



**Inaugural “State of the City” Address  
&  
Community Appreciation Event**

**Presented by: Mayor Ron Engels  
Tuesday, January 19, 2016**

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Good Evening, Everyone. Welcome.

Thank you for joining us this evening for this inaugural “State of the City” address. This year, for the City’s annual Community Appreciation event, in addition to providing our usual opportunity for refreshments and a chance to talk amongst ourselves, we’re also adding this relatively brief presentation on the “State of the City.” We’ve all had a chance to hear (or ignore) the President’s “State of the Union,” and the Governor’s “State of the State” addresses in the last couple of weeks. However, the state of the government that is closest to our day-to-day lives is often overlooked, perhaps because we enjoy such immediate access to it. This Council prides itself on its commitment to an open and accessible local government, so we’re here tonight to report on the state of affairs in Central City.

Before we talk about today and the year ahead of us, let’s start by taking a look back. Knowing where we’ve been helps us understand better where we want to go.

**2014 / 2015 in the Rearview**

The rockslide on the Central City Parkway happened way back in August of 2014, but the City was still feeling the financial impacts of that disaster as we entered 2015. Despite retiring the City’s bonded debt at the end of 2013, we continued to face cash-flow challenges, in light of gaming revenues continuing to decrease.

Although the rock slide *was* a setback, City Council viewed it as an opportunity to address the issue head-on and take steps to build a more resilient organization. The City was already in a state of transition: we had just brought on a new manager, and authorized him to reorganize staff to better meet the City’s needs.

In order to get our financial affairs in better order, we made the difficult decision not to provide residential or commercial historic preservation grants in 2015. That decision was made with a lot of thought and debate: this entire Council is committed to the preservation of our community’s historic architecture. However, the grant program was normally funded in the spring and summer with revenues that we don’t realize until August. To help us gain greater financial stability, Council postponed all Historic Preservation allocations in 2015 so revenues could “catch-up” with expenditures. As a result of that decision, the City is now positioned to leverage our HP Funds to make progress on *larger, community* projects that came over the horizon this last year, rather than *smaller* projects that have offered benefits to

*individuals*. This new approach will provide greater, and wider-reaching historic preservation benefits, especially in our downtown core.

2015 was a year of transition and restructuring. And, while Council and staff did implement many changes in 2015, it's important to recognize that we are planning more change in 2016, and in future years. Encouraging positive change is essential if we want our City to thrive for everyone's benefit now and into the future. Tonight, I challenge each of us not only to accept change as an inevitable part of our daily life, but also to embrace and expect change as an on-going goal in how we operate as a City. Council has challenged staff to adopt as its mantra "Monitor. Evaluate. Adjust (as necessary)." To be sure, Council is not pursuing any proposed change merely for the sake of making change. We recognize the value and stability inherent in history and experience. (OK, extra points to anyone who at the end of the address can tell how many old saws I'm throwing in here) Council embraces the adage "if it ain't broke, don't fix it." However, we also believe that "fortune favors the bold." And, we know that when you're trying to do something great, you're going to "ruffle a few feathers" because "you can't make an omelet without breaking eggs."

City Council has directed staff to look *continually* at the City's operations and to find *every place we can* where there's room for improvement. And, we have also been clear that regardless of how efficient we *must* become, neither can we lose sight of the fact that effectiveness is paramount. In other words, we must *first* be effective, and only then we can begin to make adjustments for increased efficiencies.

Throughout 2015, the City managed our resources responsibly. We are now in the most stable financial position that we have been able to report in years. At the same time we found fiscal stability, we also managed to maintain and increase service levels across the City.

For example, the City's Water Fund finished 2014 in the black by about \$4,000, ending its need to rely on the General Fund for operational loans. In 2015, it finished with a slightly larger ending balance, and 2016 is promising to improve the Water Fund's position even more. That is great news, but we still have a lot of work to accomplish to arrive at a Water Fund that is truly self-sustaining, where very necessary infrastructure projects are financed by the Water Fund, not the General Fund.

Because of Council's move to ensure the City's cash flow stability, we begin 2016 with the ability to fund vital operations at the beginning of the year, rather than needing to wait until our gaming tax revenues arrive mid-year. As a result of our improved cash flow situation, the City no longer needs to rely on things like a line of credit for fiscal stability.

Even with the financial and organizational restructuring we carried out in 2015, we did manage to accomplish a great deal of work. We're extremely proud of the accomplishments we achieved together-- as an organization, but more importantly, as a community.

