



State of the City Address

February 15, 2011

Capitol Theatre Ballroom

Honorable Mayor Andy McKenzie

Wheeling, WV

Thank you Pastor Stintson for your prayer.

Good afternoon and welcome to the historic Capitol Theater Ballroom and the 2011 State of the City Address. I want to thank all of you for attending and for taking time out of your busy schedules to be here. Let me take a moment to introduce the following people: Vice Mayor Gene Fahey, Councilman Vernon Seals, Councilwoman Gloria Delbrugge, Councilman Herk Henry, Councilman Donnie Atkinson. Also City Manager Robert Herron, City Clerk Janice Jones, City Solicitor Rosemary Humway-Warmuth, City Finance Director Mike Klug, Director of Economic and Community Development Nancy Prager, Assistant Director of Economic and Community Development Tom Connelly, Fire Chief Helms, Police Chief Matheny, Marketing Director Joelle Ennis and the Public Works Director Rusty Jebbia. I personally want to thank all of them for the work they do every day on behalf of the citizens of the city of Wheeling.

Since my last State of the City Address, there have been several business expansions and investments in the city of Wheeling with new construction totaling over \$52,495,968 million dollars. One new major project is Wheeling Hospital who began construction on their tower 5 expansion, which will enhance the quality of healthcare available to our citizens.

Another company that continues to invest in the City of Wheeling is **Swisher International**. They continue to create quality jobs, expand their facilities, and add to the overall business climate of our community. Over the last

year, they have invested \$1.7 million dollars in expansion and business improvements. Thank you!

While we still have vacant and dilapidated buildings in the city, we will work with property owners to tear down buildings that are unable to be repaired or saved. We are working hard to register all vacant buildings through the Vacant Building Registration Program with a goal of 100% compliance and payment of fees. Under home rule, there are over 127 buildings that meet the definition of vacant and dilapidated buildings in the city. Of those buildings, nearly half of the owners have registered with the city acknowledging responsibility and have paid a vacant and dilapidated building fee. We are working diligently to have the other half of the building owners register their properties as well. This issue will continue to be a challenge in the city until the out-of-town and unresponsive owners of these properties are held accountable. These efforts will make Wheeling an attractive place to live and do business.

We will continue to strive to enforce City of Wheeling Building Codes to ensure public safety by placing particular emphasis on property maintenance. Over the last two years the main complaint that I have received was that the City was not doing enough to enforce its property maintenance code. Therefore, we have hired a Code Enforcement Officer. Since the position was created, we have seen great improvement with businesses and residents following our codes and a reduced amount of complaints.

Thank you to **Chris Duplaga** and Top Notch Landscaping for your significant investment and commitment to the City of Wheeling. Your continued

pursuit of new redevelopment ideas and contagious energy are appreciated by our citizens and sets you apart as a young business leader that any city would love to have in its community. We extend our heartfelt appreciation to you and wish you much success in your future endeavors.

Under the new leadership of Kurt Zende, the Center Market area continues to work with business owners to improve the Market House through capital improvements. Many events have been scheduled including Farmer's Markets, Flea Markets, an Easter Celebration, a Lobster Fest, an Antique Car Show, a Sidewalk Chalk Artist Contest, the Second Annual Christmas in the Market, and several more.

As mayor, I'm very proud of our police department and the positive changes that Police Chief Matheny has made over the past year. He has created a new Citizens' Police Academy with 58 graduates and the Junior Police Academy with 40 graduates. He instituted The National Night Out in Wheeling, continues the Neighborhood Watch Groups, and established the first City-wide Watch Summit which brings the police department face-to-face with thousands of residents in a positive manner. The police department has also advanced in technology by effectively using high-tech equipment such as surveillance cameras and Advanced Mobil License Plate Readers to pro-actively fight crime. Bike Patrols have been added to the Waterfront; and Downtown/East Wheeling now has a beat officer.

The Chief was successful in obtaining a Project Safe Neighborhood Grant of \$25,000 for the removal of trash and debris from Wheeling Island and to increase police patrols in that area. And it has been a very busy year for our officers- the Wheeling Police Department responded to 25,045 service calls for 2010. Thank You Chief Matheny and the members of the Wheeling Police Department.

