

CITY OF CENTENNIAL



2007 ANNUAL REPORT



Centennial

A MESSAGE FROM MAYOR RANDY PYE



Mayor Randy E. Pye

Centennial, Colorado has an abundance of assets. It is a safe city with dedicated City employees and visionary City leaders who do their best every day for the people of Centennial. Centennial has a strong business base with an amazing corporate ethic of sharing assets with the community. Our neighborhoods are strong and

proud and our youth have an incredible enthusiasm that makes a difference.

I have talked about creating an “intentional” future for Centennial – a future far superior than a future left to chance. I am pleased to report that 2007 was a year of remarkable accomplishment in creating that “intentional” future.

Midway through the year, all the pieces came together to create the City’s first economic development program. The City hired an experienced economic development manager and City Council moved forward on an incentives policy that began to entice new and expanding companies to Centennial.

A Master Plan for Open Space, Parks, Recreation and Trails engaged a large number of residents in determining what investments needed to be made to enhance the already high quality of life.

Two citizen-led efforts defined what the future would look like. The first was a visioning process with hundreds of residents participating in surveys and working in committees to define the “intentional” City of the future. The second was a citizen-elected Home Rule Charter Commission charged with the responsibility of writing a charter for Centennial within 120 days of the election. Both of these efforts defined a purposeful and thoughtful city that grows not only from opportunity but from people’s dreams, and what they are willing to do as partners with their government to make those dreams come true.

In 2008, Centennial is in a solid financial position and we now have the opportunity to concentrate on economic development and delivering excellent services to our community. This is all possible because of our willingness to ask our citizens what they want next, and to listen to the answers.

I hope you share my excitement in looking back to our 2007 accomplishments, and our enthusiasm in looking forward to our future.

Sincerely,
Mayor Randy Pye

BUILDING OUR ECONOMY

Centennial is proud to be the home of some of the region’s most successful corporations. In 2007, the City built an economic development program that would strive to bring more of those successful companies to the community.

Centennial Corporations

- ◆ National CineMedia
- ◆ Saunders Construction
- ◆ CTL Thompson
- ◆ Pak Mail Centers of America
- ◆ Burt Automotive
- ◆ Oppenheimer Funds
- ◆ Haselden Construction
- ◆ Big O Tires
- ◆ Nolte Engineering
- ◆ US Foodservice

Economic Development Expertise Arrives

In August of 2007, the City hired its first economic development manager, Corri Spiegel, with extensive experience and success in Arizona. The City moved forward on a four pronged approach to economic development: Retail Recruitment of national retailers and local entrepreneurial businesses; Business Recruitment, Retention and Expansion by establishing a healthy business environment; Small Business Development through a business-friendly regulatory environment; and Redevelopment and Revitalization by thoughtful sub-area planning and remaining open and positive to ensure the right outcome for neighborhoods and businesses.

The first sub-area plan was targeted at transit-oriented development.

The City initiated and completed the Arapahoe Urban Center Sub-Area Plan in four months in 2007, showing that planning and economic development can work together to benefit the community. The plan has led to three proposals for urban development near the Arapahoe Road light rail station, including more than one million square feet of Class A office space and 700 high-end residential units.

Streets at SouthGlenn begins redevelopment.

The best example of successful redevelopment and revitalization in 2007 came when Alberta Development Partners, began building the first set of large retail buildings at The Streets at SouthGlenn, on the site of the old Southglenn Mall at South University Boulevard and East Arapahoe Road. When completed, The Streets at SouthGlenn will be a shopping community with high-quality retail stores, restaurants, theaters and high-end apartments. Many of the retail shops will open in fall 2008, with the remaining businesses scheduled to open in spring 2009.

Centennial strives to make it easy to do business here.

Business recruiting and retention become easier when companies are thriving in a positive environment. Among the many examples are United Launch Alliance and AlloSource.

In 2007, United Launch Alliance (ULA) opened its headquarters in Centennial and began to make history. A joint-venture of the Boeing Company and Lockheed Martin Corporation, ULA successfully launched a 2.5 ton military satellite aboard a Delta rocket in November from Cape Canaveral in Florida. This was particularly important as ULA is the cornerstone to the state’s aerospace industry, second only to California in the number of employees in the industry.

Centennial-based AlloSource received the prestigious 2007 Company of the Year Award from the Colorado Bioscience Association. One of the largest non-profit bone and tissue banks in the country, AlloSource expanded its Centennial operations in 2007.

THE FUTURE OF AN "INTENTIONAL" CITY

"I believe the way we create our future is to tap our community's energy and ideas to chart an intentional future that is far superior than a future left to chance."
Mayor Randy Pye, State of Our City Address, 2007



Visioning

Our Voice. Our Vision. Centennial 2030 began in August 2007 as a citizen-led effort to define what is important to the future of Centennial.

