

**State of the City of Grand Rapids
Mayor's Address to the Public
January 15, 2005**

Welcome and thanks

Acknowledge Commissioners present. Other elected officials. A number of City staff, including City Manager Kurt Kimball, are here today. Economic conditions have made this a tough year for them. Yet they have worked tirelessly and have achieved great results for the people of Grand Rapids. I'd like to ask elected officials and City staff to stand and receive our appreciation.

Before I begin, I want to note how nice it was to sit this morning in a chair that the Wall Street Journal last week Friday ranked the top chair for home offices. It is a Steelcase *Leap* chair. I felt so comfortable and productive it was tempting to just stay seated and send Susan up to deliver this speech. It is nice to celebrate with our own Grand Rapids companies when they have victories. I congratulate the Steelcase team for a great design and catching the eye of the Journal.

The State of the City address. This is the most important speech I give each year. This opportunity is the one chance I have to stand before the community and paint a strategic vision for our future together.

Sustainability is the theme of today's State of the City address. The content of the address has been six months in development. However, any speech – no matter how long in development – is delivered in the context of that moment. Our context this week is one of tension between the police department and the African American community. This context demands a response before I go on with the speech as planned.

Indeed, sustainability is all about how we move forward together. That which impedes our unity, blocks sustainability. That which holds back or disadvantages some of us destroys the potential for all of us to succeed. On the birth date of Martin Luther King, Jr, his words ring clear today: "There is little hope for us until we become tough-minded enough to break loose from the shackles of prejudice, half-truths, and downright ignorance."

So today I tell you we will not be a sustainable community until we break the shackles that bind us. Violence in its many, complex forms is that shackle. Violence to the spirit of a people when racism stifles opportunity. Violence to the hopefulness of youth when poverty closes doors. Violence that wears the mantle of order and violence that thrives on chaos.

Today I tell you that we will not tolerate such violence.

We must have a zero tolerance for violence in the community. The article in Sunday's Press drove home the message: our African American community suffers disproportionately from the impact of violence. There are a thousand reasons why despair breeds violence. But there is no justification for that violence. We must work to end the cycle of violence that plagues our neighborhoods and takes our young people before they can fulfill their promise as children of God.

Furthermore, I have a zero-tolerance for police abuse of citizens rooted in racism. I will not permit the stellar record of the vast majority of our police officers to be stained by the bad behavior of a few. The Chief of Police, here this morning, joins me in committing to root out racism in the department. I repeat, most of our men and women in the force are conscientious, dedicated law enforcement officers. When we find those who are not – those who abuse the sacred trust of the badge – we will deal harshly with them.

The people of Grand Rapids must address the problem of racism together. Government can't do this alone: not the Mayor, not the Commission, not the Police Chief. But government can, and must, provide the safe context for the community dialogue to take place. I was elected to this job by the entire community of Grand Rapids. My support comes from the majority community and from every community of color. I feel deeply the responsibility for calling us all together to address the confounding problem of racism. I pledge myself to you to work with leadership from all sectors, from all communities, to forge a deep and honest conversation about our future as a multi-racial community.

Next Tuesday the Civil Rights Recognition Commission will report out its recommendations for initiatives that can both honor civil rights leaders and promote racial unity. They will present five powerful initiatives that can serve as rallying points for the community.

Even as we begin to address this set of recommendations we must find new ways to talk to each other. I welcome partners from across this community who are willing to join me in the hard work of honest dialogue. For it is that dialogue which will lead to changed hearts; and it is those changed hearts that will lead to just and equitable conditions; and only a community that is just and equitable can be sustainable.

Last year I used the State of the City address to focus on literacy and education. We know our city can only be great if the schools are strong. Effectively educating children maximizes our potential as a community. Let me give you a progress report from last year's State of the City.

- I used the speech to urge the community to support two millage requests that were on last year's ballot. Both passed.
- I announced plans in the State of the City address to hold a Literacy Summit. On October 1, 2004 Dr. Juan Olivarez and I convened the first Community Literacy Summit and set the goal of reducing illiteracy by 50% in a decade. Task teams are working strategically to meet this goal.

