

# City of Kelso

## State of the City 2014





Segue to the presentation...





# A Kelso Carol *(with apologies to Dickens)*

- Ghosts of Kelso's Past
- Favorable Present Environment
- The Future: Cautious Optimism and Uncertainty





# The Past – “Scrooged”

- “Great Recession” drop in revenues
- Layoffs and staffing reductions
- Street department eliminated
- Service Retrenchment
- Bunker mentality





# The Present – Living the “New Normal”

- Rebound in commercial investment
- Controlling costs through innovation
- Planning and community revitalization
- Strategic focus on capital project funding
- Partnering for services





# The Future – Thriving in Uncertainty

- Kelso's Choice: Make it happen or Let it happen
- 20-year Vision – Honest assessment of strengths and weaknesses
- Mitigate threats from financial uncertainty and neighborhood decline
- Invest strategically to improve quality of the built environment





# A Look Back...





# Making Inroads...

- West Main Street Realignment Project completion
- Seeking funding for final phase - \$6 million
- Opportunity for West Kelso redevelopment
- Better Kelso/Longview linkage



# West Main Corridor



Before



After

# West Main Corridor Improvements





# Scenes from a Mall...





# Building Partnerships...

- Longview's Community Development Department now provides building and planning services for Kelso
- Kelso benefits from expertise and convenience of contracting
- Longview gains revenue for excess capacity
- Development community gets consistency in service between the jurisdictions





# Welcoming Addition...

- Grand opening of new Visitors Center
- Investments and partnerships with Chamber of Commerce, Longview and Cowlitz County
- Complements new Exit 39 commercial investments





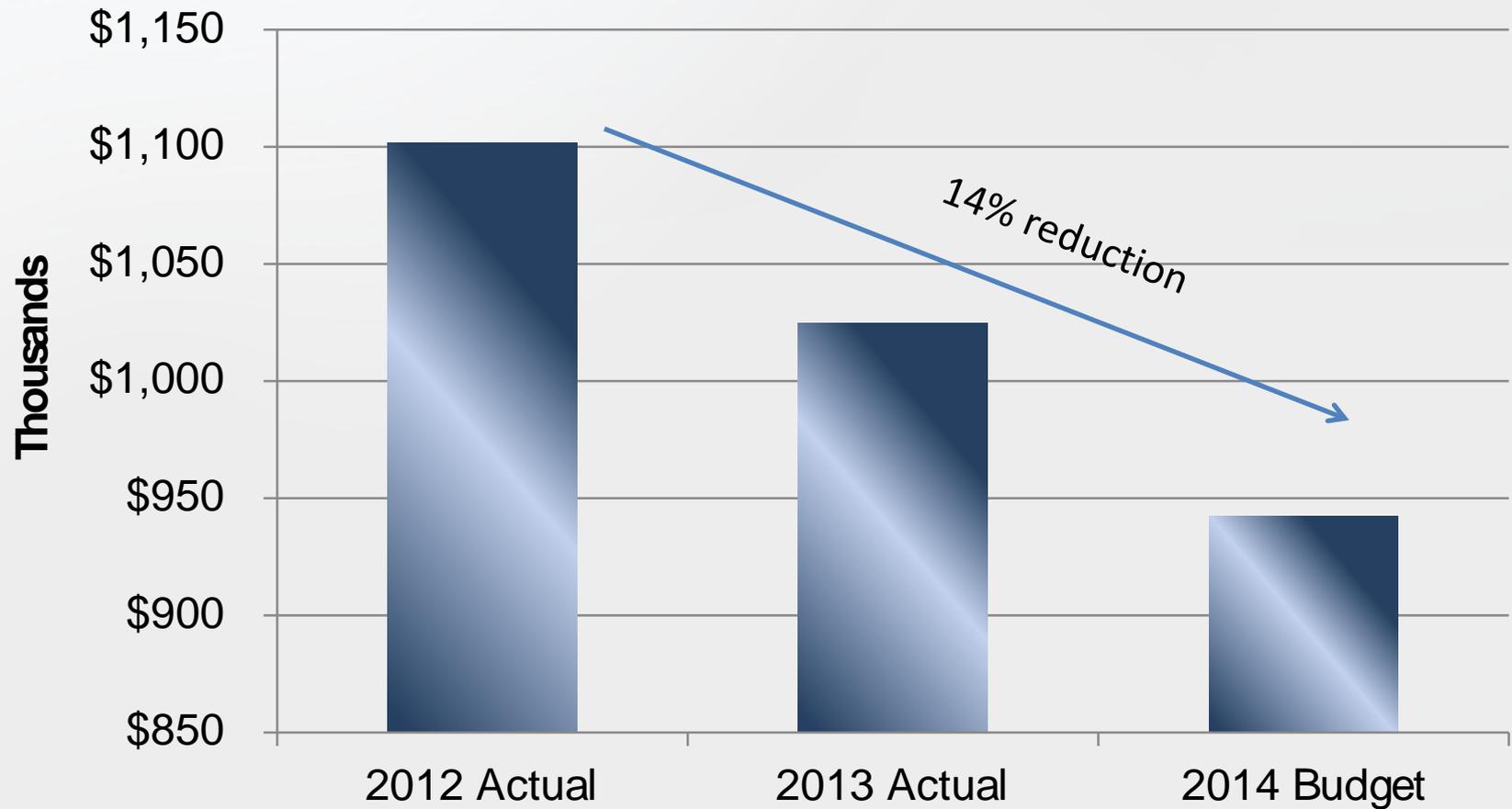
# “Health”-y Choices...

- The Council approved contracts with the City’s four labor groups.
- All employees have moved to lower cost health insurance plans
- High deductible option with health savings incentives have been the most popular choice
- City employees earned the AWC “Well City” Award for a fourth consecutive year.





# Employee Health Benefit Costs





## Budding prospects...and lowering barriers

- New rules adopted allowing “low-barrier” housing and urban rest stops in town center and West Kelso zones.
- The City Council adopted regulations allowing cannabis-related uses in industrial zones.
- Several production and processing enterprises are locating and building facilities in Kelso – no retail shops...yet.





# Community in Action

- AmeriCorps Service Project – Lads ‘n Lassies Park cleanup
- South Kelso Neighborhood Association established and running strong
- Youth Baseball Concession Stand Upgrade



# Community in Action



Kelso Little League Clubhouse: Before



AmeriCorps Day of Service clean up at Lads n' Lassies park



Kelso Little League Clubhouse: After



# The State of the City





# Notes to Financials

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- Clean audit opinion in 2013 – 6<sup>th</sup> consecutive year with no findings
- GFOA Award for Excellence in Financial Reporting - 8<sup>th</sup> consecutive year
- 3<sup>rd</sup> straight year with General Fund Surplus
- No growth in general tax revenues



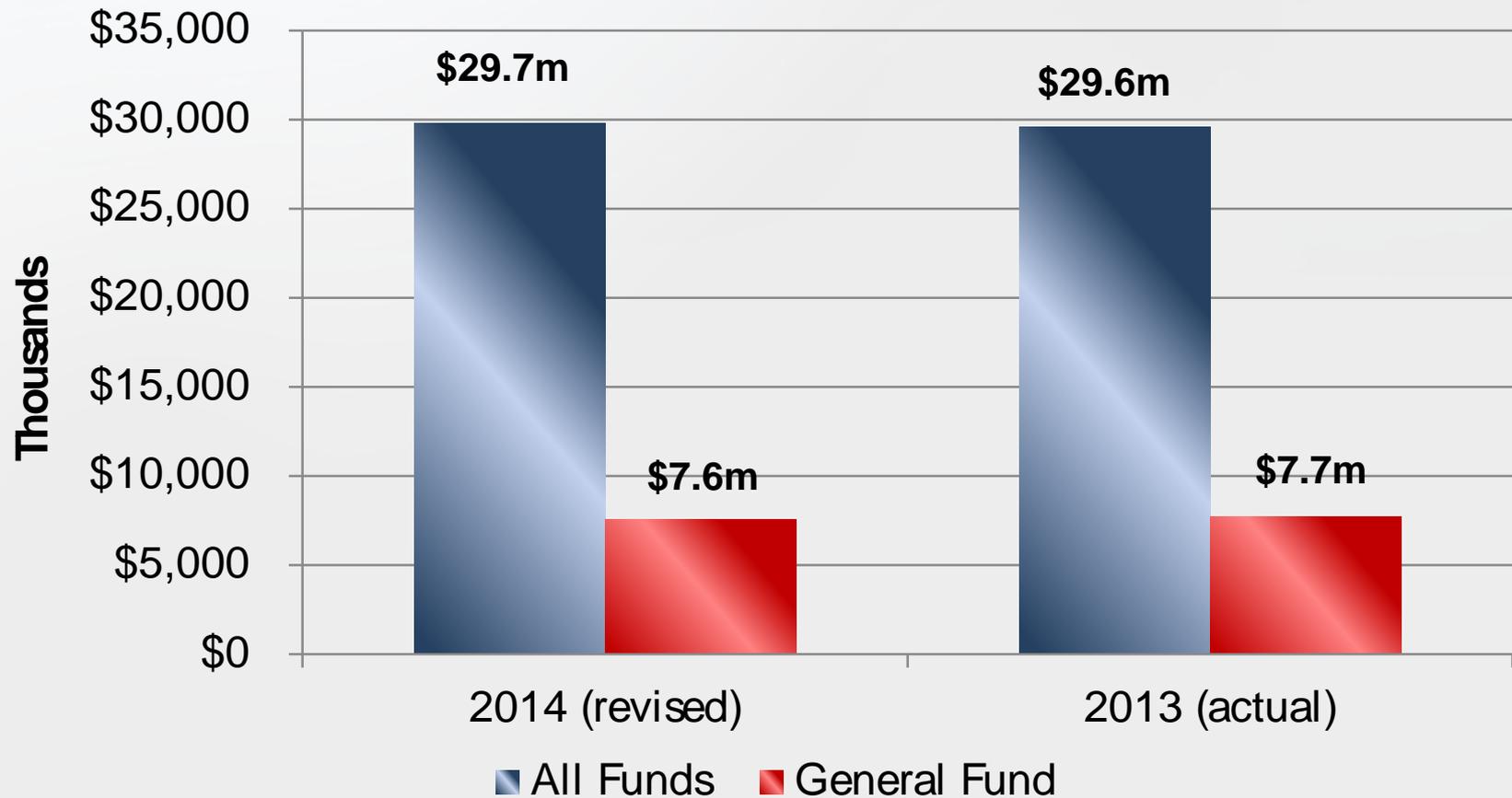
# Notes to Financials

- Utilities in strong position through consistent multi-year rate adjustments
- First full year of Transportation Benefit District collections
- S&P Bond Rating (AA-)



