

State Of The City Address

Delivered by: Dayne Walling, Mayor

City Of Flint

February 25, 2010

Good Afternoon. Thank you for coming.

Thank you to the Flint City Council and City Clerk Inez Brown for hosting this state of the city address. Your leadership and commitment to the city of Flint is deeply appreciated.

I'd like to acknowledge my wife Carrie, our sons Bennett and Emery, my parents Paul and Reba Walling and my grandmother Dorothy Cross who are here this afternoon. We are all residents of Flint and we all love this city.

I would also like to acknowledge the elected officials who are present today, with a special acknowledgement to Jamie Curtis, chairperson of the Genesee County Board of Commissioners. Thank you all for your dedicated public service.

Before getting started, I am moved to ask for a moment of silence—for all of those who are no longer with us in this world, for all of those who are serving and working far away and unable to be with us in body—this is a time for us to unite in spirit. Please take a moment of silence.

Now, it is an honor to stand before you as the Mayor of this great city and present to you the state of OUR city. Let me say it plain and simple. We are a city in a Season of Change. This is the hard truth. It is also a reason for hope.

We are in a Season of Change. It is a lean season and many things that this community has been able to count on over the years have changed. During this season, we have to keep in mind that the seeds we plant today will determine the

harvest our community will reap tomorrow—after this time of transition has passed. To get through this season of change, which will be measured in years, not weeks or seconds, will take patience and perseverance, but we will prevail over the difficulties that we are experiencing.

All across this nation, cities are in a state of severe challenge. Here in Flint, as many people are out of work as they were in 1935 when my grandfather graduated from Flint Central High School. This has led to a growing sense of insecurity even though there were 1,000 less crimes committed in the City of Flint in 2009 than the year before. More houses stand empty today than at any other time in our 155 year history. This has led some to question the viability of our neighborhoods, especially on the northside and the eastside. We must face these challenges, and the critics and the cynics who have given up, with clear conviction. Everybody in Flint counts. Every neighborhood in Flint counts. On this, I will never compromise, no matter how lean the season. I will hold to my oath of office to serve “all the citizens of the City of Flint.”

This commitment does not change the reality that the financial forecast for our City shows signs of continued challenges in the coming year as in the year past. With uncertainty about the leadership in Lansing, we have to assume that this year’s loss of \$2.7 million in state shared revenue will be followed by another loss this year. And without an overall improvement in national unemployment, incomes and property values will drop again. The City of Flint’s general fund will drop millions of dollars, reminding us that short term fixes and shifts are not enough. We need real sustainable solutions that share the sacrifice.

Take the case of health care costs. Like other cities and businesses, our costs at City Hall are increasing, especially in health care. Since 2005, the health care cost for active employees has gone from \$7 million to over \$10 million—that extra \$3 million represents nearly 5% of the City’s general fund and the total costs of over 40 employees. These are tough challenges – balancing budget

realities against human realities. The time is now to focus on the common good and commit to doing more with less. We must each assume the leadership responsibility that is upon us. We must all be willing to make the tough and in many cases unpopular decisions that are required of us here and now.

I stand before you this afternoon assuming that leadership responsibility as your mayor. I declare that the era of bad government in Flint is over.

Yes, the era of bad government is over, the days have passed for passing on new debts to future taxpayers.

I will not kick the can down the street. Not this time. This time we are going to take responsibility and work together. We will not fall victim to the temptations of division and deception.

Rather than a future of debt piled on debt where government outspends with a public credit card, I am committed to a different future for Flint, for our children and your grandchildren. But I can not do this alone. It takes a team effort.

This is the shared mission that everyone in my administration has accepted. Gregory Eason, the City Administrator, and all of my appointees, please stand. Thank you for your commitment to our community and for all of the professional experience and diverse perspectives that you have brought to City Hall. There is no harder working team anywhere. I personally thank you, thank you for everything you do every day.

But it takes all of us to get this done. Today I am calling on the City Council to pass an upcoming resolution to share health care costs and to increase the employee contribution to 20%. This would apply to all elected, appointed, and exempt employees who are not covered by a union. This includes us. We can not afford to have taxpayers picking up the bill for more than 90% of our employees

health care costs when the average in Michigan businesses is an 80-20 split. It is time for us to get with the times. This is a fair agreement that would save money. I am also calling on the City's public safety unions to add this in to your negotiating proposals. If all of us make this change, we will save more than a million dollars every year.