- I challenged the City and the public schools to work together as never before on joint operational matters. There are many examples of how this challenge has been met, let me give you a few:
 1. The City Environmental Services Department has worked with the schools on design features for new and remodeled school buildings to incorporate best practices for environmental protection. The City Equal Opportunity Department is working closely with the schools' construction team and contractors to help ensure equal access by minority and women-owned sub-contractors. Our Department of Public Works is working with the schools to design new infrastructure solutions at school sites.
 2. The City Economic Development Department has worked with the Schools and a private developer to facilitate the sale and redevelopment of West Middle School as a 120 unit condominium.
 3. And we have approved a plan to embark on stormwater/environmental education in the GRPS in partnership with WMEAC.
- The highly innovative work on the Education Renewal Zones has not progressed as far or as rapidly as I wished; however, if it were easy everyone would be doing it. There is no other initiative like this in the country and its complexity has required negotiation at every step. I remain committed to this effort and expect to have a package of bills ready to go to the State legislature early this year.

Enough about the past year, let's look forward.

At the heart of my address is the issue of sustainability: social, environmental, and economic sustainability. My sixth grandchild, Gabriel was born last year. The miracle of a child embodies hope for the future. At the same time these little ones serve as reminders that we are accountable today to generations yet to come.

We must leave them with a sustainable world; one that provides opportunities for: economic prosperity, quality of life, enjoyment of the beauty and bounty of the natural world, and a government that works. In other words, we must meet our needs today in a sustainable way with an eye on the needs of future generations. This requires that we look at the bottom line with three questions: Does it build social equity? Does it provide environmental value? Does it create economic prosperity?

By the time Gabriel is 35 and ready to run for Mayor of Grand Rapids here is what the world will look like:

- The global population will reach 9.3 billion at today's growth rate. The US population will be at one-half billion, double its size today.
- Over two-thirds of the world's population will live in cities.
- The United States, which presently uses 40% of all the world's oil production and 23% of all coal production will be experiencing crisis levels in these resources
- Water resources, which Michigan has in abundance, will be hotly contested

In the years ahead, we must be thoughtful, intentional, and strategic if we are to sustain our way of life. Government leaders must take steps to preserve the environment, promote social equity, generate economic value, and use tax revenues wisely.

The first Question we address to Social Sustainability: Does it build social equity?

The reason I ran for Mayor is first and foremost because I care about the social and spiritual fabric of our city. I care about people. We do not warrant praise as a community if some prosper while others are left behind, if some have rich learning opportunities while others receive a sub-par education, if some are safe and healthy while others live in fear and suffer from preventable public health illnesses.

Throughout my speech today, you will hear initiatives that focus on improving the quality of life of every person in the city of Grand Rapids. From improved education for our public school children, to good jobs for their parents; from universal wireless access to a non-toxic environment, my vision for this city includes everyone. We must never forget that social sustainability is not a class or neighborhood issue; it is everyone's issue.

Social sustainability means strategic partnerships that go beyond traditional lines and which produce outcomes that benefit everyone. With this in mind, I want to announce a new initiative this morning between the City of Grand Rapids and the Grand Rapids Public Schools with initial funding support in the amount of \$100,000 provided by Peter Wege.

During the next year the City and the schools, with technical support by Aquinas College, Grand Rapids Community College and Grand Valley State University, will develop sustainability plans to help City and Schools operate with economic efficiency, environmental responsibility, and social sensitivity. We have already begun this planning effort and I commend the members of the Sustainability Partnership for their efforts.

We will look at all our operating areas and apply the triple bottom-line test against them: are they economically sustainable, do they cause no harm to the environment, and are they fair and equitable in their treatment of all citizens. We will benchmark ourselves against other cities and school districts in the nation that are doing similar work. We will train our staffs in the principles and practices of sustainability. We will hold our policies up to the spotlight of sustainability and we will test our initiatives against the measuring stick of sustainability by addressing performance indicators.

What I love most about this partnership is that it strengthens and deepens the relationship between the City of Grand Rapids and the Grand Rapids Public Schools. I have said often that our futures are intertwined. The funding crisis facing our city and our schools is severe. Both city and schools are living in a time of extreme austerity and must work together to ensure a bright future both for our children and our city. With this sustainability initiative we will both be stronger...and we'll be stronger together.