The City of Wheeling Fire Department has been very busy as well. They responded to 955 more calls in 2010 compared to the previous year. This was our highest call volume in the history of our Department with over 500 of those incidents being realized in the emergency medical category. The Wheeling Fire Department was the only emergency service in West Virginia to receive a SUPERIOR rating last year. What an honor! The Fire Department received two American Fire Act Grants this year which replaced Engine 11 and allowed for the installation of exhaust removal systems in all the City fire stations totaling \$321,000. Plus, the decision to house Squad 3 in the South Wheeling Fire Station has saved money and has proved to be an invaluable asset for servicing the citizens of Wheeling.

The City of Wheeling Fire Department Maintenance Shop has been hard at work maintaining our fleet. For example, they acquired a ladder from a decommissioned fire truck which passed all required testing and has been installed on our Ladder 6 Unit which helps maintain the ISO rating of 3. This project alone saved the tax payers \$500,000. Chief Helms, thank you and your fire-fighters for all your hard work this year.

The City continues to make significant investments in upgrading and maintaining our infrastructure. Several projects are already funded totaling \$7,633,000 dollars. These projects include significant upgrades to our sewer system and plant, expansion of our popular Heritage Trail system, and a far-reaching energy savings project for many of our city facilities.

Starting last year the gas industry began moving into the Wheeling area, buying mineral rights on properties, and drilling wells. This investment will change our area due to the influx of new jobs and provide opportunities for local people to sell their mineral rights to these companies. With this new growth, the City of Wheeling must protect our citizens from all the challenges that will arise because of this new industry. I believe we must embrace this change but also work with the industry to keep their commitment to be a good community partner. We must encourage them to employ local workers, create local offices and invest in our community parks, schools and nonprofit organizations. We continue to meet with the gas industry leaders to discuss development options and to make sure that they operate safely when in the city limits. They must help us help them to make sure that our emergency response teams are trained and equipped to handle emergency issues when they happen. We look forward to true partnership.

This year, we will hold the first ever city council meeting at Wheeling Park High School. On March 15th city council will conduct a regular city council meeting and a work session to give the students the ability to see how government operates first hand. Students and council will also discuss the

needs and wants of the younger generation. If this proves to be as beneficial as I believe it will be, we will also reach out to other schools in the city. We are excited and we look forward to this meeting! We thank Superintendent George Krelis, Dr. Diana Vargo and Principal Bernie Dolan for this opportunity to bring city council to the students of Wheeling Park.

This year we will undertake the construction of the new Miracle Field at the JB Chambers Complex for the special needs youth of the region. This grassroots project, led by Lorraine McCardle, is collaboration among the City of Wheeling, Easter Seals, and many other community organizations. To date, more than \$500, 000 has been raised which shows the tremendous compassion of this community.

In East Wheeling we have been working on revitalizing projects to improve the quality of life for our citizens. For over a year we have listened, met with and discussed the needs of this downtown neighborhood. We have focused our effort from 15th and Wood to 16th and McColloch streets. This city block is the most dilapidated and blighted block in the city. First, we began by talking with the owners of the 38 parcels of property. Now, we own or are working with 35 of these property owners. Soon, there will be an announcement that this dilapidated block will be demolished and a new community recreation facility for the youth of Wheeling will be created along with

the new Vandalia Residential Development. Now with the Nelson Jordan Center, The East Wheeling Recreation Center, The Tunnel Green Recreational Area, and the new housing development, East Wheeling will be a better place to live, work and play.

A great East Wheeling institution is the Laughlin Chapel. For years, the Chapel has helped the youth in our city by encouraging them to be better citizens and facilitating after school and summer programs. Plus the Chapel has a beneficial partnership with Americorp. The work performed by the Americorp Vistas throughout the city have had an extremely positive impact.