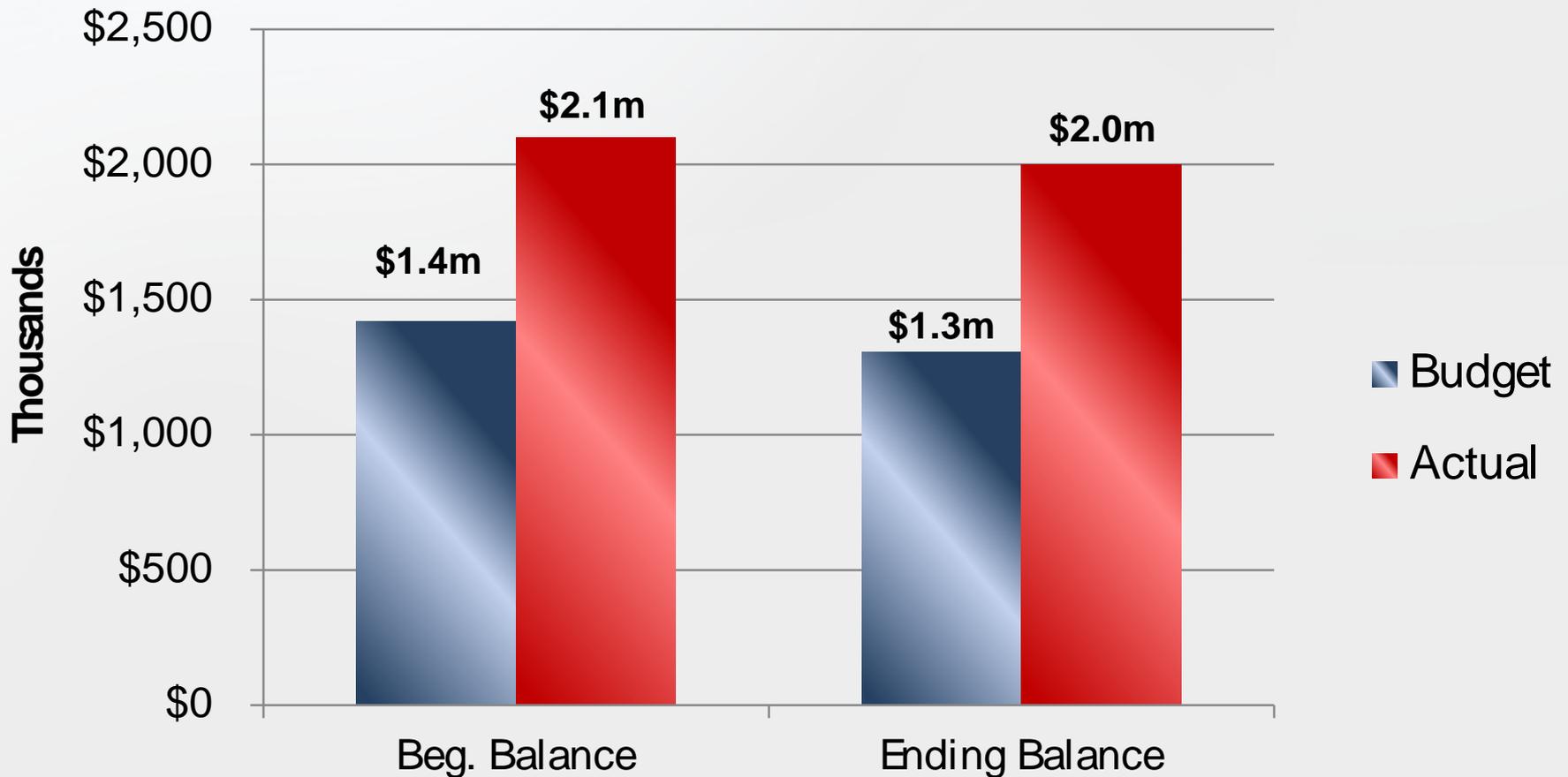


# Budget Highlights (All funds/Gen. Fund)





# 2014 General Fund Reserves



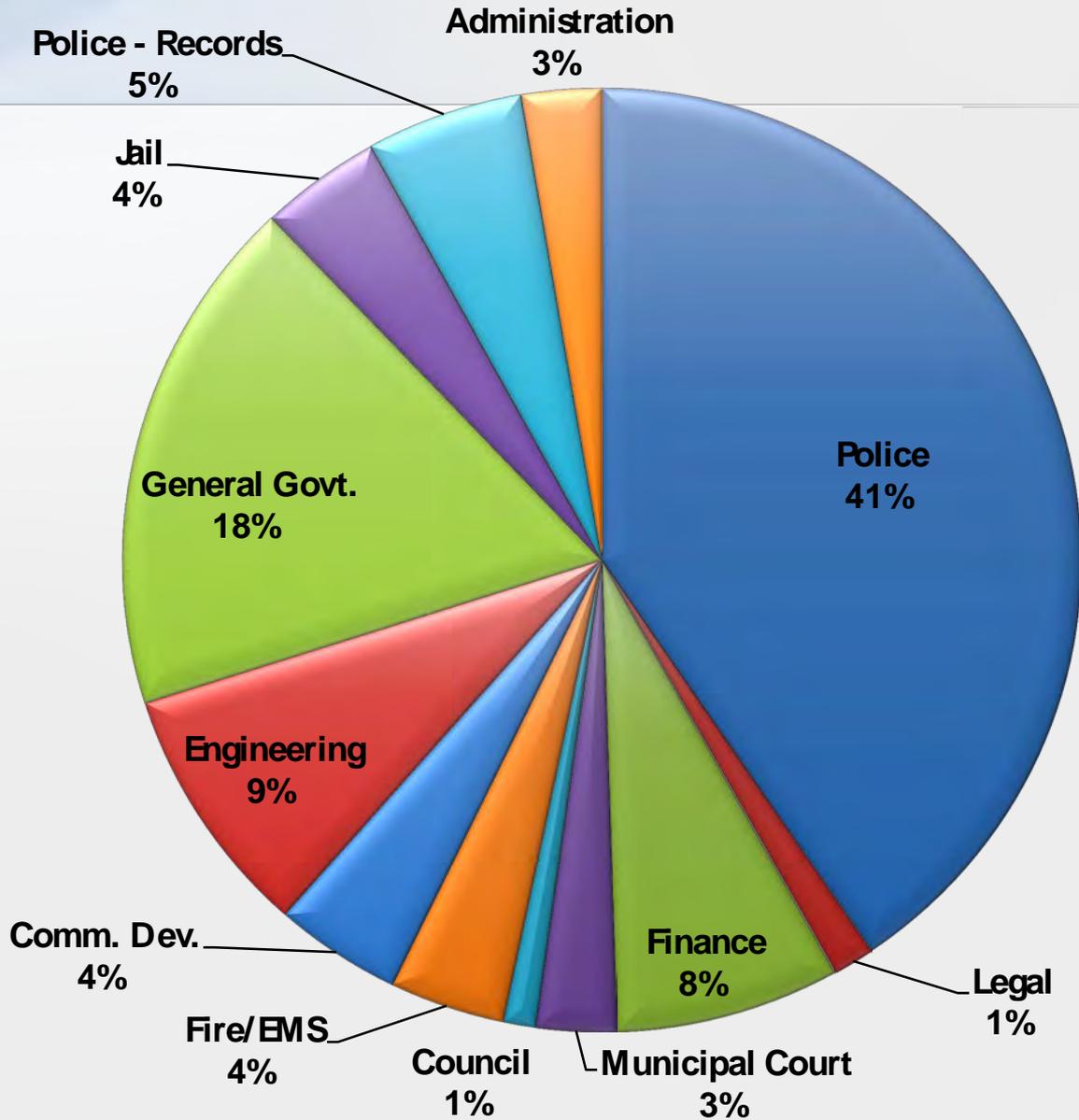


# Budget Highlights

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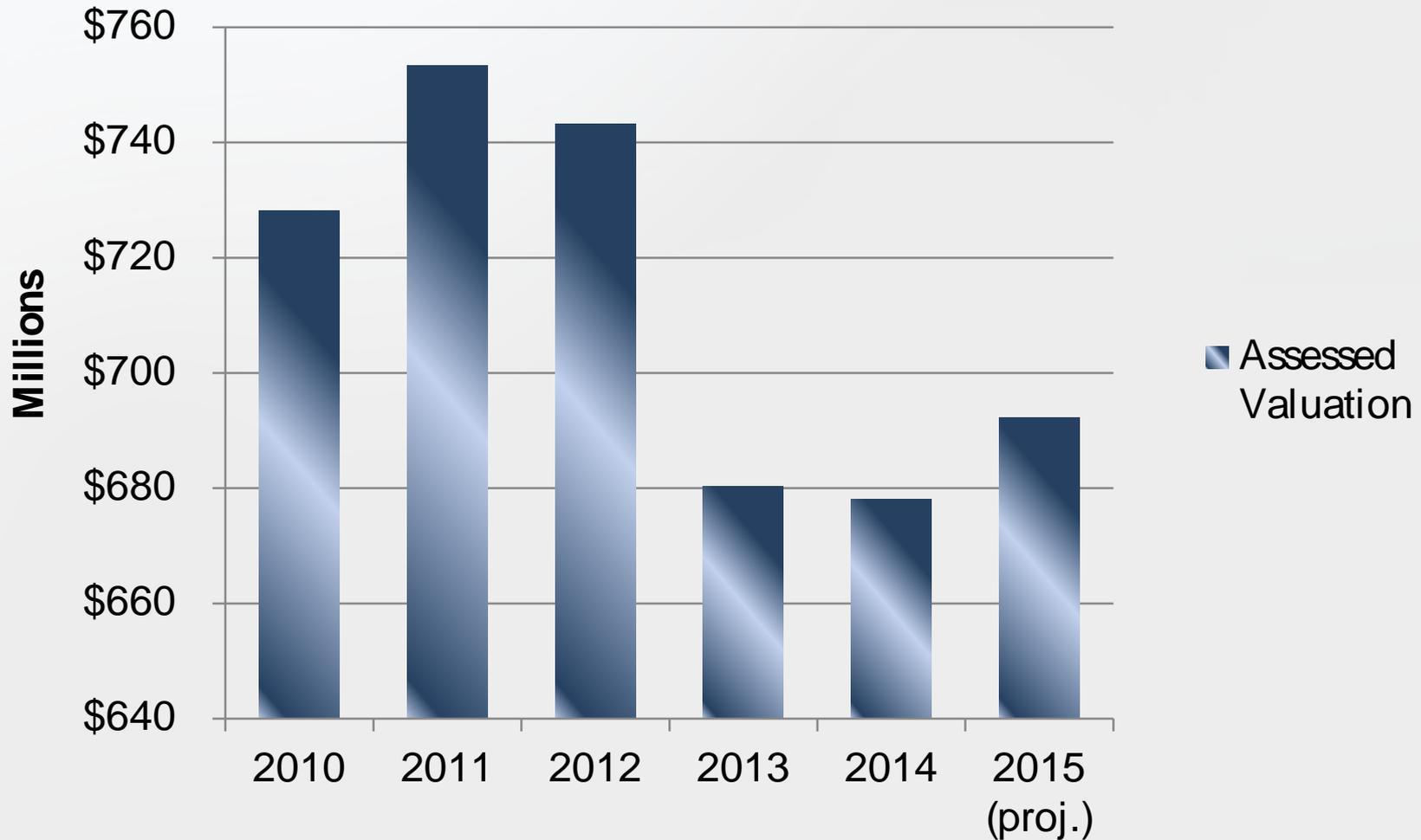
- Portion of 2013 savings allocated for one-time purchases
- All city employees moved to lower-cost health benefit programs in 2014
- LEOFF 1 health benefit premium savings of \$470/mo./retiree = \$68,000/yr.