We have to deal with these challenges so that as my our children move up through school and graduate and go to college, as this younger generation comes of age, I want them to find a home here in our city with new jobs, safe neighborhoods and great schools for the generations that follow them.

For those who question our ability to survive and thrive in this season of change, they must not know very much about Flint, Michigan. Our strength and our resiliency as a city is written in every major chapter of our story. Our history tells us that we have adapted and changed to take advantage of new opportunities. First, it was trading fur at the Grand Traverse, the great crossing of the Flint River; then we became the lumber center with Atwood mill; and again, Flint's place as the premier manufacturer of horse drawn carriages earned us the title of the Vehicle City. Little did anyone know at the time, that name would be more fitting than ever when a local entrepreneur by the name of Billy Durant planted a seed that would become the greatest company of the 20th century.

You just can't tell me or my family which has been in Flint for five generations, or the residents of Carriage Town our oldest neighborhood, or our longtime businesses who have prospered and held on, or today's youngsters with technology we could have never dreamed of, that Flint is not changing again.

Because in between these periods of greatness in our history there were seasons of transition, challenges, and uncertainty; much like this season we are

in now. Just as we've overcome challenges before, be assured that Flint will again be a place of opportunity. The kind of opportunity that brought my grandmother here as a recent high school graduate from Missouri more than 60 years ago.

You may ask where we start, where do we find the grounds on which to grow this better future. It is with our neighborhoods. They must become safer and stronger. One of the signs of hope is that we will soon have community foot patrol officers back walking the streets in Flint again. Just this week the Flint City Council accepted a \$1.1M grant from the Charles Stewart Mott Foundation to fund a 21st Century Community Policing initiative.

This grant will enable us to bring back neighborhood foot patrols. More than 18 community police officers will be deployed across all nine of the city's wards, including a foot patrol officer in every ward during second shift. We know from our own history that this is a proven tool for effective crime fighting. I know I remember our foot patrol officer who walked by our house near Freeman Elementary school when I was growing up. We need today's officers to build those same kinds of relationships with our kids now. It is the strength of these relationships and the number of public safety partnerships and mini-station volunteers—not the number of paychecks that are sent out—that will push criminals out.

We will do more with less. Residents all across this community have said public safety is their main concern. It is my top priority. I have set a goal of reducing crime in this city by at least 10 percent this year. And this grant for community policing brings us one step closer to reaching that goal.

Another great benefit of this grant for our city is it paves the way for us to open and upgrade a police mini-station in each ward. When I took office 6 months ago

I made a commitment to have an open and functioning police mini-station in each ward. We are making progress and have 3 more open.

Last October in the Ward 2, we re-opened the Haskell Community Center with a police mini-station. Councilwoman Jackie Poplar has been a strong supporter of this center. Councilwoman, please stand, I want to thank you for your focus on this center in the heart of your area. We have a lot of plans to make that center something special. These volunteer run mini-stations are at the heart of our strategy to reduce crime in every part of the city, because they give volunteers a home base. But the real work gets done on the streets.

Our neighborhoods will become stronger as we recruit and train more effective block club volunteers and organizations. There are dozens of block clubs in the city, however in the first ward, represented by Council President Delrico Loyd, residents take extra pride in the strength of their block clubs.

I thank you Council President Loyd for your leadership during these difficult times. I appreciate your dedication to this community, just like you demonstrated last night when you came to the Neighborhood Action session we held at the Hasselbring center.

There were a number of block club representatives there last night from Sally Court and Colonial Drive, I just can not say enough about the efforts of our dedicated community members and it is an honor to be working side by side with you.

My commitment is to go block by block, neighborhood by neighborhood, all across the city. For the first time in the history of Flint, we are implementing a process of creating action plans for every neighborhood area. Some neighborhoods have been ahead of the curve.

I am happy to share with you the story of a community in the 5th ward, represented by Councilman Bernard Lawler. Councilman Lawler, thank you for being part of the change at City Hall.

