



THE MAYOR'S
STATE OF THE CITY
M E M P H I S • 2 0 1 2

I am grateful to you for joining me today as we consider the state of our city.

I appreciate President Essex in allowing us to meet on a campus where students are educated every day for real jobs in the real world. I want to also congratulate President Essex on the groundbreaking event that will occur in the coming months on the new 74,000 square foot Nursing, Natural Science, and Biotechnology Facility on Union Avenue. Along with the Memphis Medical Center, UT Health Science Center, and the Bioworks Foundation, this new facility will add to the vibrancy of this neighborhood in the areas of research, education, and service.

The turnout today gratifies me because it reflects the sense of purpose that we all share in moving Memphis ahead and in tackling the hardest issues with the greatest resolve to achieve the boldest results.

I welcome members of the City Council. We may not always agree on everything, but on this we agree completely: this is a defining moment in the history of this great city. We will prove that government can work and we will prove that the confidence of our people is well-placed. I have talked with every member of City Council and I am grateful for their input and suggestions about the state of the city.

I appreciate those of you from the business community that are working for this city by creating opportunity, volunteering for civic action, and contributing to a renewed self-confidence that tells us that we can accomplish anything that we set out to do.

To members of neighborhood groups, grassroots organizations, and advocates for a livable Memphis, thank you for inspiring us to reach higher and so often showing us how. It is in fighting for the future of every neighborhood and working as activists for progress that you exemplify the true nature of citizenship.

To members of civic organizations, economic growth coalitions, philanthropies, and nonprofit groups, thank you for all that you do for this city. You have served as leaders in important initiatives from the city's Business Assessment Committee to the Memphis Fast Forward. While working on the front lines for change, you also manage to innovate for Memphis and to motivate us all.

Finally, to the people of Memphis, I am humbled by your mandate at the ballot box. There is not a day that goes by that I am not motivated by the confidence you have placed in me and inspired by your belief in our city. And to my family, there are no words adequate to express my gratitude to you for your support and help.

Today, we come together only a few steps from Sun Records and a few blocks from Stax Records. Across Union Avenue is a statue of Nathan Bedford Forrest and nearby is newly named Martin Luther King Avenue. Not far from here are the ghosts of the grand homes that once lined the streets in this area and the new homes built after we transformed public housing.

In other words, we live in a city known for its contrasts and its diversity. It's given us legendary music, brilliant entrepreneurs, and a fierce determination to survive everything from the Civil War, yellow fever epidemics, political bosses, an assassin's bullet, and a global recession.

Memphis is a city built on hard work and harmony, a place where business moves fast but life doesn't. It's a city with grit and soul, a place where people feel comfortable moving to their own beat. Connected to the rest of the world by runways, rail lines, roads, and the Mississippi River, Memphis moves forward with a spirit of individualism, innovation, pragmatism, and possibility.

So, let me say something that I know all of you would say as well: *I am proud to be a Memphian.*

I am proud to be part of a city whose music is known all over the world; where a company, FedEx, can deliver anything to anyone around the world; and where a cathedral of caring and curing called St. Jude Children's Research Hospital has for 50 years served as a beacon for children from around the world seeking its miracles.

We are a purpose-driven city, and that's why I am relentlessly optimistic about the coming year, upbeat about our possibilities, and confident in our ability to excel.

If history tells us anything about Memphis, we are at our best when things are at their worst.

That is not where we find ourselves today. *The state of the city is strong and resilient.*

In the face of a global recession, we recorded impressive jobs growth, attracted new business investments, and created new economic engines.

We launched new programs to revitalize our neighborhoods, to improve downtown, to reduce crime even more, and to increase minority business opportunity.

We led a green revolution with bike lanes and greenways.

We created a think tank of the nation's leading philanthropies to solve long-time structural problems like poverty, low educational levels, and low median household income.

We have a renewed sense of confidence, a "no excuses" government with uncompromising integrity, a new brand of active and involved citizenship, and an infectious "can-do" attitude.

Let there be no misunderstanding. We should be proud of what we have accomplished in such a short time.

In fact, city government, the Greater Memphis Chamber, and the Convention and Visitors Bureau are so proud that we will soon announce a comeback campaign urging former Memphians, our family members in other cities, and visitors to return and experience the excitement for themselves.

We are proving every day that we have the power in our own hands to make Memphis a city of choice. This is no mere slogan or bumper sticker. It is our time. It is our destiny.

Here's how we describe it in our vision for city government: "In Memphis, we create safe and vibrant places for people to live, learn, work, and play. Our economy grows prosperity and opportunity for all. We invest in our young people so that talent is developed and retained. We advance a culture of excellence in government so that we are responsive, accountable, and successful in meeting core needs."