The city of Wheeling has three major sources of income: Business & Occupation Tax, Property taxes and Fire Service fees. Total revenue for the city through ALL taxes and fees total 29 million 500 Thousand dollars about the same as the current budget. Current expenses for the same time period are the same, creating a balanced budget again for the next Fiscal Year. With the general revenue, water and sewer, the total budget is 43 Million dollars.

The newly created position of a B&O Tax Auditor has completed eleven audits to date. This position has worked well to make sure that the city is collecting the correct amount of taxes due each year from businesses that are operating in the city.

And the city administration continues to make changes: in the past year we have eliminated expenses and cut overhead. One great example of how we have saved the tax payers money is by renewing the medical insurance program with the Health Plan. This allowed the City to keep the rates nearly the same for

the third year in a row. This is beneficial to the employees that receive their health care from the city.

We continue to find ways to create a new economy as we transition from manufacturing and steel to technology and more diverse business models. We must work to maintain a high level of service for the tax payers while living within our budget. Again, this year's budget will not have any tax increases. We must continue to be conservative and monitor anything that may impact our ability to maintain services in our city. We can and will continue to work to find new companies for our community and help local companies grow and invest in our city. Over the past two years we have worked closely with the Ohio County Commission and Regional Economic Development Partnership to attract new investments and businesses to our area and through this we have created a working group that meets to discuss economic opportunity.

Kalkreuth Roofing and Sheet Metal is ranked as the sixth largest roofing company in the U.S. While they have offices in several states, their commitment to Wheeling is evident as they opened a new office on Main Street in Downtown in 2010. We thank them for making Wheeling their home.

We will continue to work as a single voice diligent to find tenants for our city, reduce or eliminate taxes, continue to right-size government, improve infrastructure, and embrace technology to increase Wheeling's and Ohio County's viability. ALSO we can no longer wait for the national economy to pick up and move ahead, we must depend on our self to improve not only downtown but all of Wheeling.

TTI Technologies and VISTA Research came to our city because Theodora Tionis wanted to bring something back to her community. Housed in the Stone Center, TTI is a perfect example of a technology company who chose Downtown Wheeling as their home. Their innovative technologies make them a leader in Wheeling. We extend our sincere appreciation to TTI and VISTA Research for their investment and faith in our downtown and wish you much success in your future endeavors.

Last year I stated and I **QUOTE**: “And what to do with the 1100 Block in wheeling? Some people think we should save it; some think we should tear it down. But we cannot and will not wait forever. If these building are to be saved, before the end of this year we must find a purpose for them. If not, they must come down to pave the way for new direction and new purpose”. **END QUOTE**. We are able to pay off our four-year loan to acquire the 1100 Block Buildings in only three years and as a result, today I’m asking council to approve a 2.7 million dollar TIF to purchase the remainder of the buildings and demolish the block beginning right after the Horne’s building and ending at and including the former Rite Aid store. This will create an opportunity to redevelop this block and reinvent downtown.

Also with this request, I will ask that we invest 1 million dollars into the market plaza. The plaza has not had a significant investment in over 40 years. The plaza redevelopment will be the northern anchor of downtown as well as a gateway and will perfectly compliment the Horne’s building, Stone Center and the new investment of the 1100 Block. Also due to the success of the Capital

Theater, I will also request that we use \$200,000 of the TIF as a match to federal funding. This funding will allow over \$400,000 to be reinvested into the theater. With this money the Wheeling Convention and Visitors Bureau will be able to give this generation the ability to enjoy world class entertainment right here in Wheeling and preserve the theater for future generations.

These projects will be paid for by TIF that already exists in the downtown Wheeling. I believe with these capital improvements that we will greatly enhance our downtown and it will be a worthy investment. Today I'm announcing that the Reichart Furniture building is scheduled for demolition. I want to thank Main Street Bank and the West Virginia Economic Development Authority for their leadership and investment in downtown. With the elimination of the Reichart Building and the buildings in the 1100 block we now have created new opportunity for investment in our city. This will create opportunity where it did not exist before and will provide an unprecedented view of our greatest assets, the Heritage Port and the Ohio River. Rich Lucas and Main Street Bank - thank you for your leadership in downtown.