The neighborhood I want to tell you about is called Metawananee Hills. It is a community located on the city's north side just north of downtown Flint. In 2007 this neighborhood association partnered with the American Institute of Architects to develop a plan and a vision for their neighborhood.

They held a series of meetings to get input from community stakeholders – residents and business owners. It resulted in a detailed plan with 4 key projects. I am pleased to announce this afternoon, that one of the principal engineers of this plan, is now the newest member of my team as the city's Director of Community and Economic Development. I would like for Wendy Johnson to please stand. Wendy is the Co-Chair of the Metawanene Hills Neighborhood Association and we will be looking to her for leadership as we move forward with comprehensive master planning that grows up from our neighborhoods rather than imposing some kind of one-size-fits-all solution that would be bound to fail.

New Jobs and Economic Development

One of the key elements in our comprehensive master planning is economic development. A city with a diverse economy and opportunities for all has to be our goal. This is how we'll keep families working, and how they'll keep our neighborhoods strong.

Since taking office 6 months ago several businesses and facilities have opened all across the city: Rowe Engineering; 501 Bar and Grill; Garibella's Hair Salon; The Yoga Loft; Raspberries Café; Riverfront Residence Hall; Social Security Office; and the Baker College Center For Transportation Technology. Many of these new businesses are in downtown and I am pleased to be able to announce

today that Flint is being recognized by the State of Michigan as a Downtown of Promise. We will now receive assistance in developing a blueprint to make downtown an even better place to start and grow a business.

While new businesses development is essential to rebuilding our local economy, we also have to pause and recognize some of the businesses that have weathered the storms and kept people working in this tough economy. These are the places we can depend on. They remind us that seasons pass.

One of those Flint icons is in the 9th ward, on the city's south side, represented by Councilman Scott Kincaid. Councilman Kincaid, thank you for the wisdom you carry with you as the longest serving member of this current council.

I am talking about Applegate Chevrolet--they have been in business in this community since 1928 --at their current South Saginaw Street location since 1957. They have employed more than a thousand over the years and are still helping to sustain families today.

Even in this season of change, yes there are places that we can rely on. Like Hurley Hospital. Always improving but always there. This medical center is at the forefront of advances in health care. This is a vital part of our 21st Century economy and I know I can hardly wait to see the new emergency room and redesign of the hospital that will be starting this coming year. And there is Paul's Pipe Shop in Downtown Flint which opened it's doors in 1928 and has been an anchor on S. Saginaw Street as new revitalization has spread down that historic corridor that will also be the backbone of our new downtown college town.

Another important part of our past, present and future economy is anchored in ward 8, which is represented by Councilman Micheal Sarginson. We, thank you Councilman for continuing the great legacy of your family's service to this city.

I am talking now about General Motors. The company which started here more than 100 years ago, is still provides a living for thousands of families in this community and across Mid-Michigan. They continue to invest in this community as GM emerges again as a leader in the global automotive industry. This past year, they announced a \$230M investment into the Engine plant for the production the Chevy Volt.

Additionally, at Flint Assembly, where GM builds the heavy duty Chevy Silverado and GMC Sierra, they will be launching two important products this year.

First, the plant will start production of the 2011 heavy duty pickup trucks in late May. The GMC Sierra HD, which also will be built in Flint, will be unveiled by GM later this spring.

Second, GM is investing \$21 million at Flint Assembly to bring in the light-duty pickup, relocating production from Mexico. This is great for the city because it shows that GM and its UAW-represented work force can make a business case for Flint.

There is another place that has been making a great business case for Flint. Kettering University. Kettering is in the 6th Ward, represented by Councilman Sheldon Neeley. Councilman Neeley, thank you for your ongoing service to this city.

Governor Granholm has visited Kettering twice in recent weeks to recognize local entrepreneurs and the advances being made with the Swedish Biogas partnership. Yes, Kettering is truly a global leader of technology and innovation. One of the university's specialties is with Fuel Cells. The University's Fuel Cell Systems and Powertrain Integration is taking the lead in preparing the current and future workforce for what President Obama called the new energy economy.

Dr. Joel Berry is Head of the Department of Mechanical Engineering at Kettering University and director of the school's Fuel Cell Center. He is also President and Chief Technical Officer for Global Energy Innovations, INC. and considered to be one of the foremost authorities on Fuel Cell Technology in the world. I think of him as an intellectual property asset of our community. Dr. Berry is investing his brain power in our community and planting seeds that will reap a wealthy harvest in our community in the 21st century.