# 2014 General Fund Breakdown



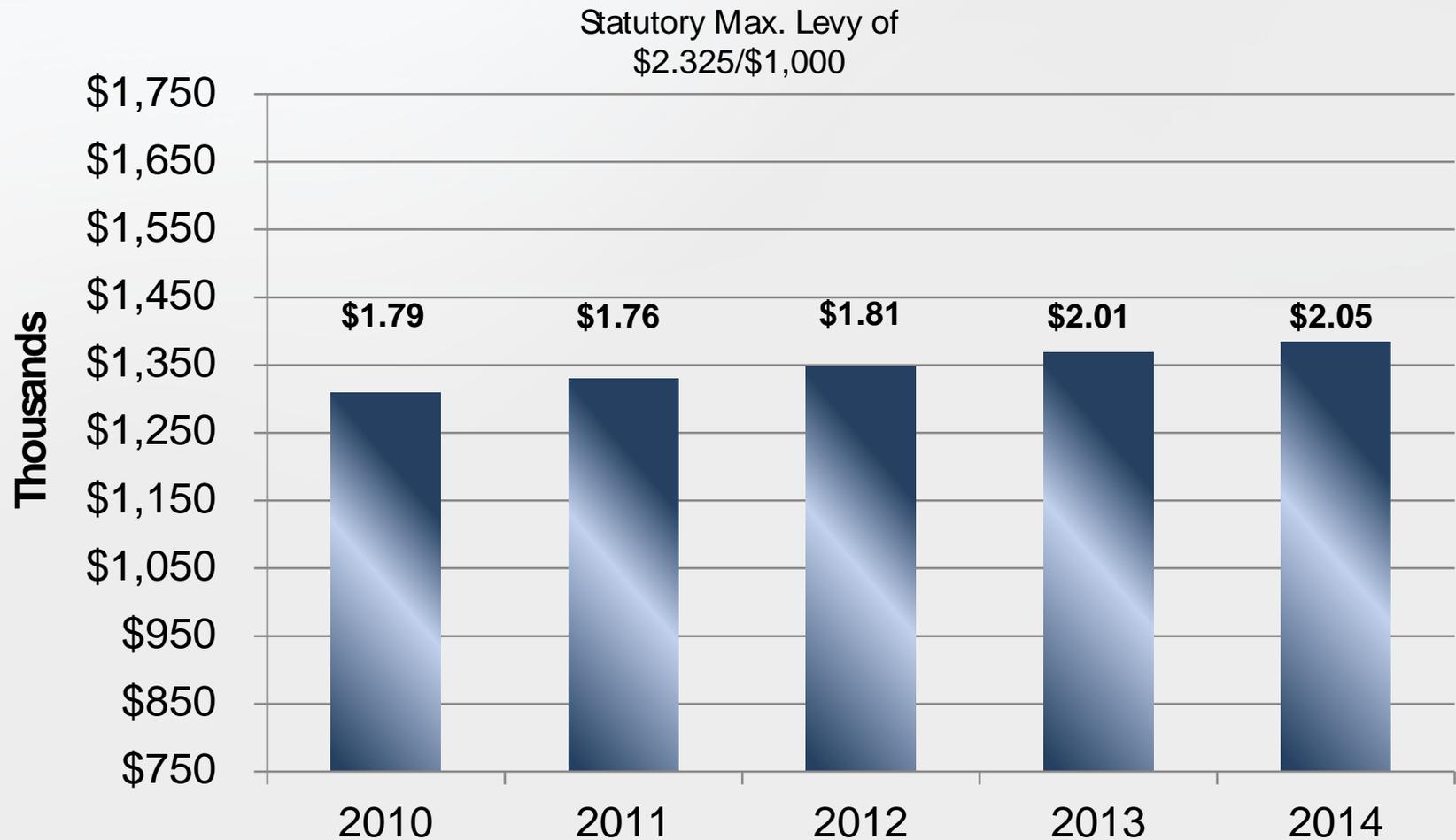


# Property Valuation



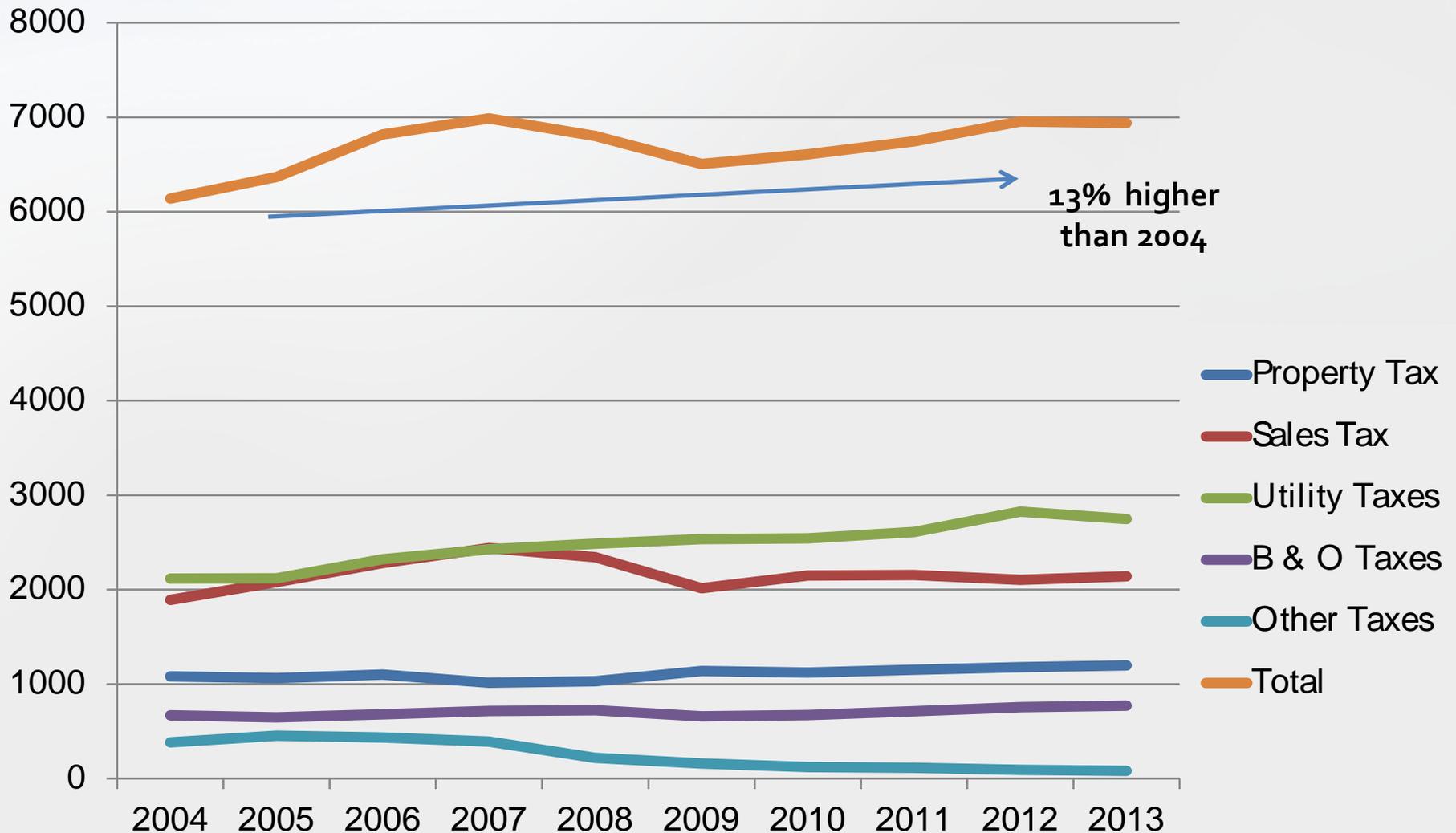


# Property Tax Levy (including Rate per \$1,000 AV)



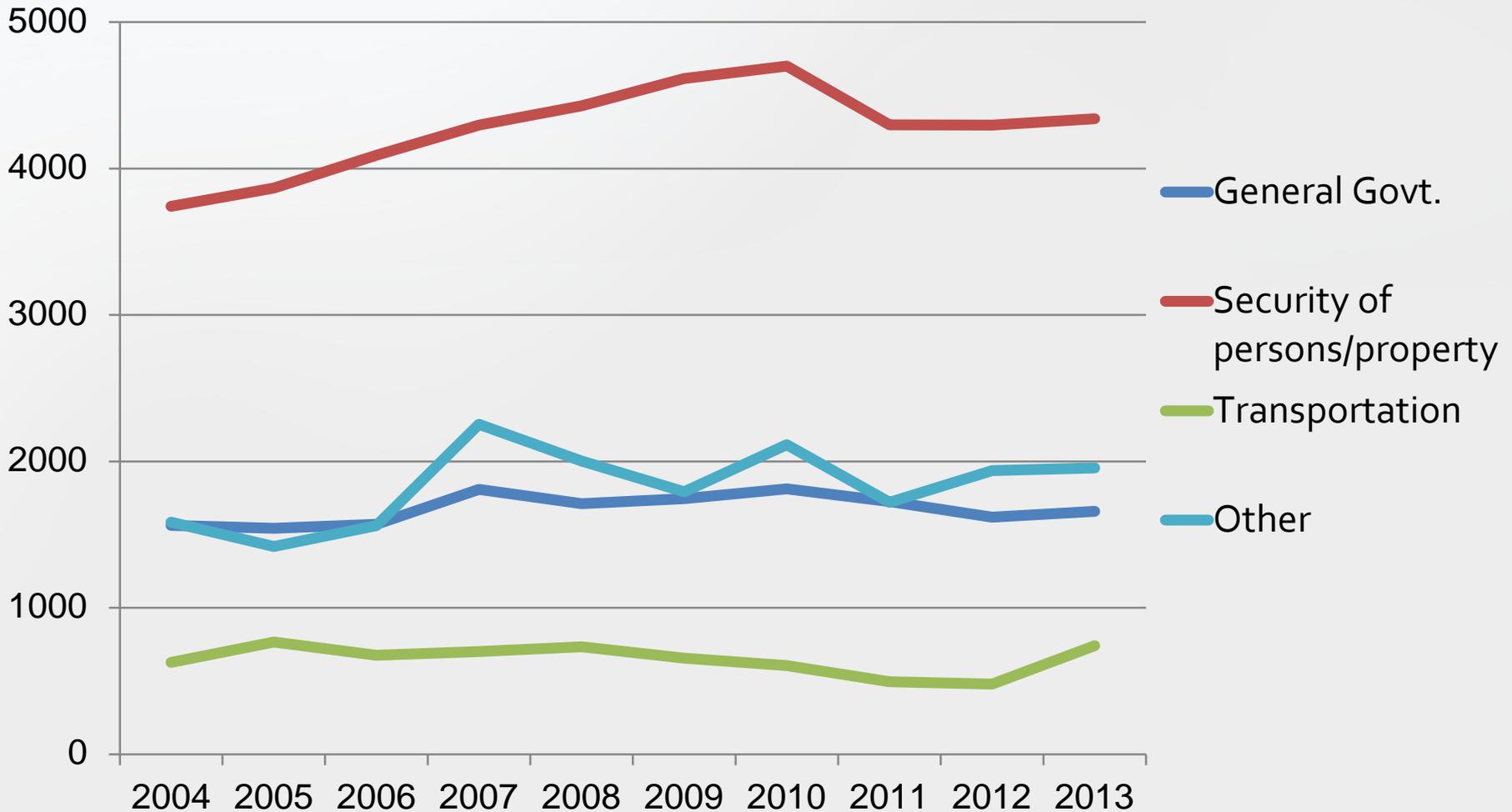


# General Govt. Taxes (in thousands)



# General Operating Expenditures

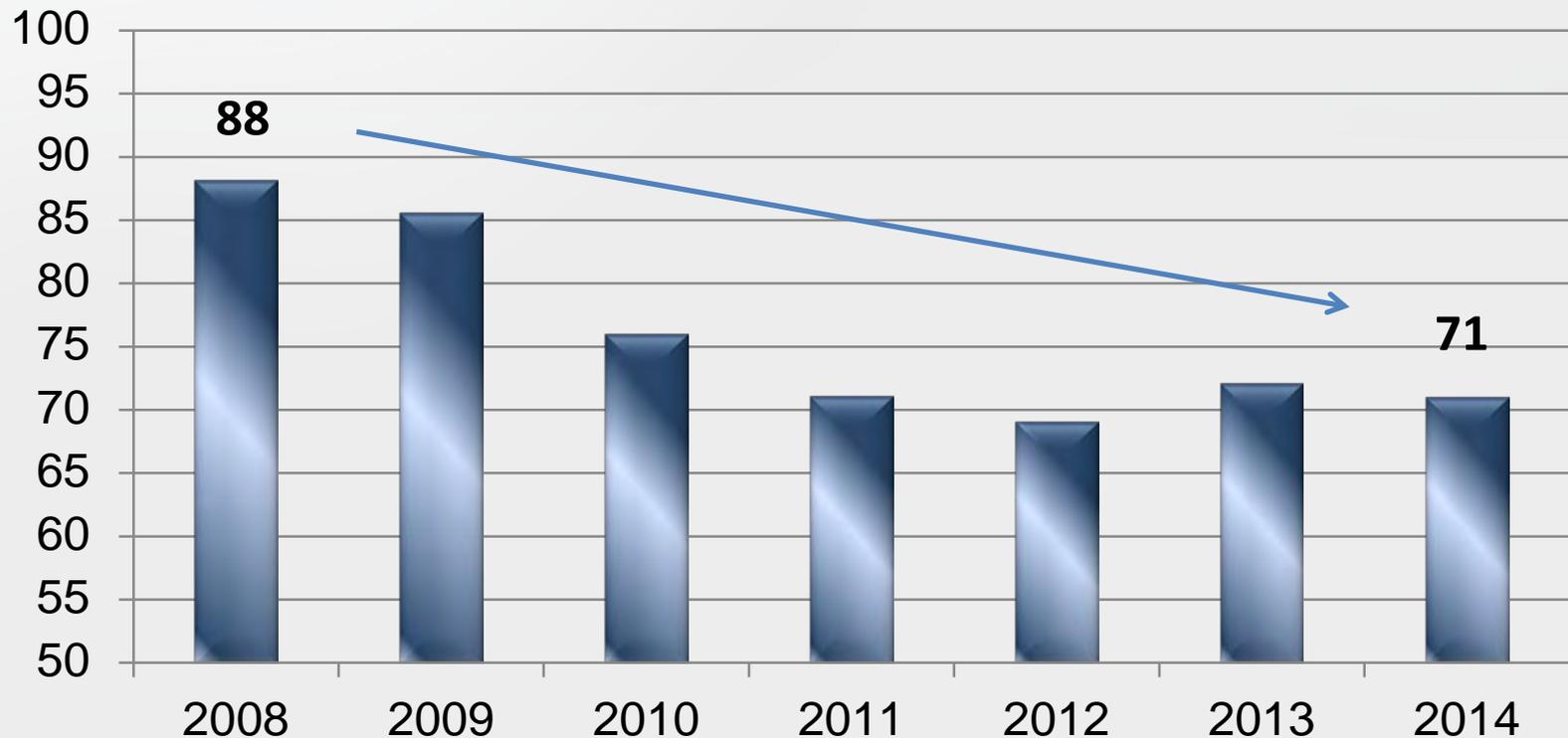
(in thousands)