Our Voice. Our Vision. Centennial 2030

Following intensive information-gathering from meetings, on-line surveys and a statistical telephone survey, citizen

committees formed around four areas: Economic Health, City Services, Community Quality of Life/Citizen Engagement, and the Environment.

Facilitated by the consulting group GBSM and meeting more than 20 times over the course of four months, the committees wrote vision statements and action plans for the City's consideration.

Among the goals set forth was a commitment to a clear vision for the community, and "a sense of how Centennial citizens want to be governed and how they want to engage with their leaders to build a better world for ourselves and our children." The Visioning plan was presented to City Council in mid-April, 2008.

Home Rule Charter

In the November general election, Centennial's citizens voted to pursue a Home Rule Charter. They elected 21 individuals to write this charter within 120 days, as required by State Law.



The Charter Commission met every week and engaged in very spirited debate about what the City charter should include. The proposed charter will be voted on at a June 2008 special City election.

As the Charter Commission began its work, the visioning committees were coming to consensus on what the City's future would look like. The information gathering and vision statements were integral to the formation of the charter.



The 21-Member Home Rule Charter Commission



A Master Plan for Open Space, Parks and Trails

Establishing a far-reaching vision to transform the City's "green space" system into its "outdoor living room."

The City of Centennial finished its first Open Space, Parks, Recreation and Trails Master Plan in late fall of 2007. A committee of nine citizens, appointed by City Council, worked with WENK Associates to devise a plan to "transform the city's 'green space' system into its 'outdoor living room,' where parks become the community's social heart, where prairie drainage ways become the backbone of its open space, and where a rich network of pathways connect residents to the City's amenities."

An amendment to the City's Comprehensive Plan, the master plan provided: an analysis of the City's current and future needs; an overarching vision for the system with performance measures for tracking progress; criteria for the City's investment in projects and acquisitions; a physical plan for identifying potential open space, parks and trails to expand the green space system; and action steps for implementation.

The Master Plan will help determine what projects can be done using Conservation Trust Funds (the City's share of State lottery funds) and the Open Space Fund (the City's share of Arapahoe County Open Space Tax Funds).

Arapahoe Road Corridor Study Completion

Setting a direction for Centennial's "Main Street"

After 18 months of technical and public processes, the Arapahoe Road Corridor Study was completed. The study provides reasonable alternatives to preserve and maximize retail accessibility and economic development potential, while facilitating the movement of large volumes of commuter traffic through the corridor.

Funding estimates for six traffic lanes with a combination of at-grade and grade-separated intersections was \$51 million to \$117 million, with no funding alternatives identified. Arapahoe Road between I-25 and Parker Road has the most potential of becoming Centennial's geographic and retail heart.

Funding partners include the City of Centennial, Arapahoe County, Greenwood Village and the Colorado Department of Transportation.



CITY SERVICES THROUGH PARTNERSHIPS

With several significant city services contracts expiring at the end of 2007, the City spent considerable time analyzing performance measures and listening to the community about its expected service levels.



Outstanding Public Safety Brings Acclaim

By the end of 2007, the City and Arapahoe County reached a long-term agreement with the Arapahoe County Sheriff's Office. Key to the decision was the excellent service offered to Centennial residents since the City's inception. For two years in a row (2006 and 2007) Centennial was named the Safest City in Colorado and among the top 25 safest cities in the country (Morgan Quitno Press).



The Sheriff's Office Communications Center became the first communications center in Colorado

to achieve international accreditation from the Commission on Accreditation for Law Enforcement Agencies (CALEA). In addition, the Sheriff's Office has three accreditations for its detention facility, detentions medical facility, and agency-wide.

Planning & Development *A Successful Transition*

2007 was an extraordinary year for Planning and Development. The City completed the transition from contracted land use services to an in-house professional staff, saving about \$750,000 a year. In addition, the City transferred all of its storm water permitting activities to the Southeast Metro Storm Water Authority (SEMSWA) and International Building codes were adopted in 2007 to keep up with the latest safety and building techniques.

The City collected more than \$1.9 million in building and inspection permit fees, up 23 percent from 2006. The fees are based upon the valuation of a project and cover the cost of project reviews and other planning functions. The increase in permit fees was largely in the area of residential and commercial remodeling.

This reinvestment by the community is important to Centennial because the City is largely built out with limited opportunities for development on open land adjacent to City.





Public Works

A New Direction

In 2007, the City and County could not agree to a future contract for public works services so the City proceeded to establish its own Public Works Department. The deadline set for the changeover is June 30, 2008. Dave Zelenok, former public works director for Colorado Springs, was hired to build a new department that would provide such services as streets maintenance, engineering, capital projects construction, traffic signalization, and snow plowing. In early 2008, the City signed a contract with CH2M Hill OMI and subcontractors DMJM+Harris and American Civil Contractors to deliver these services to the City.