In an article in the Flint Journal some time ago Dr. Berry is quoted as saying "When I look out the window, I see a Phoenix rising from the dust...I see thriving companies creating jobs and wealth for Flint." I'd like Dr. Joel Berry to please stand. Thank you for your courage to break barriers and your commitment to this community.

It is inspiring what is happening with our colleges and universities. To see students of all ages and young professionals coming to Flint for new opportunities. This adds to our population of seniors and working families who've seen this community at its best and hung in there through its many struggles.

Our colleges and universities are great assets, and they are growing. They are helping open the door to new opportunities to students of all ages from 18-80. Mott Community College which has been a part of Flint for more than 80 years, reported record enrollment in the fall.

International enrollment at the University of Michigan is soaring. The curriculum and physical presence of Baker College of Flint continues to expand it's reach.

These are the green shoots of hope that are springing up even in this cold winter, So in this season of change with some of the most challenging times of our history, we can't let up – we must continue to prepare to plant positive seeds. We

have to continue to embrace the new energy and ideas of a younger and diverse generation of leaders that are coming. I know I would not be here today in this position without the dedication of time and talents that many of these students and younger leaders put into my campaigns.

Accomplishments & Assets

Now working with the most diverse team ever assembled at City Hall, we have been able to accomplish a lot in the six months since I've taken office.

Every City of Flint department has worked to provide high quality services to every part of the city while finding cost savings and doing business in new ways.

Over the past 6 months:

- Our public safety force has been actively fighting crime on all levels, averaging more than 10 arrests a day;
- Demolished more than 150 residential properties including the demolition the first commercial property, a 45 unit uninhabitable apartment complex on Pierson Rd.
- Welcomed more than 100 new jobs to the community;
- Settled lawsuits involving more than 200 plaintiffs and saving the city over \$2 million
- Resolved hundreds of personnel grievance cases, some dating back to 1979, for more than \$1 million in savings

This is just a snapshot of what we've been able to accomplish through cooperation, partnerships and teamwork.

We have been cutting costs at every turn-in. I decided to join with the County Road Commission to reach costs savings through bulk purchasing of items we were both already ordering.

Just this month we auctioned the mayor's official city car. The \$4,650 dollars we received for the car will have only a small impact on the current shortfall. But in this lean season every little bit helps.

With the leadership of the City Administrator, we are bringing in more federal and foundation grant dollars than at any other time in the city's history. Thankfully too we have a President who understands cities and the challenges of working families.

Let me give you an example. I am proud that the City of Flint and the Genesee County Land Bank are working together and have demonstrated to our federal and state partners that we are a smart place to invest. As it has been previously announced, the City of Flint received over \$25 million for neighborhood stabilization programs. This is the largest per capita investment anywhere in the country. This builds on millions of dollars of other federal and state funds for community development and housing.

We have an opportunity here at this juncture to really be innovative, and creative with how we redevelop our neighborhoods. I support new housing, rehabilitated housing, business development and the right kind of green spaces and gardens. I do not support shrinking because I believe in the value of every neighborhood and every part of this city no matter how tough the conditions there are now.

That's why one of the accomplishments I'm most proud of is the success of our Neighborhood Action sessions. During the first phase from October to December of last year-I held a session in each ward of the city. It was so encouraging to

see the number of citizens who came out to be a part of the process of moving this city forward. I personally met more than 650 residents during this phase.

What we did last fall with Neighborhood Action was to put together a list of assets in every part of the City. An asset is defined as somebody or something that is useful and contributes to the success of something. We are a community rich in assets: people; foundations; organizations; places of worship; community groups; block clubs; colleges and universities; schools; world class hospitals; and top notch cultural amenities. As we work together to progress through this season of change and transition, we will build on our assets to achieve a new season of long term success and sustainability.

Let me give you a few examples: Berston Field House on North Saginaw and Pasadena Avenue in Flint's 3rd ward is a special place in the city. I'm sure newly elected 3rd Ward Councilman Bryant Nolden would agree. Thank you Councilman Nolden for your advocacy for Berston and the other assets in your ward that have been ignored for too long.