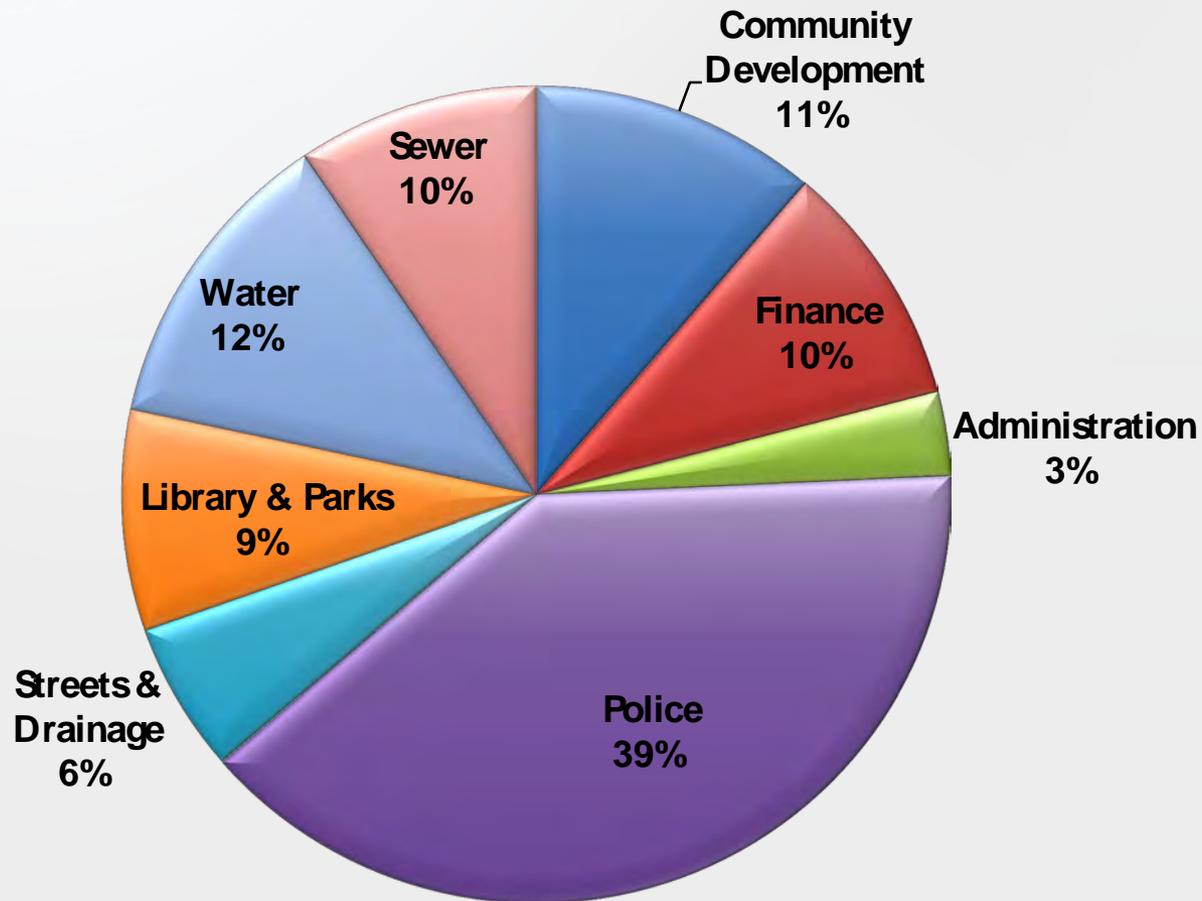
# City Staffing Levels

## Full Time Equivalent Employees 2008 - 2014





# 2013 Staffing by Service



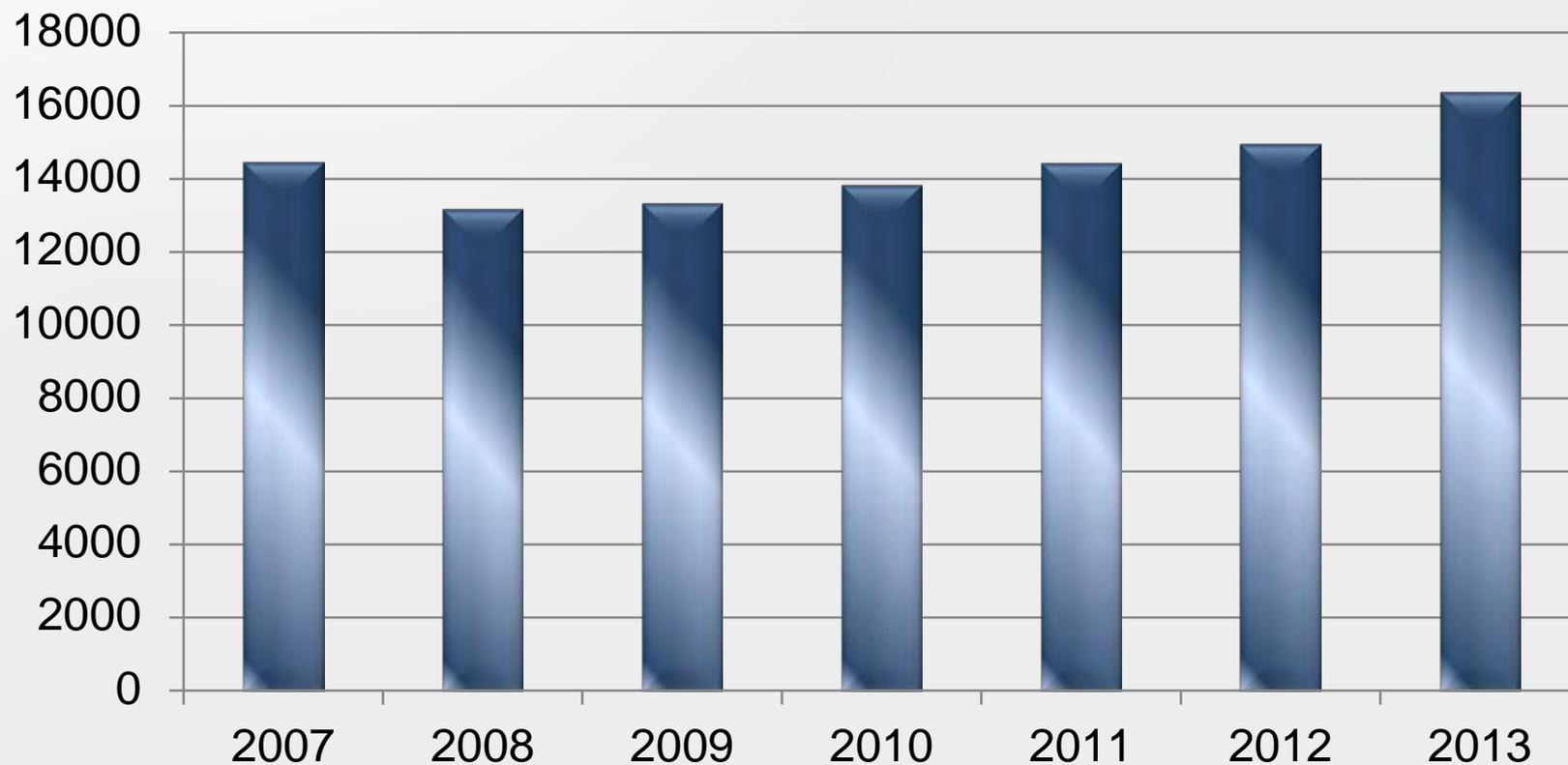


# KPD – Serving Our Community





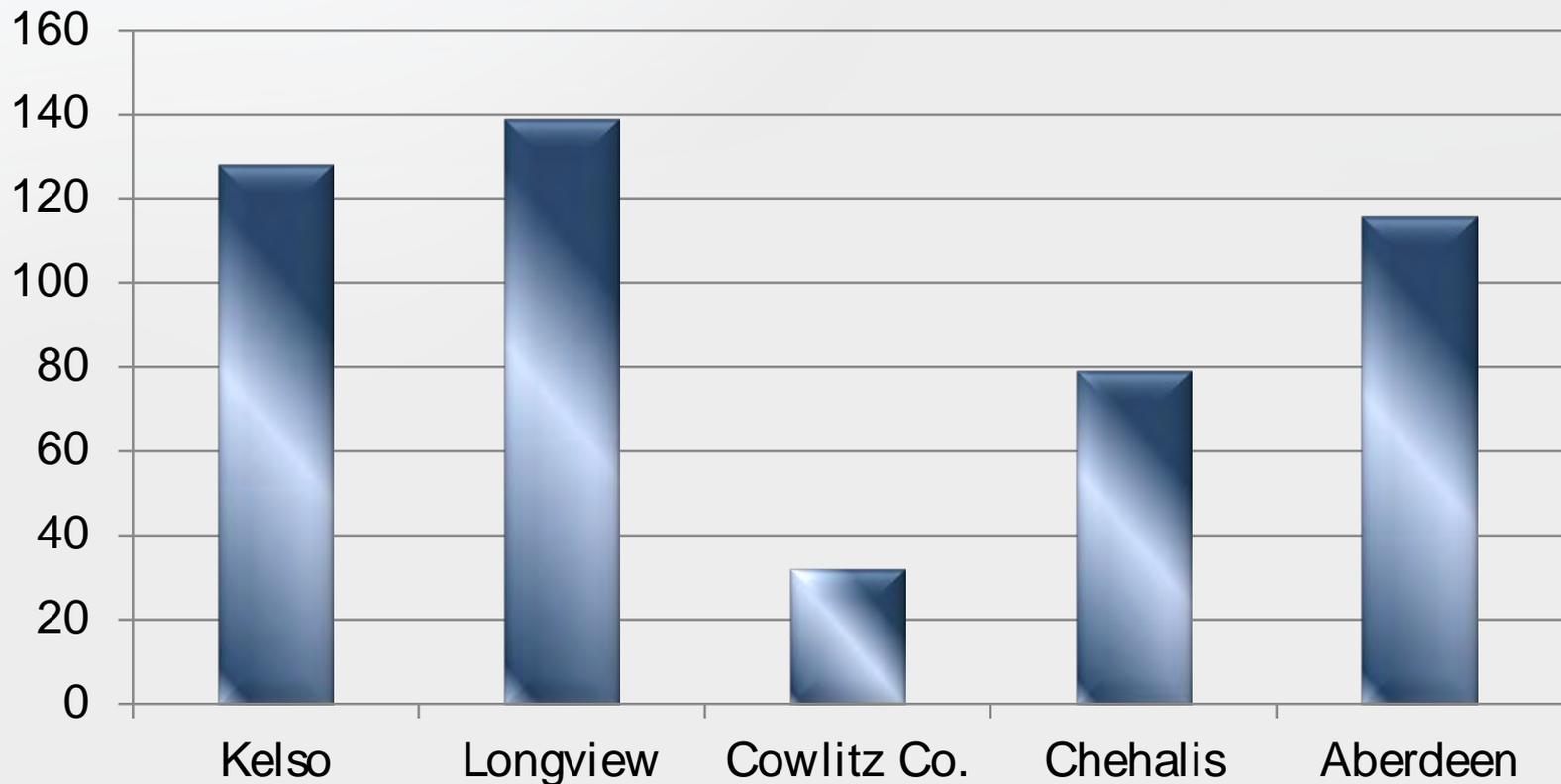
