transportation infrastructure and services, and then of course quality of life and any of us that have lived here in the Treasure Valley know that we enjoy a quality of life that is second to none. So we are competitive and we are prepared, and we're working very hard to make sure that when things do change we are going to be a leader. The Red Carpet Program will be rolled out approximately March of this year. We are in process of performing an exhaustive analysis of our current permitting process and this is being done with staff and an outside consultant who has volunteered his time, and in cooperation with the Framework Master Plan Subcommittee. We will focus on the three C's being consistent, concise, and courteous. We will improve our processes so that we are competitive. The development community will be given an opportunity to make

recommendations. We will call a town hall meeting once the recommendations are presented forward and offer the public an opportunity to make recommendations. And then those processes will be adopted and we will have a development process that is second to none. As we move forward, we realize that the main thing is to keep the main thing the main thing. Think about that. The main thing is to keep the main thing the main thing and the main thing in this community is quality of life for our families, our youth, and the education that's necessary to sustain them, that is the main thing in this community. To coin a phrase, will we remember this as the great recession or the recession that made us great? I choose the later and I think we choose the later as citizens of this community and as Americans. We will remember this as the recession that made us great because we will react. We will respond. We are prepared and we will achieve. As long as we keep the main thing the main thing and that's remembering that, the family is the most important unit in society. And if we make our decisions to promote that, to sustain families, then we will be making the right decisions and our community will in fact continue to blossom and grow. We believe that we have used that priority to make decisions in the past and we will continue to do so. So therefore, what is 2010 and beyond hold for us? Aggressive development at Exit 29. We believe that we will be successful in bringing new jobs and new development to Exit 29. We will continue downtown revitalization with Oppenheimer as our partner, with the Core Area Steering Committee as our guide, with the business community and the Chamber as our partners, we will bring downtown Caldwell back to the once pedestrian friendly and vibrant and active downtown that it once was. We believe we have great opportunity in the wine industry and the tourism industry. We will continue to support safety services. Our police department and fire department are second to none. And we will continue to invest the dollars that we need to make sure that the downward trend in crime continues and we will make sure that this is a safe and wonderful place for your families and children to grow. We will continue development at the airport. We believe that this is a jewel in our crown. The completion of the terminal is almost done. We will have a ribbon cutting here soon. This is the first step in making Caldwell's Industrial Airport a catalyst for development around the airport and for the City of Caldwell in general. We will continue to plan, plan, plan, and execute. But it's also important that we remember and you heard me say this last year, 'a vision without a plan is only a dream, but a plan without a funding mechanism is a hallucination.' We have our finances in order ladies and gentlemen. And we will continue those partnerships to make sure that as we dream and as we plan that, we can in fact also build and achieve. We will do so in an orderly fashion. We will also continue to fight the good fight. There are issues looming over our head that have dramatic impact on our community and take a tremendous amount of our resources and time. The new rules for phosphorus have a huge impact on this valley and the state. If EPA is successful in promulgating these rules it will cost this valley millions and

millions of dollars to comply. But the Association of Idaho Cities under the leadership of Mayor Tom Dale as president have gathered our resources, gathered our partners again and we are fighting the good fight. We want to make sure that our position is heard. Just as we thought ozone had been satisfied, EPA issued a new release that said the standard for ozone will be dropped to 60 parts per billion. It was just dropped from 80 to 75. We're having trouble meeting the 75 standards, complying with that standard. If it is dropped to 60, it will have huge, huge financial impact on our communities. We will fight the good fight. We will continue to be aware of these and make sure that we expend our resources in an appropriate manner. And again, why do we do this, is because Caldwell is a great place to live. It is filled with citizens who care, who work hard, who are honest, who understand the value of family. Keeping the main thing, the main thing is our priority over the next few years and we will continue to work with you to ensure that Caldwell continues to be the treasure of the valley. May God bless each and every one of you. May God bless this great city and again, thank you for the privilege of serving you as the Mayor of Caldwell. God bless you.

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