Mr. Wege and staff of the Wege Foundation are here this morning. Please join me in saying thank you for this gift to the City of Grand Rapids and the Grand Rapids Public Schools. Your gift will pay dividends for generations to come.

The second question we address to Economic Sustainability: Does it create financial prosperity?

I want to begin this section of the State of the City address by telling you where City government is and where we are going as it relates to fiscal responsibility and economic sustainability: Last month the City Financial Services Director delivered the holiday news that the five-year deficit City government faces is in excess of \$80 million. What's more, that number could go to \$130 million if the State solves its budget woes on our shoulders by coming after state revenue sharing.

I simply can't overstate the magnitude of the challenge facing us. The three budget cycles leading to this one saw massive expense reductions and modest revenue enhancements totaling over \$53 million. The pain isn't over. Far from it. This year's expense reductions will be severe and will be felt by all of us.

State tax policy and the shifting of the burden of service delivery from federal government to state government and from state to local, together with a painfully slow economic recovery have boxed us into a tight corner.

Before simply cutting services, government leaders must first listen to those being served. We are seeking to do just that: The City begins next week to poll our citizens to determine their priorities on governmental services. We will use those priorities in crafting a five year budget.

This budget will not be easy – tough choices must be made. When the dust settles and the commission votes on next year's budget not all current services will be left standing. However, while we can't continue to provide all services, what we can do is demand that the services we provide are of absolute best quality.

If local government is to be efficient in our use of resources we must practice fiscal sustainability. We have many outstanding local models in the corporate community. In December, Fred Keller of Cascade Engineering presented to the City Commission on the lessons learned in the private sector about sustainability. Mr. Keller, recently appointed by the President of the United States to the Manufacturers Council, told us that manufacturers are beginning to understand that profitability at all costs is not sustainable. Business must pay attention to environmental quality and social equity as well. He urged the city to join business in this sustainability movement. The connections between the city and business world are important and will continue to be a topic in the near future.

I spoke at a west side church not long ago and was approached after the speech by two die makers who had lost jobs with two different companies when those companies had left the state of Michigan. Both men had gone for almost one year without finding

employment in their trade. “I’m 54 years old and I’ve been doing this all my life”, one man told me. “How am I supposed to start over in a whole new field?” I didn’t have a good answer for him then...and I still don’t have a complete answer today. But I *do* know the importance of training and workforce development. And I *do* know that we must do everything in our power to preserve good manufacturing jobs.

An example of the kind of effort underway to preserve jobs is that of Benteler Automotive. Faced with a choice of moving to a low-wage environment in Mexico or staying in a high-productivity environment in Grand Rapids, Benteler made the decision to stay. Working with their UAW representatives, City and Right Place Program staff and representatives of the Michigan Economic Development Corporation, Benteler crafted an approach that works for them...and for us. Congratulations to Benteler and all involved in this effort.

I am honored that Governor Granholm has appointed me to serve on her newly-formed Council of Labor and Economic Development. I am pleased to be joined on this Council by Grand Rapids business leaders Win Irwin of Irwin Seating and Doyle Hayes of Pyper Products. We are in a position to advise the Governor on economic development matters and help tailor job training programs that support our workforce.

In the arena of community economic sustainability, our New Economy Task Force has been working for seven months developing a set of recommendations for the City Commission. The focus of this group of business and civic leaders is to aid in designing a City government and City economic development thrust that can fully capitalize on the emerging economy, positioning local government to lead the way to a new prosperity. I want to give City Commissioner Rick Tormala special recognition for proposing this initiative and I know that the Commissioner joins me in expressing appreciation to each member who has worked so diligently on this effort over the past year.

Economic sustainability starts at home. We may be a cog in the flywheel of a global economy – we may even feel a bit helpless – but we have to do everything in our power to ensure a vibrant local economy. Essayist Wendell Berry wrote that the idea of a local economy rests on the principle of neighborhood. Here’s what Berry said:

“In a viable neighborhood, neighbors ask themselves what they can do or provide for one another, and they find answers that they and their place can afford. This, and nothing else, is the practice of neighborhood...”

More than ever before we need to reach deeply into our historical treasury, pull out our former understandings of neighborhood and find modern ways of applying that principle to strengthening the local economy. We must use 21st century tools to build a new economy and vibrant neighborhoods.