Berston has been an important part of our northside community since 1923. For 97 years this recreation center has opened it's doors to youth of all colors in the community. It was the first place in the city where blacks, whites and Jewish kids and adults could play together in public with boxing and basketball and dance and other activities I am sure glad that we still have a place like Berston.

Today the facility attracts hundreds from the community during the summer months for their weekly Sunday afternoon softball games. An event started by Robert Malone, more than 20 years ago. He still serves as the commissioner of the softball league. Over the years Berston Field house has been credited as the place where great athletes from Flint get their start.

There are stories similar to this all across the city of people who care so much that they won't quit, they don't wait for somebody else, they don't let the lack of funds hold them back, they do what they have to do. I hope I will be a mayor that lives up to this high standard.

In the 4th ward, represented by Councilman Josh Freeman, the IMA Recreation Association is making its mark at Whaley Park. I want to recognize Councilman Freeman because he knew coming in to a new term in office how hard this would be but he came back anyway. That is real commitment and determination.

Now the IMA Recreation Association, with funding from the Ruth Mott Foundation is transforming Whaley Park into a wonderful place for recreation and family fun. My sons have enjoyed the soccer teams there this past summer. It was nice to see families, parents and grandparents coming out to cheer on their kids as they learned the game for the first time.

In the 7th ward, Represented by Councilman Dale Weighill, Mt. Olive Missionary Baptist Church on Kennelworth has not only been a place of worship, but also a beacon of hope and optimism in this south side community for more than a century. I want to recognize Councilman Weighill for his dedication and service to our community.

Mt. Olive is the oldest African-American Baptist church in the city. Their commitment to the community extends beyond Sunday service. They open their doors to retired and senior members of the community everyday and provide them with food for the spirit, soul, and body.

In 1997 they saw a need to make a positive impact in the lives of African-American boys. The church established The Mount Olive Missionary Baptist Church Cub Scout and Boy Scout Troop #424. Hundreds of young men have benefited from the program.

Troop #424 has had 3 Eagle Scouts since its inception.

These are all shining examples of how we all can make a positive impact on our community.

You can see that we have a lot to work with in our Neighborhood Action sessions. We are now the second phase-holding three meetings in each ward. These meetings are creating an action plan for each neighborhood area. At the conclusion residents of this city will have identified a total of 280 action items for us to begin working on to improve our community in 2010.

We are grateful for the support of our community partners in this work: Neighborhoods Small Grants Program Advisory Committee of the Community Foundation of Greater Flint; The Ruth Mott Foundation Applewood Initiative for Gardening and Community; Resource Genesee; and UM-Flint Outreach. They recognize the importance of community engagement to the process of laying the framework for our future and they are demonstrating their values by working together with an administration on a truly citywide effort.

In order to have a strong economy we have to think about the wider county and region. This is why we have been working so hard with business leaders and county representatives to develop a shared Comprehensive Economic Development Strategy. In that plan we outline how Flint and Genesee County will become home to over 8,000 new jobs in the next 10 years: jobs in advanced manufacturing, health care, higher education, alternative energy, and agribusiness. Our low costs of land and labor have to be flipped in our favor. Working with the Genesee Regional Chamber of Commerce and the private sector, we can make this plan a reality. I call on City Council and the County Commissioners to approve this plan when it comes to you next month.

Season of Challenge & Change

Our tasks are great. Our will is being tested by the many challenges we face every day. But our spirit will not be defeated by the circumstances of this season of change.

Yes we are in the midst of a budget crisis. We all must do our part to share in this budget burden. The reality is that we have an \$8 million dollar budget shortfall across all funds to eliminate before June 30th. Times are tough – requiring shared sacrifice. I appreciate the City Council accepting a resolution for me to rightly give back 5% of my salary since my compensation is set by an independent board. I appreciate all of the city workers who were willing to take days without pay and close City Hall on select days to bring down our costs.

It was my hope that we could reach an agreement with all of our unions on how to best achieve costs savings during these unprecedented lean times. With the police and fire unions who have not agreed yet to a 15% cost concession through the contracts, there is a week's window of opportunity before layoffs go into effect. I am asking that my new proposal for sharing health care costs be taken up by the city's police and fire unions. Set a meeting time next week for your members, go through all the numbers we have shared, and come up with a proposal for a 15% total per employee cost concession.

