



**State of Our City 2008
Strategic, Secure, Stable and Strong**

Thank you John and thank all of you for that warm welcome this afternoon.

It is a great honor to be introduced by someone as distinguished as John Lay. Many of you know John and know much of what he has done and I would like to add a great deal of what we all take for granted here in the Southeast Urban Corridor is because of John and his talent to bring the right people to the table at the right time.

Thank you John for your great leadership.

Thank you all for honoring the city by being here today. As I said last year and I believe it is worth repeating...All of us in city government...elected officials and city employees...are not in a privileged position – except that we are privileged to serve this great city.

We are in positions of immense public trust, with the responsibility to do what is best, in the short-term and the long-term, for our City and its people, now and in the future.

Along with my colleagues on the City Council who are here today and our professional city staff, and those who we contract with to serve Centennial, we strive every day to deliver unparalleled services and projects to you. Please help me thank them all.

The first lady is in New York and but I am honored to have my daughter join me today. She has been part of this city from the inception...walking neighborhoods, passing out literature, putting out signs...helping and supporting me through my elections to office.

I will never forget the night of my first election she found me in the crowd and handed me a flower and a poem she had written. The title of the poem was The Evolution of the Centennial Flower and it talked about planting the first seed of a city and with care where we had come to on that night. Of all the highs through the incorporation and all since none were as stirring to my soul as that poem.

Please help me welcome my daughter Heather Sarbaugh.

Let me thank the Rotary Club of Centennial and their President Jennifer Holschuh for again providing this wonderful opportunity to bring this report to the community.

The main objective of Rotary is service - in the community, in the workplace, and throughout the world.

In the community this past October in an all-day service project, Centennial Rotary members and families provided labor for the repair the kitchen and bathroom for a home belonging to an 88 year-old woman in the Southglenn area of Centennial so she may continue to live in warmth, safety and independence

Help me thank the Rotary for all they do.

Last year I laid out an aggressive and broad agenda for the city. It was prompted by what I called at the time a quiet crisis.

I defined it as a period in time in which things are uncertain, difficult or painful – and lastly a time when action must be taken.

Action that must be taken to avert a potential funding crisis in the future. A crisis that not only Centennial but all our communities will face.

I explained that this quiet crisis is in actuality an opportunity...an opportunity for those that have the foresight and willingness to seize it.

I talked about the way government many times will wait too long to act, particularly when we face no significant immediate pressure. It was my belief last year and it is my belief today that sometimes it is better to act immediately even before you judge yourself ready – to force the issue, to seize in initiative and as I referenced Julius Caesar in 49 B.C. when he did just that and crossed the Rubicon and won the day.

This past year your City Council and city management have aggressively seized the initiative in the agenda I laid out and have taken steps that will help Centennial avert the quiet crisis I spoke about.

I am pleased to tell you that with the actions we have taken this past year the state of our city today and in the future is more strategic, more secure, more stable, and if we as a community take specific action in June that I will talk more about later we will be stronger in the future than we have ever been.

To get to our goal we initiated and completed a number of significant plans this past year. I believe the single most significant plan was one I laid out at last years State of our City...a plan to create a common vision for our city.

Success is no surprise to visionary people. They know what they want, they determine a plan to achieve it and expect positive results.

A vision describes the ideal future for you to attain. It provides meaning and direction while forcing you to break through your present limitations. Holding a clear picture in our mind of the desired future mobilizes our creative efforts and generates the desire and energy to perform.

And so it began in June of last year titled Our Voice...Our Vision...Centennial 2030. A citizen led effort spanning 10 months.

Drawing on the spirit and energy that formed the city it re-engaged that energy through committee work, formal and in-formal polls and surveys, meetings... held throughout the city. In recreation centers, libraries, homes and on-line.

A broad range of citizens from throughout the community – seniors, youth, service clubs, business, faith community, educators...all contributing their ideas, vision and goals for what our city should be today and in the future.

At your seat is an executive summary of this plan. The document itself is a gift! A gift that our citizens have given us...a clear community vision and a road map to follow that will show us the way for the future and how they see this city growing. A purposeful and thoughtful city that will grow not only from opportunities presented us, but from our citizens dreams and aspirations. This is a clear reference document that should be used for future decision making and hopefully will temper the arrogance of leaders with agendas clearly self-serving rather than community serving.

This is a significant document in the life of Centennial but we didn't stop there...we also appointed a citizens committee to create a master plan for Centennial's parks, open space trails and recreation acres.

It established a far-reaching vision to transform the City's "green space" system into it's outdoor living room... where parks become the community's social heart...where prairie drainage ways become the backbone of it's open space... and where a rich network of pathways connect residents to the City's amenities.