Those are a lot of important-sounding words, but here's what success looks like to me: every person in this city has the opportunity for a good-paying job, to live in a neighborhood where children aren't taught where to hide when they hear gunshots, to attend schools that open up choices for their future, to punish swiftly those who bring violence to our streets, and to have parks, greenlines, and recreational opportunities for healthy living.

The job of a big city mayor is often like being on a roller coaster. That was never more true than in a span of 48 hours last week.

I was proud that we are creating new jobs and attracting \$1 billion in investment from new and expanding businesses.

I was frustrated that we continue to root out corruption by a few city employees who think our code of ethics are just words on the page rather than a calling to serve the public.

I was angry that the price that a 17-year-old boy paid for attending a basketball game was being shot and killed.

But those 48 hours reminded me why you and I must accelerate our plans, concentrate on the key priorities, elevate our performance, and align our efforts. That's why I am announcing today four priorities for the next four years that have the power to change the trajectory of Memphis.

We will work every day to:

- Create safe and vibrant neighborhoods
- Grow prosperity and opportunity for all
- Invest in our young people
- Advance a culture of excellence in city government

To jump start our work, I have launched an ambitious, aggressive 100 Days agenda that will set in motion crucial work on these priorities. They target the most challenging issues in Memphis but they also promise the most impact if we can turn around the problems that have been decades in the making.

Our city's long-time income disparity is ice on our economic wings. The number of Memphians living in poverty has essentially been the same for 30 years, and it is simply unacceptable. We have too many people who are unemployed and even more who are underemployed.

The density of many Memphis neighborhoods is half of what it was only a few decades ago, and this aggravates the problem of blight and crime and increases the costs of city services. There are too many vacant houses and too many families struggling to keep their homes.

That's why city government will act with an impatience for the status quo and business as usual.

This is our moment. This is our time.

Within 100 days, we will announce our investment in Memphis neighborhoods. Our neighborhoods are the connective tissue that ties together our work on jobs, education, public safety, and quality of place. That's why we will be deliberate in assessing the needs of our neighborhoods, in developing a plan of investment with residents to respond, and in executing a sustained program of improvements.

These reinvestment strategies will be implemented by a strike force equipped to act courageously and in solidarity with the people in our neighborhoods.

This is our moment. This is our time.

We will work in the next 100 days to develop procedures to determine the condition of every park in Memphis, to develop a consistent plan of maintenance and consistent standards for equipment and programming, and to recommend ways to partner with neighborhood groups so city government helps them oversee and operate their own neighborhood parks.

Neighborhood parks are the backbone of our parks system, and we will ensure the equitable distribution of resources and connect parks to greenlines to open up new opportunities for healthier lifestyles. We are also working to strengthen the presence of the Redbirds in our city by reimagining our relationships and refinancing costs. As part of this process, we will also bring competitive baseball back into our neighborhoods.

Meanwhile, in the next 100 days, we will move to create a new seven-acre park on our riverfront to replace the Lonestar concrete plant. Before the end of the year, there will be another special place on our most important natural resource: our riverfront.

The riverfront was Memphis' first great place. On the north, there is the construction of a reinvented Pyramid and ultimately, new landscape, and streetscape to upgrade the entrance to downtown off I-40. On the south, Beale Street Landing moves toward completion.

Because of these new anchors on our riverfront, we will embark in the next 100 days on a place-making process to find consensus about how we can protect the riverfront while making it more active and vibrant. Our purpose is not to create a master plan, but to set a general direction for the riverfront that we can all support so it can once again be a force for harmony rather than conflict.

This is our moment. This is our time.

In our neighborhoods, there is no success story more dramatic than our fight to reduce crime. While our crime rates have seen record drops, our work has just begun.

In the next 100 days, we will move ahead with community policing programs, reentry programs to return former felons to lives as productive citizens, programs to give deserving youth alternatives to Juvenile Court, Metro Gang Unit, and plans to put more cameras in high-crime areas.

We will fight gun violence and gang activity, and we'll do it with a carrot and a stick. We'll punish strictly anyone who uses a gun in the commission of a crime, but we'll also create the jobs that give youths better choices for their lives.

In addition, the Police Executive Research Forum will begin to examine the Memphis Police Department's systems, priorities, plans of attack, and manpower deployment. This review will guarantee that the police department is operating at peak performance. We are making important progress, but we can do more.

This is our moment. This is our time.

Today, about one in two Memphis children live in neighborhoods of concentrated poverty where crime, blight, and economic vulnerability are all too common. These high stress environments put the optimal brain development of our youngest children at risk. In the first three years of a child's life, research has proven that the brain grows to 80 percent of its adult size; however, in those days, less than three percent of money spent on education is spent getting infants and toddlers hard-wired to learn.