The fact is that \$100,000 total cost package of salary, overtime and benefits per officer per year is just more than this community can afford. Share health care costs 80-20, bring your total package cost down to an average of \$85,000. I believe this is adequate compensation for the very tough work that all of you do every day. For the sake of my family and everyone in this city, we are very proud that you put your lives on the line for us. Thank you and let's see what we can do together.

The benefit of finding that mutual point of agreement is we can keep more people working-even in a season when we are forced to cut back. We are a city facing a

nearly 1/3 unemployment rate. This, negatively impacts our tax base; our neighborhoods; our businesses; our schools; and our economic recovery. Shared sacrifice equals fewer human casualties of this budget crisis. Shared sacrifice saves jobs; I want to save jobs and keep services strong.

Even as I wrestle with complexities of balancing this budget reality against the human reality, I know every job will not be saved, and we are going to have to prepare ourselves for some tough cuts. It won't be easy, but we can no longer afford to spend money we don't have. The debt will not disappear but it will be left for the future tax payers of this community - my children and yours.

We are at very critical crossroads in this community-defining who we are in this 21st century. These are trying times.

One simple thing we can all do is fill out the Census. This year's Census will play a large role in this defining moment. We must make sure every person in this community is counted. We have so much at stake.

The Census is the simplest way we all can make an impact right here where we live. Make sure you count when it matters-It matters now. Fill out the census form and drop it in the mail, it means money and power for all of us in this community. This is one of the most important things we can all do in 2010.

Sparks of Hope

Our work as a new administration and a new city council is just beginning-we all know that change does not happen overnight. Change is a process – it takes time.

This is a season of change when we are working to set so many wrongs to the right. We will find a straight way forward. The stubborn obstacles, the valleys we

have struggled through will be slowly filled in, the mountains of problems that came to us as inheritance will be brought lower. The uneven playing field that has been tilted against us will be made more level. This season of change we find ourselves in as city-could be considered our Winter Solstice - the time when we catch Sparks of Hope even in these dark and challenging days.

We'll watch these sparks of hope fly all across this city in 2010. These projects are bringing new jobs and opportunities to residents all across Flint.

- The clean-up of Buick City for future economic development as an intermodal hub will be underway before year's end;
- Construction on the \$3 million Kettering Gateway Project will be complete bringing more people to our university corridor from the expressways
- A completely remade Durant Hotel, building that has been closed up my whole life, will open it's doors as student and apartment housing in downtown Flint;
- Building improvements are on their way to our community centers, to Berston Field House and the Oak Business Center on North Saginaw Street
- Witherbees Market on University Ave. and MLK will be open by spring bringing to the downtown area a full service grocery store
- The upper floors of the Riverfront Residence Inn will be renovated along with the largest meeting space in the area so community events can come back to Flint;

- The transformation of Downtown Flint streets from 1 way to 2 way will be complete with new street parking layout and bike trails;
- Chevy in the Hole will become more green with our central compost operations. And on Bluff street Kettering University will open its new business incubator building with Swedish Biogas International which has the potential to transform our local economy

The list goes on and on because so many of us have made a choice to work together this time.

And may be most importantly of all, comprehensive master planning will begin and it will cover every inch of every square mile of our City. No one will be left out of our plan for the future.

This is the State of Our City. We are ready to be truthful. We remain hopeful. We are in a season of change that we have faith will pass.

Let us use this season of change to plan and prepare for a better future. In this season of change let us build meaningful relationships and partnerships and commit to working together. We are all in this together.

I charge each of you to take up the leadership that is upon you. Become somebody or stay somebody who contributes to the success of our city. Volunteer at a mini-station. Mentor a student.

If we each do our part, when this season of change passes over us, we will emerge into a spring of prosperity as a Sustainable

A sustainable

21st Century City with new opportunities, new jobs, safer and stronger neighborhoods and great schools.

I am honored to serve as the Mayor of this great city.

I pledge to work with the City Council, the Superintendent of Schools and the School Board, and everyone who cares about this community, our children, and our future.

Thank you and God Bless.