As you all know we lost Chris Miller this past month; our condolences to his family. He always believed in his business **Chris Miller Furniture** and in downtown Wheeling. Christian, your downtown retail store and warehouse have been an important part of our local economy for over 30 years and serves as an inspiration to the business community. Thank you for your continued commitment to downtown.

With the continued success of the Capital Theatre, Wesbanco Arena, and the Heritage Port our Hotel-Motel tax revenues in 2010 were up nearly 7% over 2009. The upward movement is a continuation of a trend that started in 1985 when the hotel-motel tax was established. We have never seen a decrease in revenue. Hotel occupancies are supplemented by the numerous festivals and sporting events held in Wheeling throughout the year as well as aggressive multi-media advertising campaigns. The CVB financially supports the events with marketing grants. The good news: all of the annual events are seeing increased attendance, generating additional overnight hotel/motel stays and more events are under consideration.

The Capitol Theatre continues to be a positive story. Attendance at theatre events last year was 52,700. According to an economic study performed by a highly respected data research company E-R-A from Washington, DC, if the theatre has 50,000 seats filled during the course of a year the economic impact on the Wheeling business community would be more than \$5,000,000. In December, six shows ranging from Broadway's Grease to B.E. Taylor's Christmas show were all close to sell-outs. The CVB surveys indicate nearly 80% of theatre patrons go out to eat either before or after a theatre event. Additionally, last year's attendance at events at Wesbanco Arena were 350,000 people and ticket sales totaled 2.5 million dollars. The City is also seeing increased parking revenue stimulated by these programs. The Wheeling Sports and Entertainment Authority which manages the theatre and WesBanco Arena

are aggressively seeking diverse programming for 2011. Visitors to the Northern Panhandle spent an estimated \$850 million dollars, most of this in the Wheeling Area.

The CVB along with its partners the Wheeling National Heritage Area Corporation and the City of Wheeling have received financial support from the West Virginia Legislature and the state's cultural and history division for continued upgrades of the theatre ballroom. The theatre is a prime example of what can be accomplished through partnerships. These partners are also working with a Wheeling based IT company on cutting edge marketing technology that will further expand our ability to increase visitation and improve the quality of life for the people who live here.

This year West Virginia begins a three-year celebration commemorating State Hood. The events begin this year and continues through 2013 when the state celebrates its 150th birthday. We are proud to be the birthplace of West Virginia and today we are honored to have in attendance West Virginia's Commissioner for Culture and History, Randall Reid-Smith. Commissioner we thank you for your commitment to Wheeling and your investment in our City and we look forward to celebrating our state's 150th birthday.

And as we enter 2011, the census continues to be an important tool in the evaluation of communities and allocation of resources. This year I will be forming a citizens committee to evaluate the new census numbers to redistrict the city council wards. This committee will work with the city administration to develop the new wards for our council who will hold their election in 2012. This committee

will be vital to the future of our city to make sure all citizens have an equal vote in our elections.

Wheeling continues to lead West Virginia as a city that embraces technology; in the near future we will be able to conduct all city business remotely or thru innovative technology. This continues to bring down costs to the tax payers and makes it more convenient for our citizens. Wheeling City Council and the Administration continues to be a leader in government through transparency and disclosure.

Linda Contraguero, owner of Warwood Florist. When the Warwood community needs anything, Linda Contraguero is there asking what she can do to help. Thank you for your continued support of Wheeling and for continuing to make our community a better place.

In closing, as your mayor, I along with city council will continue to lead Wheeling. I ask that all of you help enhance, improve and create a community that we can all be proud to call home. I hope you will believe with me and believe in your city, that together we can create an environment where others will want to come to live and invest. It's important to take pride in your property by demonstrating personal responsibility, and by doing your part, we will see great accomplishments in Wheeling.

I would like to thank my wife Carrie and family for their support as mayor. I would also like to thank Vice-Mayor Fahey, City Manager Robert Herron, the members of City Council and also the citizens of Wheeling. Thank you and God Bless Wheeling.