It offers a long-range vision, but also focuses on the near term with highly visible actions, and policy recommendations.

Please help me thank all of our citizens who helped give us these two great plans.

Internally this year we initiated and completed a number of other plans many with our neighboring governments such as the Arapahoe Road Corridor Plan from I-25 to Parker Road looking specifically at the roadway system.

Centennial went one step further and completed the Central Centennial Boundary Plan that looks at the land area around Arapahoe Road including around Centennial Airport.

The city felt this plan was vital since this area has the potential to develop as a strategic area. One for prospective commercial growth and economic development and an area that with a positive vision will have marked improvement on market interest and property values.

With the enhancement of the transportation system it has the opportunity to be an identifiable gateway for the city from the south and east.

Importantly this plan protects and enhances the viability of the most important employment generator in the corridor, Centennial Airport. With the release next month of the 2008 study by the state on economic impact you will see a dramatic rise in the Airports value to the region and particularly the southeast market.

Clearly all of us need to be at the table to generate the vision but until then Centennial has taken the first step with our Central Centennial Boundary Plan.

We have completed the Arapahoe Urban Corridor Sub-Area Plan. This plan focuses on the highly visible gateway into the city from I-25 to Quebec.

Because of it's proximity to the interstate, state highway, light rail corridor and major employment and retail centers, this area is the highest profile major activity center identified in our comprehensive plan.

We broke the area into four distinct districts each one with unique planning goals and policies that emphasize the creation of a distinct urban place, with a focus on attractive settings and a positive pedestrian environment with activated streets.

This market area will provide exceptional opportunities to one-of-a-kind projects not available anywhere else in the city.

This plan gives the development community clear policies and goals as to what we are looking for in this area and it improves the development environment for land owners while protecting and enhancing long-term property values.

This same process is currently underway around the Streets at SouthGlenn and we will do this throughout the city so that the development community won't have to guess what we are seeking in development.

This year was a turning point in the life of this city. We could not have made the strides we have nor secured our future as we have attempted to with the environment we found ourselves in at the beginning of last year.

We knew that changes had to take place to move forward rather than leaving our future in the status quo.

Last year the Council made the decision that for the first time since our inception we would look at our key cost related activities, and how we delivered services in those areas and the value received, both tangible and perceived.

And then we did what many never do...we weighed the value received against the risk to change and in those areas we felt we could do better we made the strategic decision to act and act decisively.

Our first action was to create an environment within our own city operation that emphasized actions and results. We needed to take the city to the next level with a City Manager at the helm that could do so.

We looked for someone that embodied the leadership definition of General Colin Powell..."Leadership is the art of accomplishing more than the science of management says is possible." We found that person within our organization. Jacque Wedding-Scott was the overwhelming choice. I remember distinctly the morning I called our city staff and contractors together to make the announcement when I did...almost as one they stood and applauded. I had stepped over to the side next to the City Attorney and he leaned over and whispered in my ear...in all my years in city government I have never seen a city manager get a standing ovation for anything." Clearly we had made the right choice.

Since that day there has been a whirlwind of activity and change at the city. Our staff is energized, excited and enthused, tired perhaps but all with a common goal ...make Centennial the best city it can be and then go a step beyond.

The City Manager was tasked to look at every department – every contract and make the strategic decision...are we getting the best out of each that we possibly can?

I could spend the rest of this day telling you about the different ways we have re-organized and created more efficient and effective delivery of our services. In fact I don't think there is a single service provider or internal department delivering services to our citizens in the same way as they were at the beginning of last year.

Let me instead just touch on three major areas.

Land Use Services was formerly a contracted service. We went to our customers...those that were doing development and re-development in our community and got their perceptions of working with Centennial. What we

discovered were policies, processes and personnel that undermined the ability of Land Use Services to operate at the level of productivity we demanded.

Counter to the concept of the city philosophy of contracting as much as possible we made the decision to bring this in-house under the leadership of Wayne Reed. We re-organized into what is now the Planning and Development Department and Wayne developed five key drivers in his department.

1. Efficient
2. Effective
3. Responsive
4. Accountable
5. Innovative

Those key drivers have created a new atmosphere of “can do” and “let’s create a solution to make it work” versus the roadblocks that prior to the re-organization seemed to be the norm.

With this re-organization not only do we have a holistic mission that is efficient and effective but we have been able to reduce costs by seven million dollars over the next ten years.

The next area I want to touch on is Public Works. We applied the same five drivers that I spoke about and after significant analysis and negotiation with our current provider it was decided to put this service out to bid.

First we needed to find someone that could oversee this area with the same type of energy and innovation our City Manager had. We found that person in Dave Zelenok, former Public Works Director for Colorado Springs and prior to that was Highway Manager for Somerset County in Pennsylvania.