# Kelso PD Calls for Service





# Crime Rate Comparisons (2013)

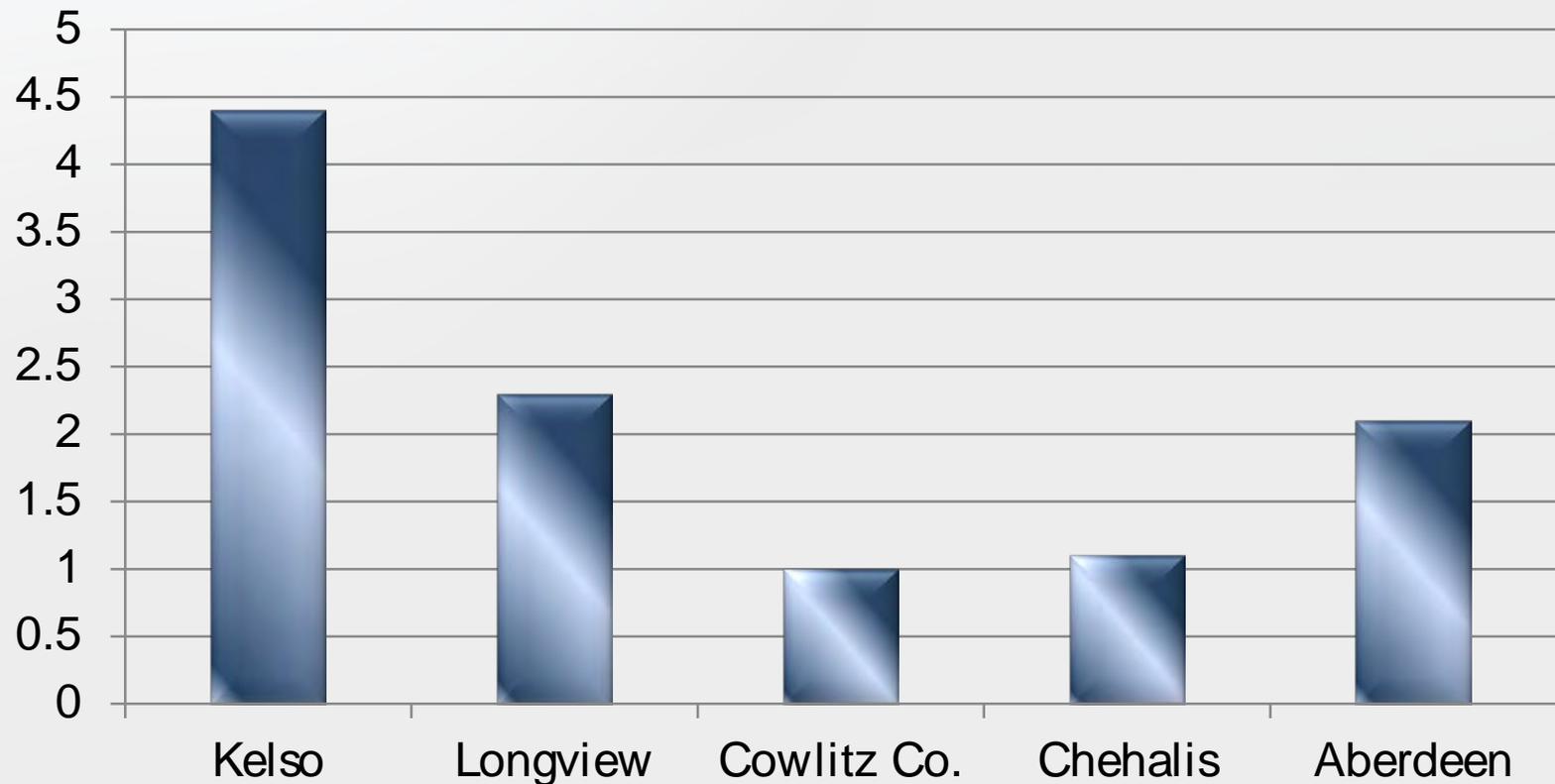
Group A Offenses per 1,000 pop.





# Crime Rate Comparisons (2013)

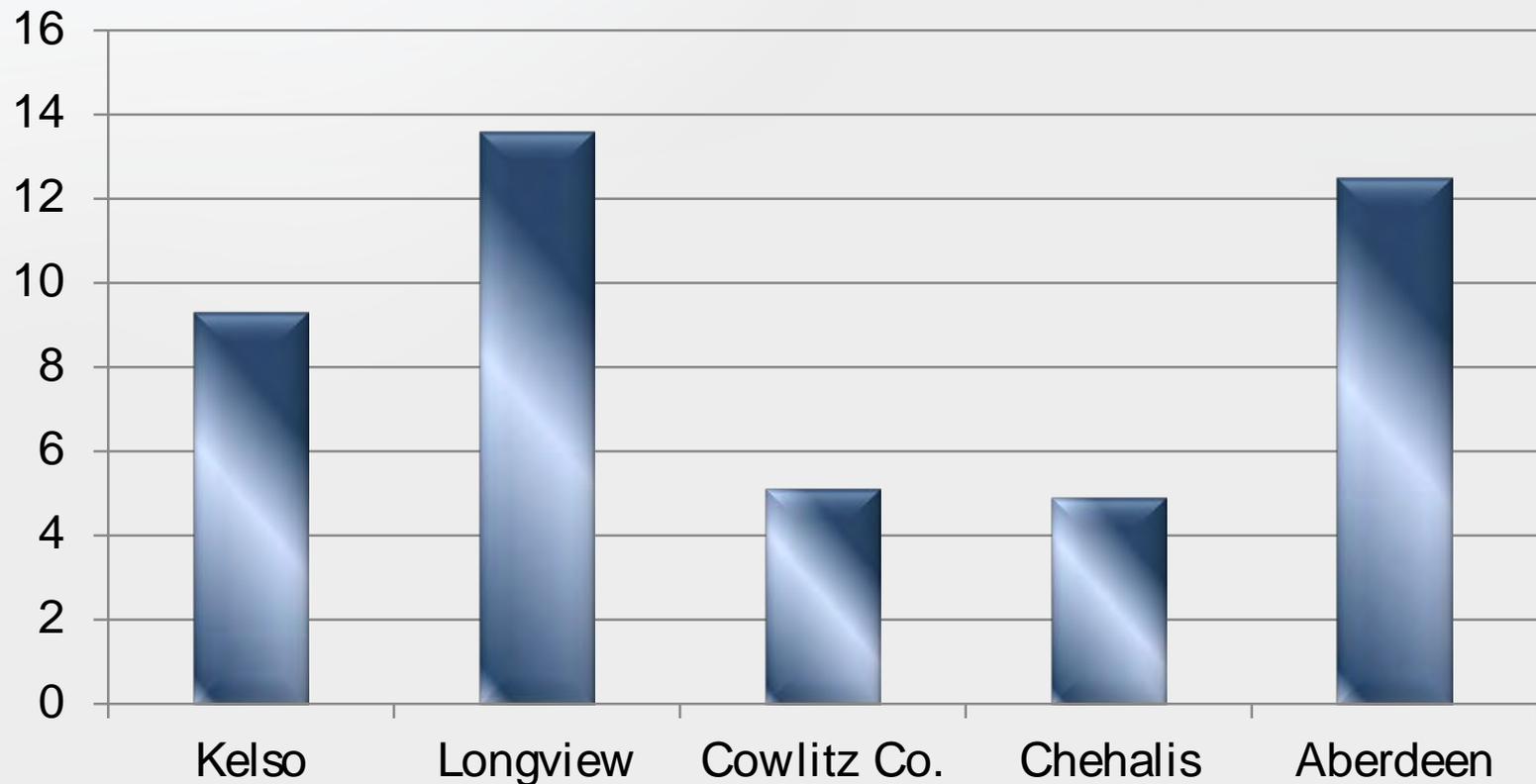
## Aggravated Assault per 1,000 pop.