Community Development Block Grants

Provide Needed Services

In 2007, the City of Centennial awarded more than \$300,000 to community organizations through the Federally funded Community Development Block Grants program. The organizations included Rebuilding Together Metro Denver, Family

Tree, Gateway Battered Women's Services, Colorado Center for the Blind, Arapahoe County Sheriff's Office Project Lifesaver, Third Way Center and Town of Littleton Cares (Meals on Wheels). These organizations serve low to moderate income clients in Centennial.

Communications

New Website Engages Community

www.centennialcolorado.com



The City redesigned its Website and hired a Webmaster to create a more interactive Website that is focused on services to the community. As new technology is developed, the City is committed to an online tracking

system for requests and complaints, as well as payment for many services online.



FINANCIAL INFORMATION

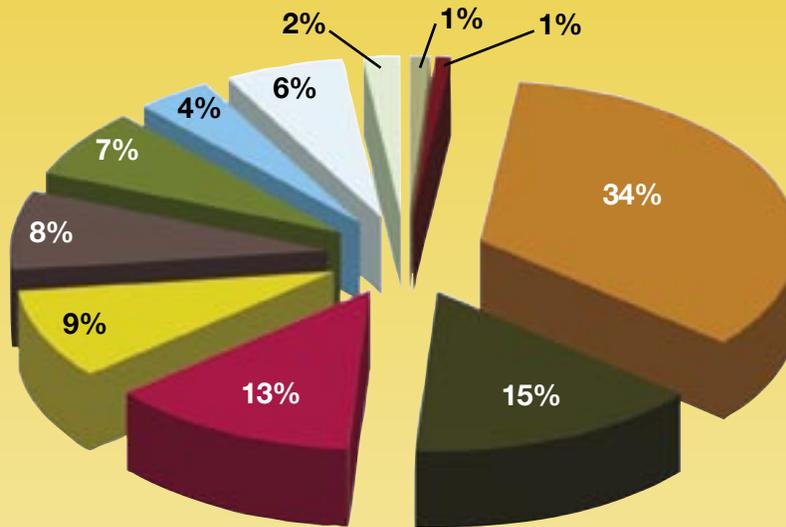
The City of Centennial operates on a budget that is small compared to other cities of comparable size. Most City services are provided through contracts with public agencies and private companies.

Centennial's overall amended budget in 2007 was \$71,467,063. Operational expenditures are reflected in the pie charts below.

The remaining amount of about \$22.4 million includes special-use funds like the Capital Improvement Fund (major road construction projects), the Conservation Trust Fund (earmarked for projects in accordance with state funding requirements) the Open Space Fund (earmarked for open space, parks and trails projects) and the Land Use Fund (fee-based land use department services).

2007 General Fund Sources - \$49,230,000

(Amended Budget)

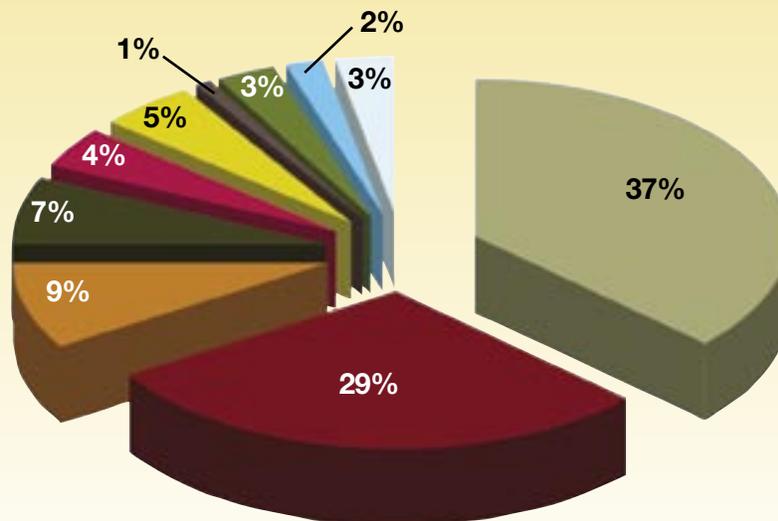


- Sales Tax
- Property Tax
- Use of Reserves
- Franchise Fees
- HUTF
- Auto Use Tax
- Court Fines
- Other Revenues
- Building Materials Use Tax
- Motor Vehicle Registrations
- Specific Ownership

One Time Reserves consist primarily of monies reserved in prior years for anticipated projects. Franchise Fees derive from telephone, gas, electric and cable services. HUTF is Highway Users Trust Funds. Other Revenues include miscellaneous and minor revenue sources including interest income, state cigarette tax, road and bridge share-back and other fees. Specific Ownership taxes come from motor vehicle registrations.