Dave was tasked with creating a full innovative public works plan from scratch and then through a formal bidding process find the provider that could best implement the plan and that could provide the best combination of value, quality, cost containment and risk management within the established budget parameters. One firm quickly rose to the top. That firm was CH2M Hill OMI.

CH2M Hill OMI brings to the city;

- Experience in complete public works startup and delivery having done so in four cities prior to this.
- A strong focus on customer service
- The resources that can flex with the workflow and demand
- The financial strength to assist the city in transition
- Continuous performance monitoring and improvement through their Municipal Services Center of Excellence.

- A 24 hour 7 day a week call center where our citizens will be able to speak to a live customer service representative and will receive communication back as to how and when their problem will be addressed.

Under Dave Zelenok and CH2M Hill OMI, Centennial will initiate this year the largest street resurfacing program in our history with over 40 miles of street resurfacing – doubling our 2007 program.

The last area I wanted to mention is clearly our most effective and efficient. Law Enforcement under the Sheriff's Office.

Once again for the fourth year in a row Centennial was named the safest city in Colorado and this year the 20th safest city in the country with a population over 75,000.

In all the drivers I talked about previously the Sheriff's Office has brought them to Centennial since the beginning and continues to do so today. This is clearly one area that is already providing what the city was seeking.

The constant responsiveness and innovation to the city's needs led us to enter into a ten year partnership with the Sheriff's Office and we are proud to have them protecting and serving the citizens and business of Centennial.

Under the leadership of the City Council and the City Manager we have made significant changes that are needed to take Centennial where our citizens want it to go and we will continually identify those areas that can be improved upon and make the improvements or changes necessary to make us the best we can be.

Now let me shift focus to a new department that we have added. I proposed last year when I spoke to you that we needed a laser focus on economic development specific to the city and that while we have great partnerships with our chambers and economic development organizations they all wore hats that reported to many masters and we truly needed someone to focus just on Centennial and all of our business community.

Corri Spiegel became our first economic development manager and we haven't been disappointed. Many of you have met her already. She has quickly developed an economic development plan for the city and has made an immediate positive impact.

The city has begun to jump with economic activity both in new businesses, re-development and retention. Let me just touch on a few...

On the retail side we are excited about the progress being made at the Streets at SouthGlenn with the opening of the power center early this fall and the rest of the development late next spring.

And I compliment our partners, Alberta Development Partners in having the foresight to see what was happening to the for sale residential market and making the early shift to an upscale lease product.

We are seeing significant re-development occur all around the University and Arapahoe corridors due to the Streets at SouthGlenn coming on line including the neighborhoods that last year were declared by Colorado BIZ magazine as one of the places to live in the metro region.

But that isn't the only area we are seeing re-development take place...Dry Creek Office Village received a complete make over when Fuller and Company spent approximately one million dollars to refurbish it.

Altitude Sports and Entertainment acquired the former broadcast studios of KTVD and will create its own production and studio facilities at that site.

The former site of Honeywell along Dry Creek will be torn down and the 36 acre site will be re-developed into a two story 24 hour 129,000 sq ft. Lifetime Fitness Center and Athletic Club along with six additional pad sites providing neighborhood oriented retail and commercial office space.

Comcast continued to add to their already significant footprint in the city with the opening of their Commercial Business Services Support Center.

Time Warner brought 100 new jobs to their new data center and Verizon Wireless expanded their operations in the city.

In October NetSuite announced their relocation to Centennial with 100 new jobs and Centennial headquartered AlloSource continued to expand adding an additional 45 new jobs and also completed their successful acquisition of LABS locating that new facility along the Arapahoe Road corridor bringing with it over 100 new jobs.

In February we were excited with the Cochlear Americas announcement to move their U.S. Headquarters to Centennial taking a 74,000 sq. ft. office and bringing 200 corporate executives and operational employees under one roof.

Centennial has clearly become the new darling of the federal government with announcement of three new facilities of just under 200,000 sq. ft. Two of which will be Silver LEED certified buildings.

This leads me to one last project I want to mention. Last year at a public hearing for our Arapahoe Urban Center Sub-Area plan that I told you about earlier, we were told that perhaps we were being too aspirational and should just go with what the market brought us. My reply was fairly passionate about the aspirations and dreams of this city and why we would not settle for less.

Shortly after that hearing I received a phone call with an invitation to visit the country's largest speculative LEED Platinum building that was about to open in Golden. The 186,000 sq. ft Signature Centre was being built by a company called Aardex, a unique design that is highly energy efficient and sustainable.