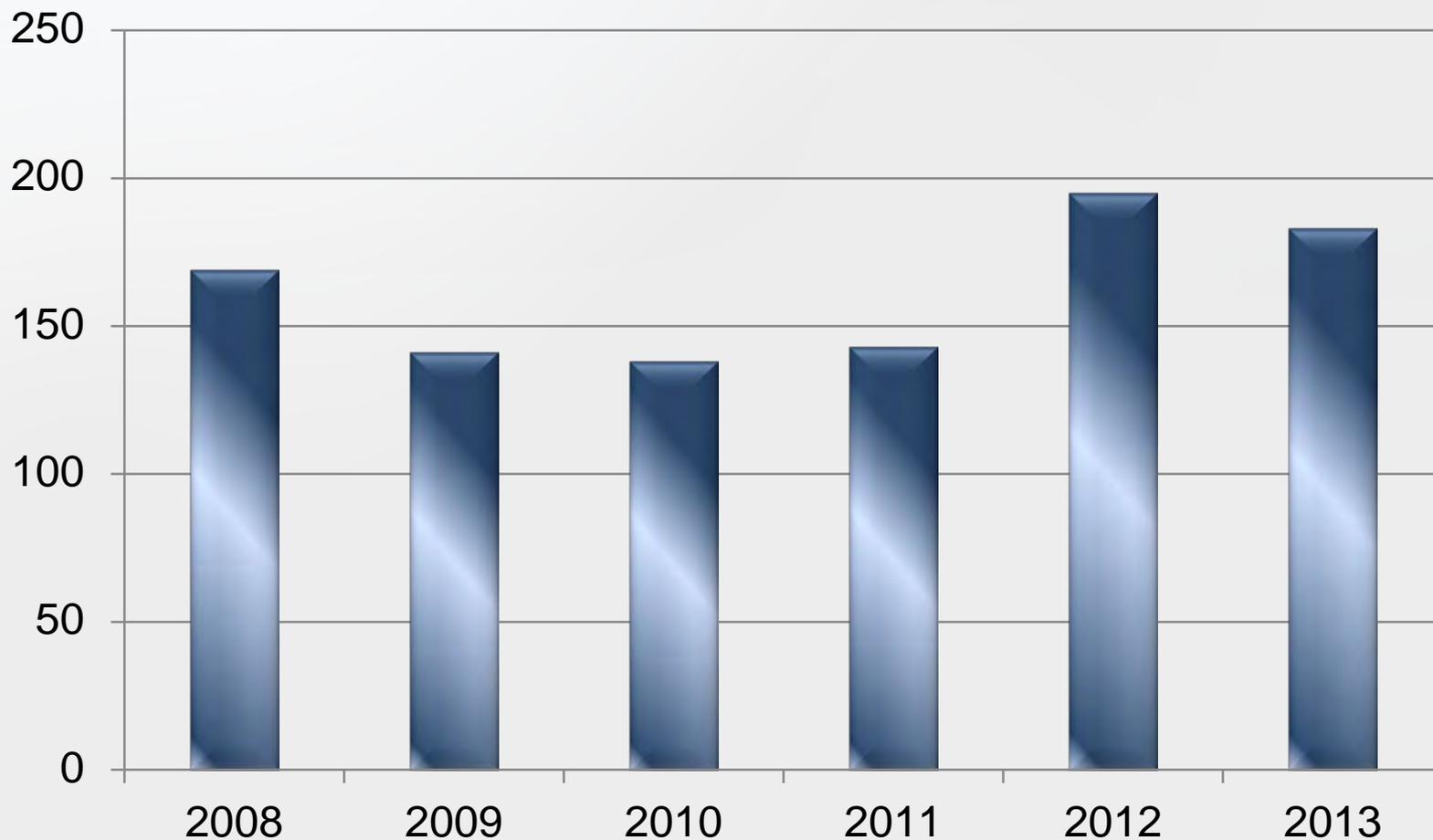
# Crime Rate Comparisons (2013)