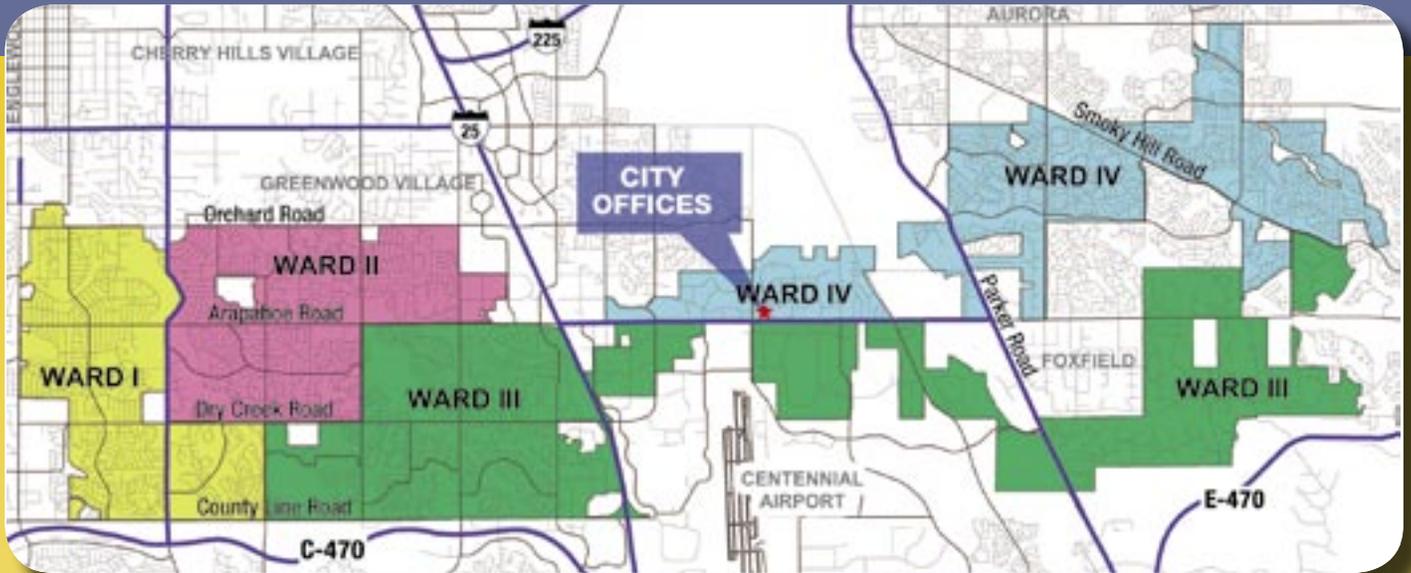
2007 General Fund Uses - \$49,030,000

(Amended Budget)



- Public Safety
- Public Works
- Transfers to CIP
- Finance & Administration
- Municipal Court
- General Government
- Planning & Development
- Transfers to Land Use Fund
- Community Services
- Unanticipated Expenses

Finance and Administration includes Finance & Accounting, Central Services, Human Resources and Risk Management, and Support Services. General Government includes Mayor & City Council, City Clerk & Liquor Licensing, City Treasurer, City Manager's Office, Management Support, City Attorney, and Communications. Planning and Development includes Planning and Engineering Services for Land Use Projects and Building Inspections. Community Services includes Code and Zoning Enforcement, and Animal/Mosquito control.



CITY OF CENTENNIAL AT A GLANCE

Land Area

Centennial is a city of 28.24 square miles, or 18,074.8 acres, including the 2007 annexation of 50.6 acres on East Dry Creek Road between South Colorado Blvd. and South Holly Street.

Households

Centennial has almost 37,000 households and a median household income of \$76,824 as determined by the 2000 census. The income level is more than 150 percent of the region's median income.

Education

Fifty-three percent of the population over 25 has a college education, well above the region and state percentages.

Population

With just over 100,000 residents, Centennial is the seventh-largest city in the Denver Metro Area. The median age is 37.2 years of age.



2007 Mayor and Council

Front Row, L to R: Rebecca McClellan, Ward III; Bart Miller, Ward II; Mayor Randy Pye; Todd Miller, Ward IV; Ron Weidmann, Ward IV.

Back Row, L to R: Sue Bosier, Ward II; Rick Dindinger, Ward I; Vorry Moon, Ward I; Andrea Suhaka, Ward III.

2007 City Officers

Jacque Wedding-Scott, City Manager
Robert Widner, City Attorney
Goldie Fishbein, City Clerk
Greg Hill, City Treasurer



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303-734-4567 • www.centennialcolorado.com

We're Moving in Fall 2008 to:

Centennial Civic Center
13133 East Arapahoe Road • Centennial, CO 80111
303-734-4567 • www.centennialcolorado.com