In light of this, I announced the goal of creating a wireless infrastructure to provide high-speed wireless broadband access to all our citizens any time, any place. I challenged the team working on this project to make sure our wireless system addresses economic

disparity. To use this technology to build a vibrant economy, every citizen must have access irrespective of income.

I am very pleased that the cities of East Grand Rapids, Grandville, Kentwood, Walker and Wyoming, together with Kent County, have joined us in the planning. To be prepared for the business needs of the new economy, Grand Rapids must stay on the leading edge of technology, creating an infrastructure that can serve the complex requirements of business and government. I fully expect some regional pilot projects to be up and operating in 2005. Wireless technology has advanced rapidly and we can now ensure the community that a lower cost, more efficient system can be installed than was available even six months ago.

Finally, when it comes to financial growth, the life sciences and advanced technology industries are emerging as particularly strong, economic sectors with new employment opportunities. Let me give you a couple concrete examples:

Avalon Laboratories has recently relocated to Grand Rapids from southern California. Why leave the sunshine and come to the snow? Because Avalon saw the life sciences cluster on our “health hill” and the relatively lower cost of living in our region as advantages in building their medical devices business. They opened the doors with five high-skilled, high salary jobs and expect to grow from there. Matt Dugener of West Michigan Science and Technology Initiative reports many life sciences success stories including Soy Ultima, a minority business started by a Nigerian Ph.D producing pharmaceutical products.

In the field of advanced technology let me tell you about a German company, Paragon, which saw opportunity in Grand Rapids. I visited Paragon’s local MiQuest subsidiary yesterday. With 50 skilled workers and engineers from our metropolitan area MiQuest is building smart sensors, advanced technology for the auto industry. Their sales have grown by over 60% in the past two years and they are preparing to double their space on Michigan. With that expansion they will increase their workforce by 40%.

This is happening in Grand Rapids. Knowledge-based industry is a field of unending opportunity. Each new horizon gives way to another, each finding leads to a new set of questions, each discovery that translates into business creation represents new jobs – high paying jobs – for the citizens of Grand Rapids.

The third question we address to Environmental Sustainability: Does what we do provide environmental value?

In December of 2003, just before taking office, I formed a Council to advise the Mayor’s office on environmental matters. I asked Tom Leonard, long-time Executive Director of West Michigan Environmental Action Council to chair this group of thirty-five environmental leaders. Many of the Council members are here this morning and I would like to invite them to stand. Ladies and gentlemen, if we have reason to be hopeful for the environmental future of the world – and I believe we do – then it is because there are

men and women everywhere, like these citizens, dedicated to environmental preservation. Join me in thanking them for their dedication and hard work.

It has been an exciting year working with this team of advisors. They have educated me, and each other. Together we have grazed widely across a pasture of opportunity for local initiatives on environmental preservation. They have held me accountable for advancing environmental protection matters at the local level.

Let me give you a personal context for the remarks I will make this morning on environment: I am a catch and release fly fisherman, a wilderness backpacker, a canoeist. I am also a grandfather who desires more than anything to pass on a world that is resource-full, teeming with life, to my grandchildren.

Wesley Granberg Michaelson wrote:

“Never has the need for restoring the wholeness of creation been more urgent. The environment of air, water, earth and fire (energy resources) sustains and nurtures life itself. As the environment deteriorates, life for us all is endangered.”

Unfortunately, I believe that he is right. We simply cannot continue in the way we have lived without creating dire consequences for our children and their children. I believe that we are under obligation to protect the natural environment.

Our city has a good record on the environment: from free curbside recycling to combined sewer separation to our new bio-solids initiative we have proven our commitment. When I took office I pledged to step up our environmental protection and clean-up efforts.