In late the summer of 2015, Council and staff worked in a series of facilitated meetings to create a five-point strategic plan we believe should guide our decision making in 2016 and beyond. You can see the outcomes of that plan on the boards around the room.

The Primary Directive coming out of our strategic planning meetings is that "We are committed to preserving our community's natural beauty, arts culture, and historical legacy, to offer a truly unique quality of life to our residents and visitors."

- The Five Strategic Directives that came out of those meetings are:

### **1. Build Economic and Community Diversity and Stability**

*“We will help build a stable economic foundation for the future of our community that is not dependent on the fortunes of a single industry.”*

- This will serve three (3) major objectives.
  - a) First, as residents ask for more amenities, a more diversified economy will lead to things like enhanced *basic services* and a *greater variety* of entertainment activities in the area.
  - b) Second, a more diversified and robust economy will provide the revenue base to *better preserve and rehabilitate our nationally significant historical heritage* and resources.
  - c) Third, a more diversified economic base will help us *attract younger and more permanent residents* to the community. Today, over sixty percent of our occupied housing is rented. That’s double the state average. Over thirty percent of our housing stock is vacant, and our population of residents under the age of thirty is half the state average.

### **2. Maintain and Enhance our City’s Identity and Historical Integrity**

*“We will build on the tremendous history of our community, and participate in rehabilitating and maintaining this rich heritage for future generations to enjoy.”*

- Central City is home to many resources of national historical significance. As stewards of those resources, we have the responsibility to ensure that they are preserved for the enjoyment and education of all of us today, and for future generations. They form the basis of our identity as a city and should provide *the focal point of a growing sense of community and shared purpose* among our residents. A key part of making historic preservation happen will be the arts.

### **3. Infrastructure**

*“We want to make sure the basic infrastructure in our City is sound, and that we have a sustainable plan in place for funding maintenance and improvements.”*

- One of our community’s greatest assets *is* our rich heritage and long history. Unfortunately, the infrastructure that supports that heritage is also old. This presents a significant challenge. We must focus resources on maintaining and enhancing our infrastructure, most particularly, our aging water plant and delivery system, in order to provide a solid foundation for future growth and development.
- It is also vital that we continue to invest in amenities that will facilitate future growth. That includes things like parks, trails, and pedestrian walkways. This kind of infrastructure will be critical to drive sustainable growth in our community.

### **4. Downtown**

*“We want to continue the development of a vibrant downtown that builds on our unique historical and cultural heritage.”*

- Central City’s downtown boasts many historic structures with tremendous potential for adaptive reuse or redevelopment. The City will take steps to foster development by making targeted investments in things like sidewalk and streetscape improvements,

parking, and signage. By improving the look and feel of our downtown, we will be more successful in diversifying our economic base and attracting desirable retail to the city core.

## **5. Intergovernmental Relationships**

*“We want our community to foster **healthy** relationships with other governmental entities in the area.”*

- As the largest city in Gilpin County, and our county seat, Central City plays an important role in bringing together the diverse interests in the area. Council and staff are committed to continue building and strengthening relationships with surrounding communities as well as county and state agencies. Given the rural nature of our area, these relationships are critical to maximizing the services we can deliver with our relatively limited resources.
- In order for the City to be successful with the priorities we have identified, it is *critical* to address the substantial debt incurred when the Business Improvement District built the Central City Parkway. The debt is *not* the legal responsibility of the City; however, the business tax that funds the repayment of the bond hampers our ability as a City to fund important priorities. In 2016 and beyond, Council and staff will work closely with the BID and its bondholders to identify innovative ways to allow the City to fund important priorities, and ultimately provide for a manageable repayment of the Parkway debt.

### **2015 Accomplishments**

Among the many City accomplishments in 2015, here are some of the more notable ones:

#### **ADMINISTRATION**

- Implemented a new Accounting Software to replace our 1980’s vintage “green screen” application
- Reestablished the Capital Improvement Fund (previously eliminated in 2011)
- Renegotiated the Century Device Rebate Agreement that made the parking garage free and public.
- Financed the purchase of the Big-T lot with an interest-free loan
- Created the Transportation Enterprise Fund
- Completed a revised Pay & Classification Plan
- Completed Phase 1 of the City’s Strategic Planning document
- Received several grants totaling more than \$150,000
- Took out a low interest loan from the State Infrastructure Bank to finance Parkway repairs, the Nevada Street retaining wall repairs and to make storm water improvements.

#### **PUBLIC SAFETY**

- Acquired grant funds to purchase extrication equipment for the Fire Department.
- Fire Department created a foundation which recently obtained its 501(c)(3) tax-exempt status.