So I went to meet and have lunch with Ben Weeks, one of the principles of Aardex. We talked for about an hour and I oohed and awed about the building and told him about my aspirations for Centennial and before I left Ben asked me if a building like the one I was visiting would fit my vision for Centennial? I'm excited to tell you that two weeks ago Aardex submitted their plan for a 400,000 sq. ft. Platinum LEED Signature Tower for Centennial.

They say that aspirations and dreams go hand-in-hand. I agree. The key is to have a dream that inspires us to go beyond our limits.

Let me close where I started today...talking about Centennial being more strategic, more secure, and more stable and this June we have the chance to be much stronger forever.

Let me ask a quick question. How many of you know Bill Cadman, Cory Gardner, Ellen Roberts, and Steve King...perhaps Wes McKinley? I'm not surprised that most of you don't know these folks...but you should.

They are just a few of the 100 members of the state legislature that make the laws that Centennial has to live by. I should tell you that none live here in Centennial and in asking them they aren't really sure where Centennial is. But they make the laws that govern us because we are a statutory city one of the few and certainly the largest in Colorado.

On November 6, 2007, the citizens of Centennial, in an election, voted to create a twenty-one member Home Rule Charter Commission made up of citizens elected by citizens to propose a governance structure that would dissolve the current dependence on the state legislature and increase Centennial's ability to solve local issues at a local level.

The Charter Commission didn't pass by an overwhelming majority because as our pollster Dr. David Hill told us our citizens are comfortable with how the city is running but they do understand the need for flexibility so they voted to give you that flexibility.

The Charter Commission was seated on November 8th and diligently worked together and with public input and public hearings until a final document...very close to the way the city operates now under the statutory rules but with the flexibility of Home Rule was presented to Council on March 3rd and set for a special election. You see the Home Rule Commissioners understood what the citizens were saying and did there best to satisfy them.

Twenty one of our citizens...our neighbors...our friends created a document that they believe to be the best for this city to be governed by and all twenty-one endorsed by signature and their testament that they had done what was best for Centennial.

There is anxiety about change and no document will ever satisfy all of us but this document comes as close as any I think could have been created. That is why our City Council has endorsed it with a super-majority and that is why those of us that led the formation of this city have endorsed it and are working diligently to pass it.

Clearly those that are opposed to it would prefer we remained tethered to the state legislature to impose their will upon us. They have even gone so far as re-writing the history of the formation of the city saying that we the founders believed the city shouldn't be home rule and that's why we didn't do it at the time of incorporation.

They weren't there. They weren't in the room. Many weren't even part of the movement that created the city or were actually opposed to us. Those of us that were there, that were the leaders of the formation and that have the credentials to back it up know why we didn't do it at the time of formation.

It was from the wisdom of our eighteen member transition team that told us it would be too difficult under the first election to do but recommended it be done within the first five years after incorporation. Folks...we're late.

Other arguments put forward are...we are too young and immature to govern ourselves. I don't know how much quicker you can offend over 100,000 citizens but I have never considered the citizens of this city to be too immature to govern themselves.

As John F. Kennedy said "Too often we enjoy the comfort of opinion without the discomfort of thought." The opponents seem to have a lot of opinion without much thought.

This is a good document no matter what bizarre arguments are thrown at it.

Let me read you the preamble to the Home Rule Charter because I think it says it all.

We, the citizens of Centennial, Colorado declare that the creation of our own Charter maintains the standard of self-determination that was central to our City's founding.

We believe that the best government is the one closest to the people, depending not only on the individuals elected to City Offices, but also upon guiding principles, rules and procedures. We believe responsive and representative government depends upon personal responsibility, the right of citizens to redress grievances and the ability of citizens to make determinations when dictated by circumstances that will move their City in new directions.

...And it goes on...

This City Charter, created to serve the people of Centennial, frees us from being required to rely on the state legislature to dictate the central terms and conditions of our City. This Charter gives life to the essential nature of American citizenship. This document is dedicated to ensure such rights and duties to the people and to encourage citizen participation in our government for the proper and efficient progress of our city.

I have talked a great deal today about dreams and aspiration. How can you be part of something as great as Centennial and not have dreams? Why would anyone want to ground themselves in the negativity so prevalent in the country today?

As Robert Kriegel so aptly put it..."A dream is an ideal involving a sense of possibilities rather than probabilities, of potential rather than limits.

A dream is a wellspring of passion, giving us direction and pointing us to lofty heights. It is an expression of optimism, hope and values lofty enough to capture the imagination and engage the spirit.

Dreams grab us...dreams move us. They are capable of lifting us to new heights and overcoming self imposed limitations.

This June 10th ...I along with the twenty one citizens of the Home Rule Charter Commission, the other founders of the city and the super majority of your City Council ask you to embrace the dream that we have for Centennial and this Charter by voting yes and allow Centennial to be the strongest city it can be.

Thank you!