## Burglaries per 1,000 pop.



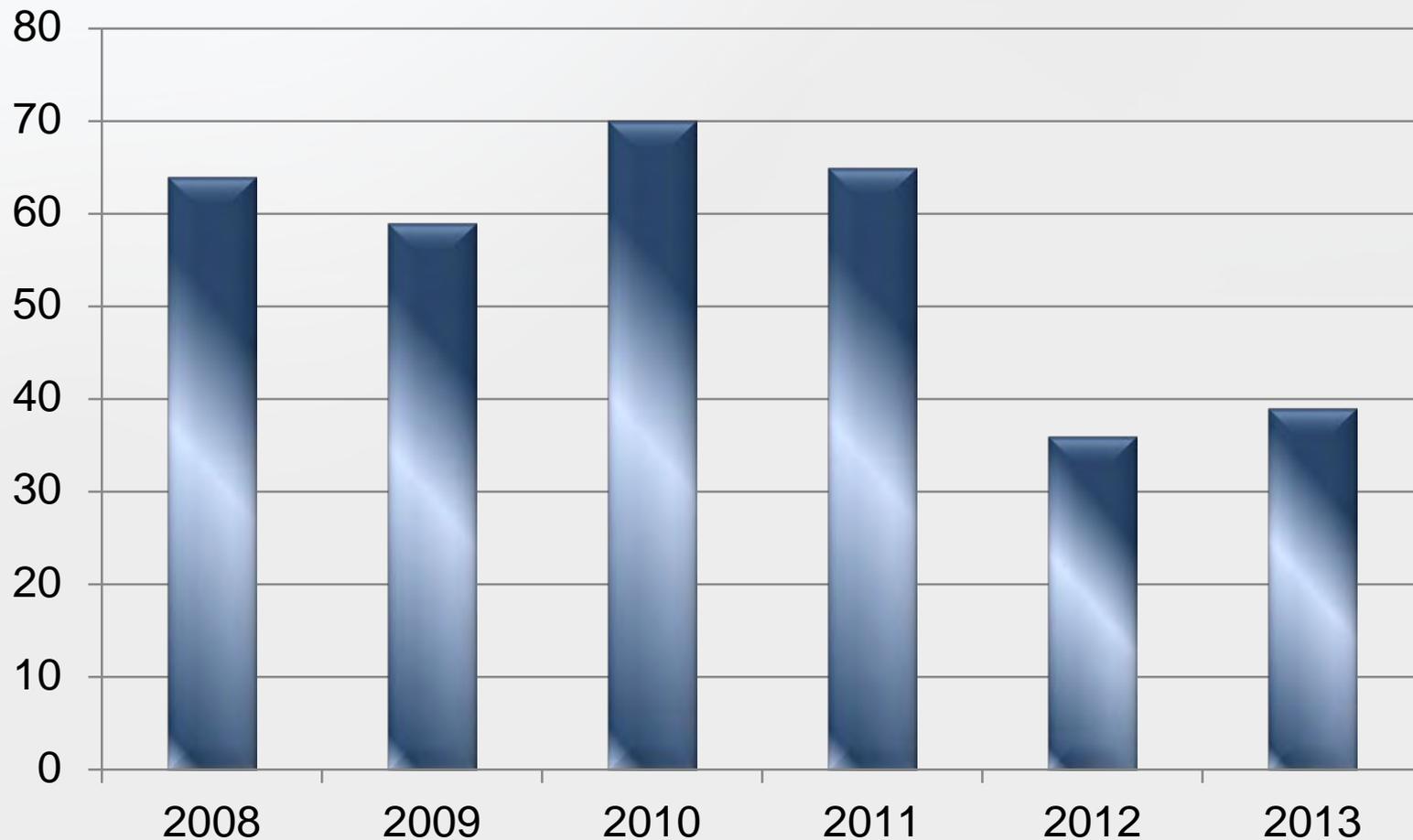


# Domestic Violence Arrests





# DUI Arrests



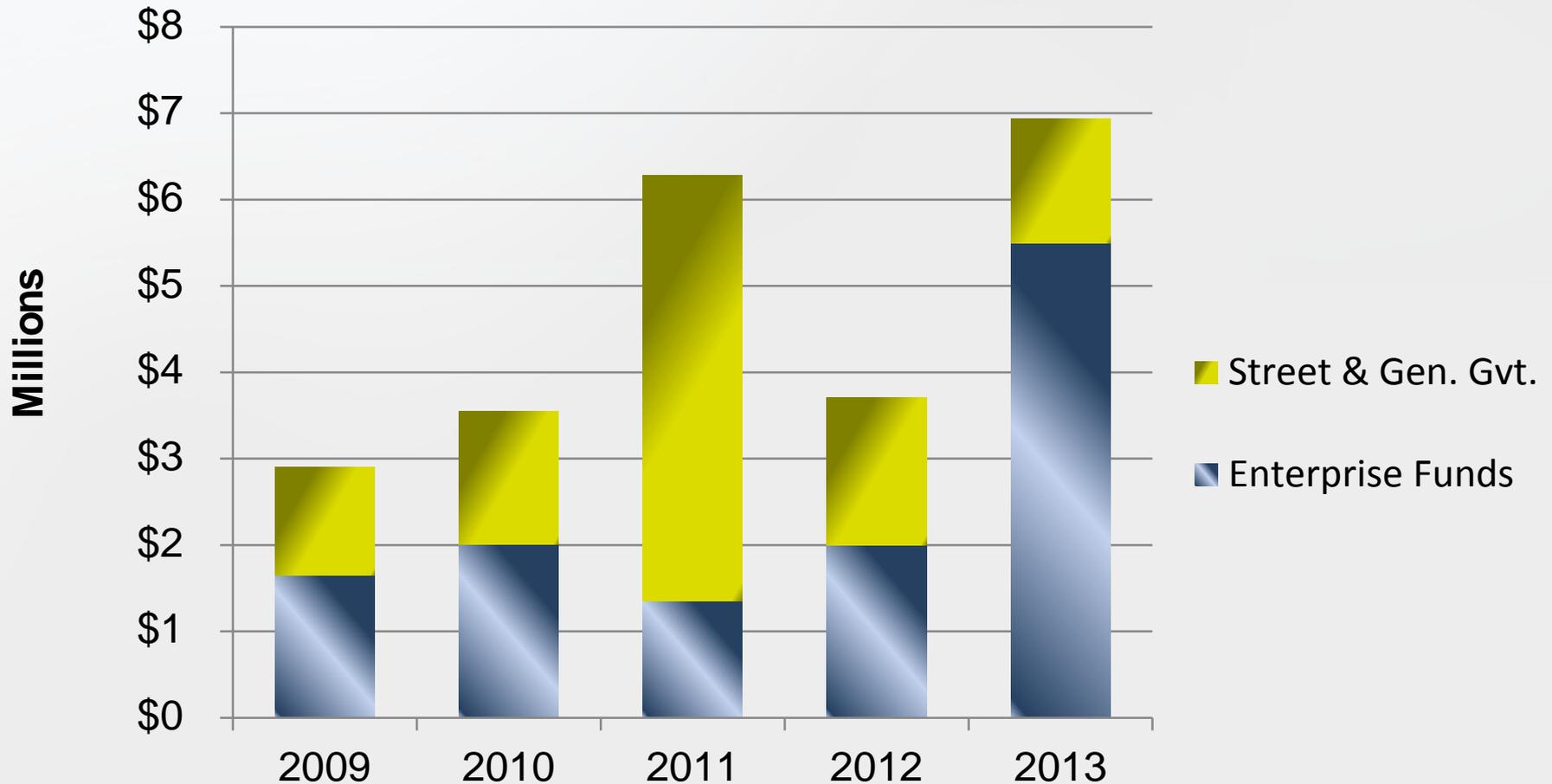


# Maintaining the Community



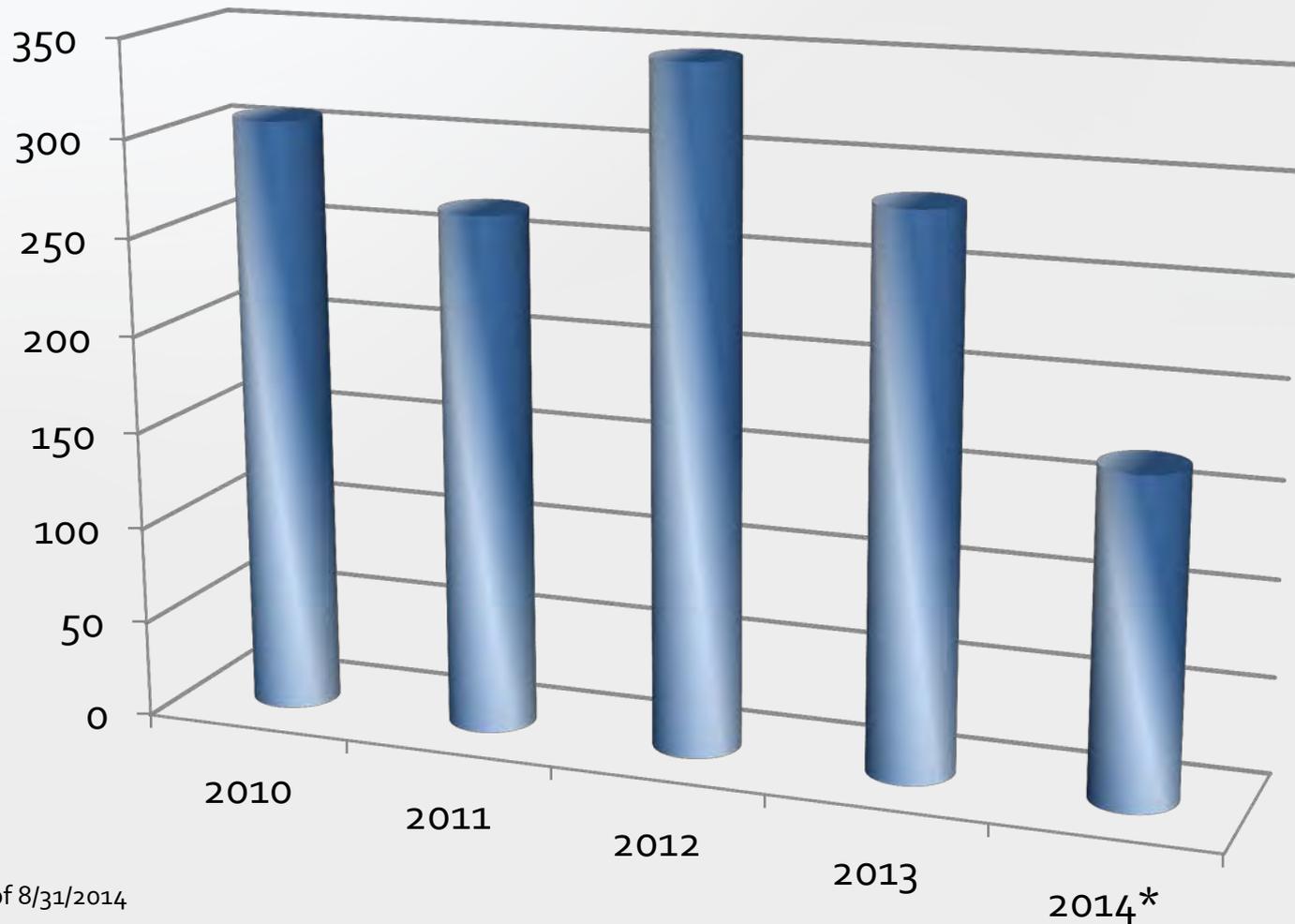


# Total Capital Expenditures





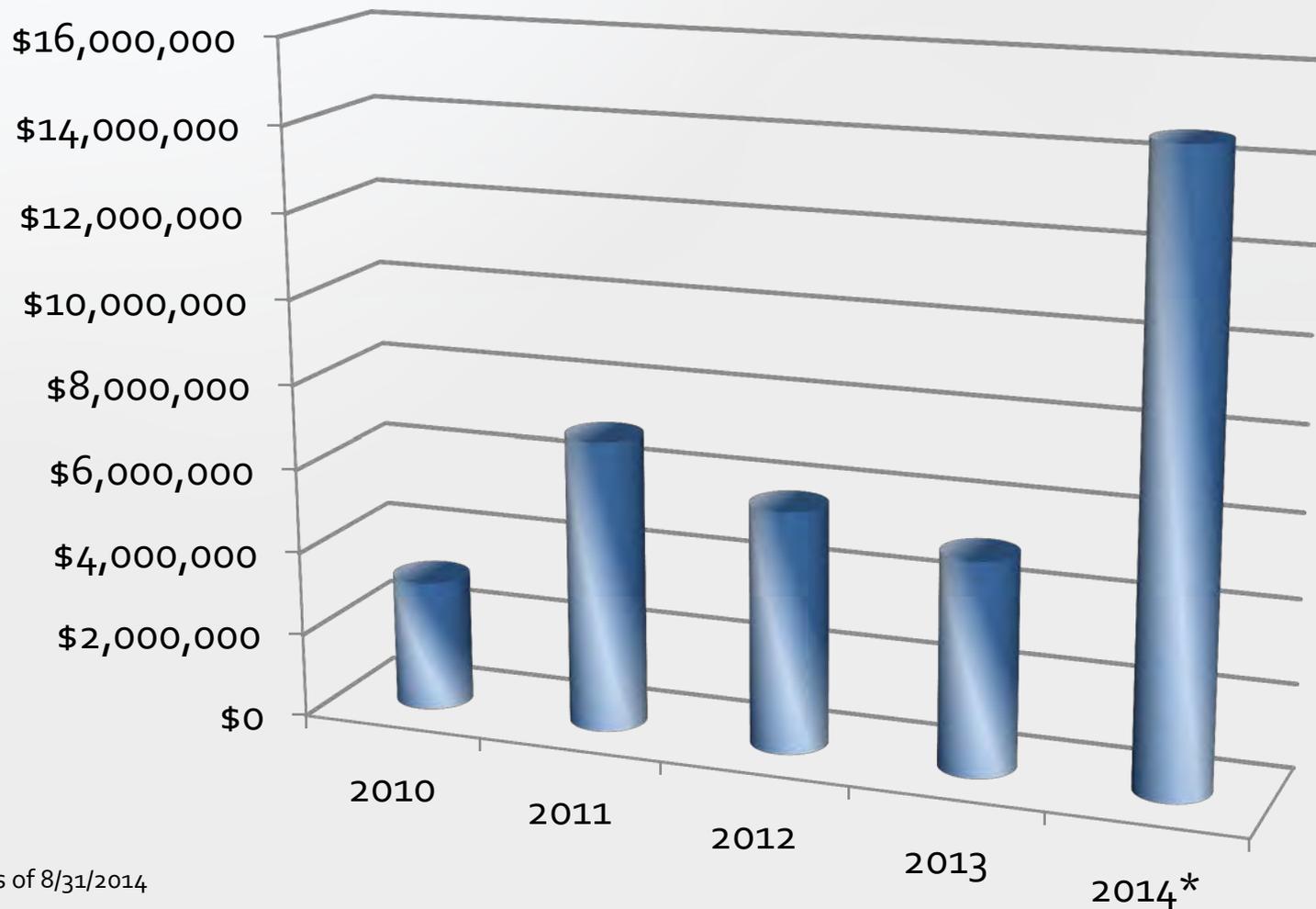
# Building Permits Issued



\*as of 8/31/2014



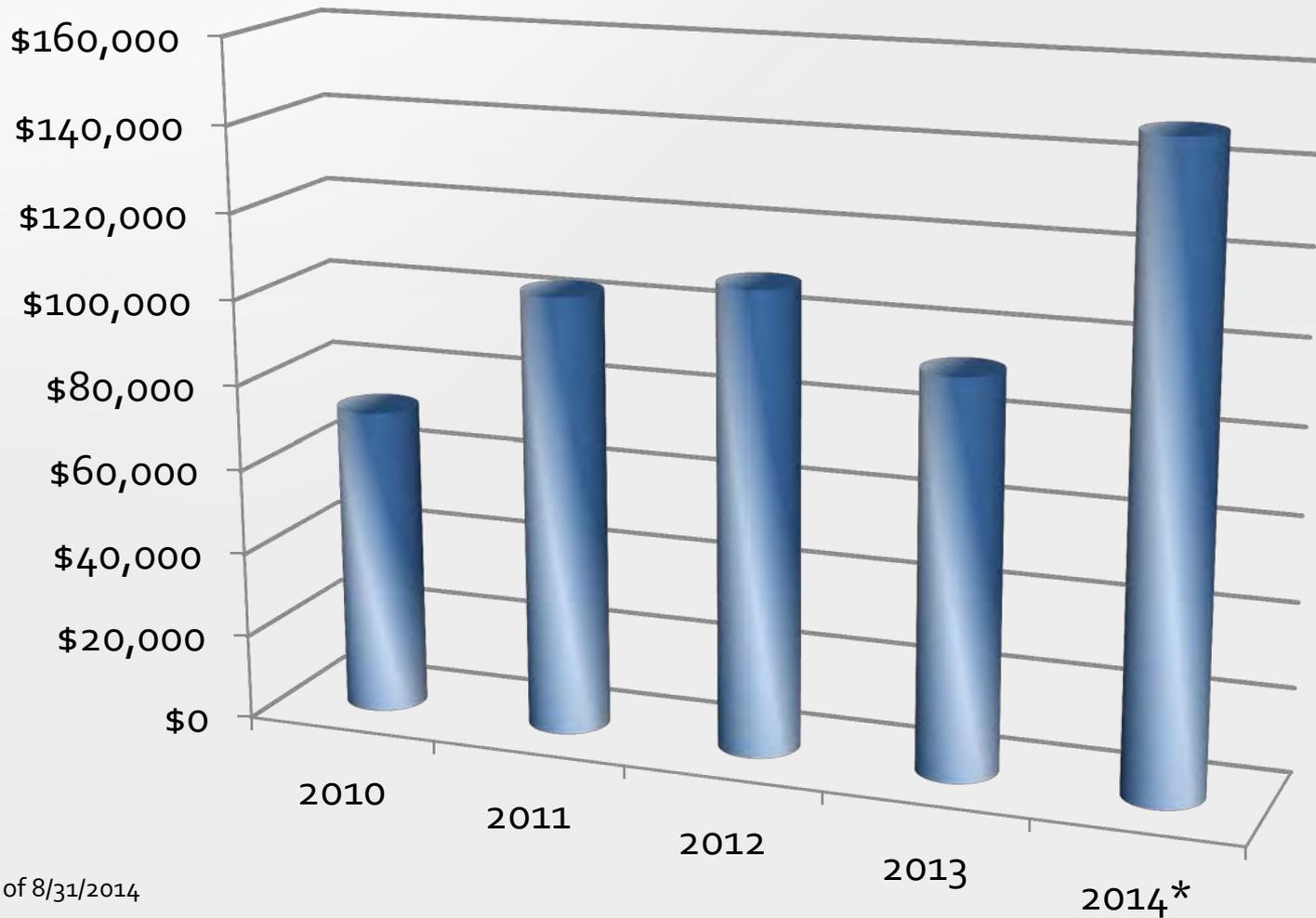
# Building Permit Valuation



\*as of 8/31/2014



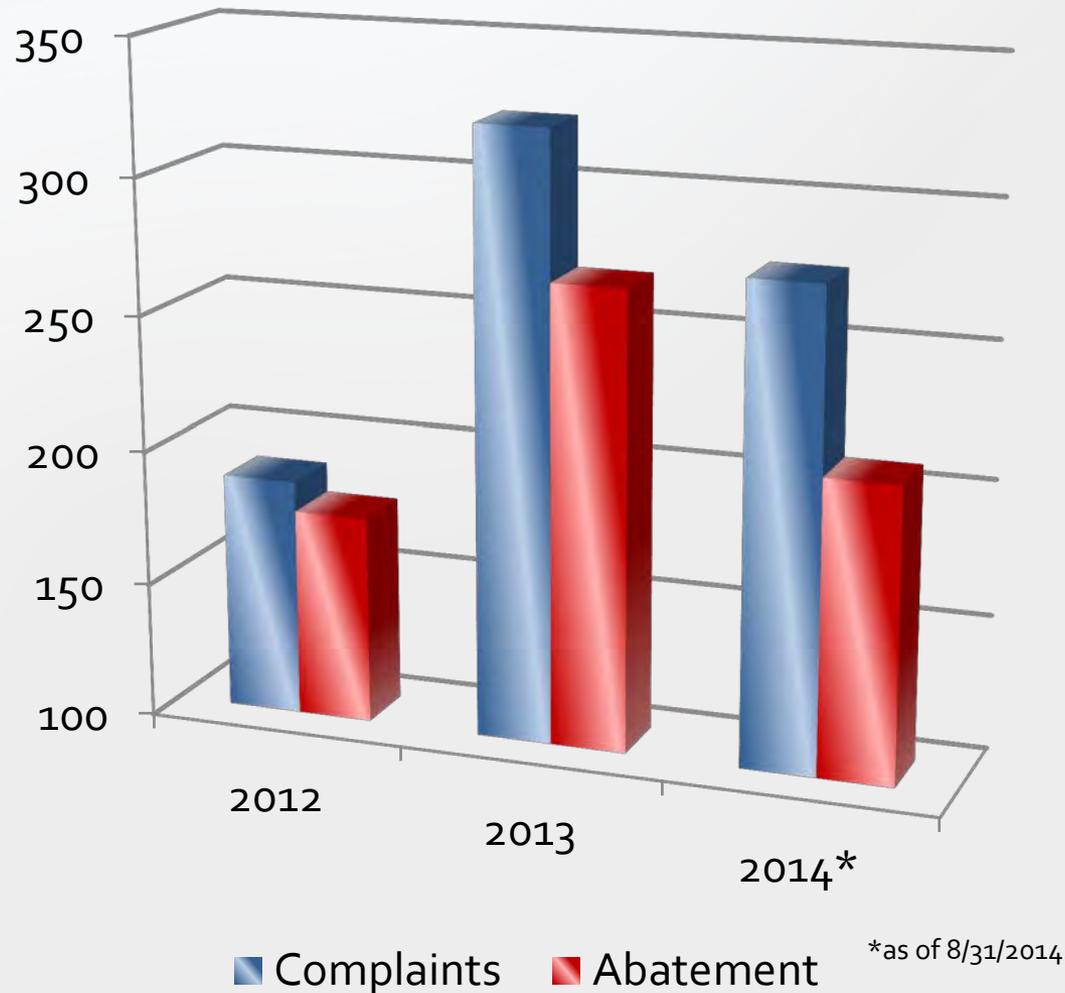
# Permit Fees Collected



\*as of 8/31/2014



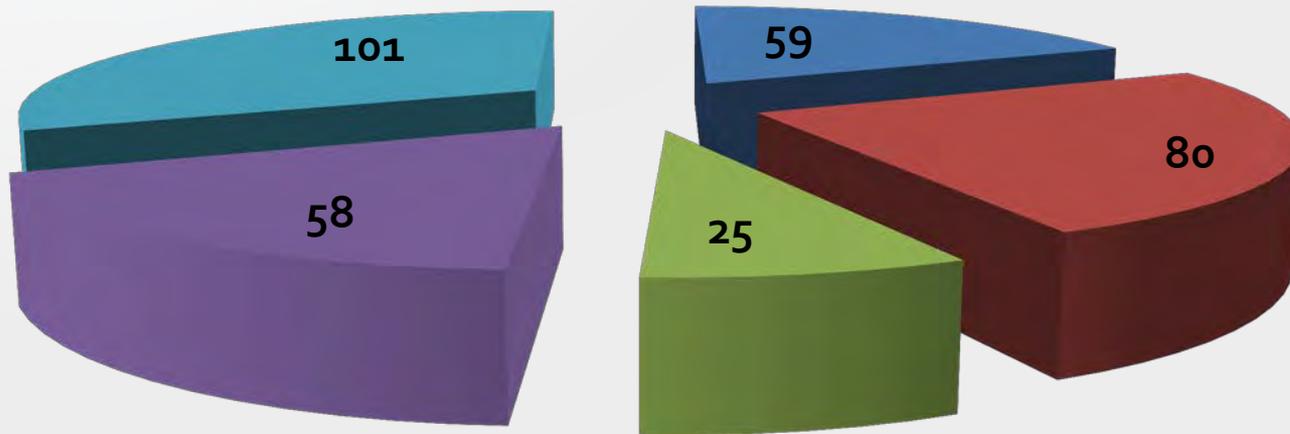
# Nuisance Abatement





# Nuisance Abatement

## 2013 Code Violation Breakdown



- Substandard Housing
- Unkept Vegetation
- Vehicles
- Junk/Debris
- Bldg/Zone Violations



# Library Stats

- Patrons – 82,200
- Program Participants – 3,853 (up 90%)
- New Library Cards Issued – 635
- Circulation – 86,642





# What's the Gameplan...?





# Capital Priorities

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- Minor Road Reservoir Replacement
- Yew Street Reconstruction
- W. Main Street Realignment completion
- South Kelso Railroad Grade Separation
- Water Source Supply



# Revitalize Kelso

- Comprehensive Plan update
  - Draft released for review and public comment
  - 35-years since last overhaul
- West Kelso sub-area plan
  - Engage residents and businesses in land use planning
  - Redevelopment of pedestrian-oriented West Main
- Housing opportunities
  - Determine demand for new housing types
  - Invest in regulations and infrastructure that promote mixed uses in Downtown and West Kelso