#### **COMMUNITY DEVELOPMENT**

- Completed the Sign Code Rewrite
- Developed and launched new user-friendly City website
- Created Facebook and Twitter accounts

- Created an Interim Community and Economic Development Strategic Plan.
- Using the newly created Property Lease Program, we retained a local business that otherwise would have closed (Reliving the Past Photo Studio).
- Improved the look of Main Street by using empty store fronts for art installations and removed insulation from the windows in the process.
- Several previously empty properties now house retail businesses.
- Established a Main Street program that merited first-year inclusion in the Colorado Main Street Program.
- Developed and implemented a Downtown Beautification Program that includes a Main Street Planter Project, the Belvidere Streetscape Improvement Project, the Main Street String Light Project and a Community Clean-Up Project.

### **INFRASTRUCTURE / TRANSPORTATION**

- Completed the design and engineering for an off- and on-ramp on the Parkway at the KOA.
- Negotiated for the acquisition of the Big-T Lot.
- Increased service levels for the shuttle service at a reduced cost to the City, and improved our relationship with Black Hawk in the process.
- Completed the Downtown Connectivity and Circulation Capital Improvement Plan
- Completed Project Management for the A&B lots environmental impact mitigation Project
- Completed FEMA funded repair work on the CCP
- Completed Stormwater Master Plan and rebuilt stormwater structures on County Rd. and St. James Street

### **NONPROFIT SUPPORT**

- Maintained support for the Central City Opera, the Gilpin County Arts Association and the Gilpin Historical Society

### **INTERGOVERNMENTAL RELATIONSHIPS**

- Supported the BID's installation of a new design for the Archway Sign at the bottom of the Parkway.

### **WATER / OTHER UTILITIES**

- For the first time, Central City and Black Hawk successfully negotiated an agreement to settle a water rights lawsuit.
- Repaired Water System Infrastructure damage and failures—the downtown waterlines and pressure reducing valves.
- Worked with utility companies to underground overhead lines along Eureka and Prosser.

## **2016 GOALS**

### **ADMINISTRATION**

- Implement our new Pay & Classification Plan.
- Complete Phase 2 of the Strategic Planning Process.
- Implement a sustainable program that provides the City with 24/7 Law Enforcement coverage.
- Develop a feasibility and sustainability plan for the Fire Department.

- Implement financial programs that provide greater transparency, and increase public access, including posting financial transactions to the web as soon as they are made in our accounting package.
- Create an online bill payment system for water bills.
- Identify opportunities for increased revenue.
- Increase community outreach efforts.

### **COMMUNITY DEVELOPMENT**

- Complete an updated Comprehensive Plan, including the Zoning regulations and our Design Guidelines, as well as the creation of a Downtown Master Plan.
- Create a GIS mapping system on a web-based platform.
- Adopt a revised Billboard Lease Program, which will create enhanced opportunities for government and nonprofit messaging.
- Develop a Code Enforcement Program.
- Develop a Marketing & Advertising Program, which includes increased events.
- Expand Downtown Beautification efforts.
- Develop and implement a Wayfinding Program.
- Continue our support of Main Street Central City programming.
- Assist in obtaining a Preservation Designation for the Belvidere Theater and assist with stabilization and renovation improvements.

### **INFRASTRUCTURE / TRANSPORTATION**

- Construct the Parkway Access at the KOA.
- Close on the purchase of the Big-T and complete initial improvements to the lot.
- Adopt a Capital Improvement Plan for Improved Connectivity and Circulation study.
- Install bus stop structures with covered seating, bike racks and garbage cans.
- Continue to replace and repair damaged sidewalks.
- Install and upgrade storm water system infrastructure.
- Restripe the Parkway.

### **WATER / OTHER UTILITIES**

- Adopt a long-term sustainability and improvement plan for the Water Fund.
- Identify a Refuse and Recycling program that addresses the needs of the entire community, including all residential and commercial users.
- Complete the design and engineering for additional utility undergrounding projects.

### **INTERGOVERNMENTAL RELATIONSHIPS**

- Formulate a BID Reorganization Plan that gains approval from the Bondholders, and includes a component for restructuring the bond debt.
- Continue Joint Meetings with other local governments.

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It's been said that government will move as slowly as you allow it, or as quickly as you push it. City Council and staff firmly believe we have Central City positioned on the right track and we are determined, with your help, to push the throttle on all these projects full-steam ahead in 2016.

Thank you.