During the past year we have made several significant accomplishments in this regard:

- We continued our investment in combined sewer separation. We have eliminated 96% of the combined sewer overflow into the Grand River...but we won't be satisfied until we have finished the job. Our East side sewer separation project is underway. When completed we will have invested over \$350 million in ensuring that future generations enjoy clean water in the Grand River.
- I launched an annual Riverbank cleanup (“Isn't it Grand, Lend a Hand”) so the quality of the Grand River banks could begin to match the restored quality of the water. 150 volunteers removed over 9 tons of trash on a beautiful Saturday morning in early October. Let me say that again, they removed 9 tons of trash without it costing the city one cent. Thank you to the sponsors who helped make this happen.
- Grand Rapids joined the Great Lakes Cities Collaborative, as the first inland city, and Grand Rapids EPS Director Corky Overmyer and I joined Governor Granholm and governors, mayors and federal legislators in Chicago for a signing ceremony for the Great Lakes Initiative.
- In business districts all over town we have launched planting programs. Street landscaping and flower boxes are bringing natural beauty to our districts, inviting shoppers to linger and enjoy.
- The environmental health hazard of childhood lead poisoning has long been a concern and passion of mine. This year the City competed successfully for over

\$5.0 million in HUD grants to do lead abatement. In a recent conversation with a Deputy Director of HUD, I was told that the Grand Rapids initiative is a model for the country. Bill Butts of the City of Grand Rapids Housing Rehabilitation Department, Paul Haan with the Aquinas College Community Leadership Institute who manages this work, and members of the Get the Lead Out! collaboration are here this morning and they deserve our appreciation.

While we have done much in one year, I am committed to building partnerships that can do even more.

First, I want to focus on renewable-resource energy. The City of Grand Rapids is the single largest electric power user in the Consumers Energy system. We consume 125 million kilowatt-hours of electricity annually at a cost of almost \$7.0 million. Now listen to this: our power usage alone – based on Consumers Energy Environmental Characteristics Report – results in over 291,000,000 pounds of carbon dioxide, over 1 million pounds of sulfur dioxide and over 400,000 pounds of nitrogen oxide being released as pollutants into the air. The air we breathe. Surely we must begin conscientiously reducing this pollution.

This morning I announce an initiative aimed at reducing the City's dependency on non-renewable resource power by 20% by 2008. We will begin the process of weaning ourselves from dependency on air-polluting power sources that use irreplaceable fuels. We will become more sustainable in our use of power.

This may not be as difficult as it sounds. One potential answer has always been there; tousling our hair on a spring afternoon, cooling us in the summer and chilling us to the bone in the winter. Wind. West Michigan has an abundance of it. Our coastal climate is ideal for wind generation and wind is a reliable, renewable, and free fuel to create electric power.

Methane gas is another viable source of fuel for green power. It is to power fuel cells or turn micro-generators. The City's wastewater process and Kent County landfills generate large quantities of methane gas.

In short, with resources readily available to us the goal of 20% renewable resource energy is within our reach. The positive impact on the environment is obvious. This green power must, however, meet the triple bottom-line tests of economic sustainability and social equity. Further, I want this effort to be regional in scope. I want us to leverage our involvement to secure other municipal partners and thus have a larger impact on the West Michigan environment.

I have asked Wyoming District Court Judge Scott Bowen to head up a team to develop this initiative. Judge Bowen is a noted environmentalist whose efforts as a Grand Rapids City Commissioner brought about the current curbside recycling program and advanced the Grand Rapids/Wyoming Biosolids Project. The Judge and I will be joined by City

Commissioners Robert Dean and Rick Tormala, City staff and community members. There is no reason why this regional initiative cannot move ahead expeditiously.

Second, I want to talk about environmentally-friendly building standards. Before I took office the City Commission wisely invested in a new Water System and Environmental Services building that could be LEED certified. LEED is a measure of environmental sensitivity in building and stands for Leadership in Energy and Environmental Design.

LEED certified buildings use construction materials that are recyclable and non-toxic. They capture and treat stormwater on site. They utilize green power resources and they plant sustainable landscaping. Because we have architects and builders who are environmentally responsible, the metropolitan Grand Rapids area is home to 11% of all LEED certified buildings in the nation. We are not only recognized as design leaders but our innovative architects and builders have found ways to make LEED buildings economically viable.

As part of our environmental sustainability initiative I will ask the City Commission to adopt an ordinance requiring that all future municipal buildings be built to LEED certifiable standards. Further, I will ask the Commission to explore the development of a LEED building code ordinance for non-municipal buildings that would incentivize the construction of environmentally friendly buildings.