# West Main Streetscape Improvements

- Install new sidewalks, lighting, pavement and parking along 3 ½ blocks of W. Main
- Catalyst for private investment



## WEST MAIN STREETSCAPE



# Could this be West Kelso...?





# Kelso Village

- No known movement on Segale property
- “Shovel-ready” commercial opportunity
- Regional job growth and new rooftops needed to spur development
- Kelso works with Longview, County, and Port supporting highway and rail upgrade projects





# Looking Forward...

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- Utility Remittance and Building/Plan Online
- Neighborhood Nuisance Abatement Project
- Adoption of new Shoreline Regulations
- Annexation of S. Kelso “doughnut hole”
- Potential transfer of Airport property to Port of Longview
- New Fairgrounds investment





# Uncertain “State” of affairs

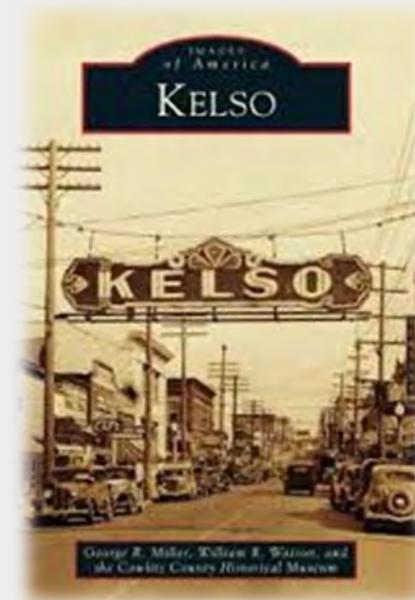
- City/State partnership is tenuous
- Revenues and infrastructure programs stripped
- No relief from unfunded mandates
- Indigent defense ruling from the Courts
- Action on McCleary decision likely to stymie transportation package
- Burden shifted to local government





# The Potential of “Choice”

- There is power in partnering
- Today’s reality:
  - Choose the status quo – Survive
  - Choose to reset the table – Thrive
  - Cling to what’s comfortable – Die
- Convert the Vision into Action





# Cities are People

- Outstanding leadership and support from the Council
- Regional collaboration and partnerships
- Continued commitment from the community
- Dedicated, professional staff



# We Are Kelso!





# Best Wishes, Bob!