It is not unreasonable to expect that, within the next decade, LEED will become the norm, the standard for all new buildings. With an ordinance to encourage that kind of development we will join a handful of cities that now promote LEED development.

Finally, one of the key themes of the city of Grand Rapids' strategic plan is to increase healthy living conditions for children and families. On every policy matter we must ask ourselves the question: "Is it good for the child?" I believe that in the long run a healthy city is a desirable place to live. Grand Rapids leads the state in addressing the problem of childhood lead poisoning; but unfortunately, there are many other harmful chemicals affecting both children and adults in our communities.

Because of this I propose to take the next step to ensure a safer and healthier living environment for all of our citizens by working to significantly reduce the amount of toxic substances that the City purchases. I will work with my Environmental Advisory Council and City staff to evaluate City use of chemicals and develop a plan for substituting alternative products.

We are already on our way toward achieving this goal. Within days our wastewater treatment facility will convert from the use of chlorine and sulfur dioxide to treat wastewater to the use of an ultra-violet treatment procedure that introduces no toxic chemicals into the environment. What other toxics might we be able to eliminate?

My hope is that this goal serves as a call to action for other concerned organizations and individuals to use their purchasing power to help improve our quality of life. By joining

together on this issue, we can begin to create increased demand for cost effective alternative products and promote safer and healthier communities.

Conclusion

Today the state of our city is wounded but recovering. The post 9-11 economy dealt us a harsh blow. The globalization of industry caught us off guard and has destabilized our manufacturing base as well as our markets. Our unemployment rate is still higher than national or state averages, and far too many of our families live with economic uncertainty as a daily reality. Our public schools are returning to health but still face significant long term financial challenges.

Lest we become overwhelmed with our charge, dismayed with the struggles that lie before us today and in the months ahead, I would draw your attention to something that Tom Brokaw wrote in his book *The Greatest Generation* and I liberally paraphrase:

These men and women came of age in the Great Depression, when economic despair hovered over the land like a plague. They watched their parents lose their businesses, their farms, their jobs, their hopes.

Then just when there was a glimmer of economic recovery, war exploded. At a time in their lives when their days and nights should have been filled with innocent adventure, love, and the lessons of the workaday world, they were fighting.

This great generation faced great odds and a late start, but they did not protest. They helped convert a wartime economy into the most powerful peacetime economy in history. They made breakthroughs in medicine and other sciences. They gave the world new art and literature. They stayed true to their values of personal responsibility; duty; honor; and faith.

Re-making this city in the days and months ahead will not be easy. We have to find new ways to work together. However, in Grand Rapids today, we have a set of core strengths underlying who we are as a people. This community possesses a hopeful outlook, an entrepreneurial spirit that permeates all we do, an attitude of compassion and a basic sense of fairness. These strengths will see us through even the most difficult of times. These strengths will bind us together as a community and keep us focused on the things that make for a bright future.

I have had one year as your Mayor. It has been a truly remarkable year for me; a year of learning and growth, a year of facing up to challenges I hadn't anticipated, a year of coming to know this city and its people in a new way. I am convinced – even after one short year – that Grand Rapids has the remarkable and rare ability to re-make itself. When we are faced with challenge we invent solutions. When we confront obstacles we learn to go around them. We are not stymied by surprises or daunted by the impossible. We are innovators, forward-thinkers who are willing to get the job done

Politicians promise a lot of things that they don't deliver on, but today I can promise you one thing that will most certainly come true: The next generation will write about us.

I enter my second year as Mayor filled with hope about what they will say. Here is my version for what might be written:

In 2005 and 2006, this diverse group of people in Grand Rapids found ways to interconnect business with the environment – maximizing commerce and nature.

This generation responded to the challenges of globalization by creating a city that led the state in productivity and returned the country to prosperity.

This generation created a city where neighbors cared for neighbors and children were safe.

This generation created schools that maximized each child's potential and allowed us to respond to rich economic opportunities.

Truly, this generation created a city that sustained life.

I ask you today to join me in creating such a city in the days and months ahead. Sustainability means all of us working together: for racial justice, for economic vitality, for environmental integrity. Together we can and must write a new and exciting chapter in the history of our city.

Thank you.