In two years, city government's role in education will change but our responsibility won't. Research indicates that what takes place outside of the classroom is just as important in determining academic success as what happens inside it. That's why city government should take its work to the neighborhoods and to the youngest children in Memphis.

We must find ways to expand Early Head Start so every child can attend rather than the fortunate few, and we must pilot intervention strategies that give every child a fair start in life.

Our progress as a city can be no faster than our progress in education. That's why city government will always have a job to do. In the next 100 days, I will convene a special task force to evaluate the best strategies for early childhood development and to make recommendations for investing the money now allocated to school funding so our children are ready for school and life.

This is our moment. This is our time.

As for our neighborhoods, we will make recommendations in the next 100 days to deal with the flooding problems in Memphis. Our community has 165 drainage basins and

13 are problematic. It's an issue that cries out for more than crisis management. It demands an overall plan of action and a strategic context for action.

This also applies to anti-blight and clean up programs. With the merger of three divisions, we have now aligned city services to be more coordinated and have more impact. However, to succeed, we need the help of our neighborhoods. Already, we are entering into contracts with grassroots groups to clean up and cut weeds in their neighborhoods. In the coming 100 days, we will expand this program and build on the lessons learned from last year's 25-square block strategy.

This is our moment. This is our time.

Blue Crush and the Real Time Crime Center have proven the power of technology and data to change the way city government does business. In the next 100 days, we will begin the first phase of 311. It is a crucial part of a performance management system that will be built to measure and hold divisions accountable for achieving their goals.

Today, there are 400 listings in the phone book for non-emergency phone numbers to city government. In the future, citizens will only need one – 3.1.1.

But improved customer service only hints at the impact of 3.1.1., because it will usher in a system to improve performance, accountability, and efficiency.

This is our moment. This is our time.

When I took office two years ago, I pledged that a leading priority of mine would be to get Memphis into national conversations about the future of cities. Today, we have Bloomberg Philanthropies, Brookings Institution, National Endowment for the Arts, and the White House's Strong Cities program working with us in city government.

We have in effect created our own national think tank focused only on the problems of Memphis, and for the first time in history, we are a national hub for innovative answers to tough urban issues. To underscore that point, in just a few weeks, the Lumina Foundation will partner with me to convene mayors from across the U.S. regarding Latino Student College Completion.

All of this attention and help could not have come at a better time. We must attack the structural problems that have been an undertow on Memphis' progress for generations. These national experts help us address these entrenched issues and to find new ways to break the back of issues like poverty and neighborhood decline.

In the coming 100 days, we will unveil our Blueprint for Prosperity plan. It is our strategic program to reduce the number of Memphians living in poverty and give them the

training, human services, encouragement, and help that they need to move from dependency to self-sufficiency.

It will also connect to the important economic development work done by Memphis Fast Forward for the past five years. Our priorities for the next four years complement and build on its success, and we will remain engaged as the Memphis-Shelby Growth Alliance, the successor to Memphis ED, begins its work.

This is our moment. This is our time.

In the next 100 days, we will roll out one of our most important economic development priorities – MORE, the Mayor’s Office of Resources and Enterprise. It’s the hub of information and help for small businesses and minority and women-owned businesses in the Memphis area. For the first time, we will have a coordinated approach to promote services and provide resources to create new entrepreneurs and expand existing businesses.

We have already proven that we can make substantive changes in this area. About half of the work at Tiger Lane was handled by minority firms, and the first two phases of work at The Pyramid averaged about 45 percent. It’s about access and information. It’s about being intentional in connecting minority and women-owned businesses to opportunities to compete on a level playing field.

Additionally, over the last year, through the work of the Minority Business Development and Oversight Commission, we have been able to increase city contracting opportunities for minority and women owned businesses by some 170 percent.

This is our moment. This is our time.

Working with the Brookings Institution, in the next 100 days, we will analyze our economy, identify a new, prime economic development opportunity, and capitalize on it to create major new investment and jobs growth.

In the next 100 days, the Workforce Investment Network will launch a new program that plays to our strengths by training our citizens for jobs in high-growth sectors. The philosophy is sound. It takes a demand-driven workforce development strategy that begins by knowing what local companies need but it is also poised to train workers for the jobs of the future.

As we create more jobs, we have to be sure that our people can get to them. That’s why major improvements under way at MATA are so important. In the next 100 days, we will roll out state-of-the-art technology tools that allow passengers access to real time arrival and departure information, real time locations on the Web, automatic

announcement of stops, and installation of security cameras with live streaming capabilities.

MATA is also taking the first steps toward other changes that will upgrade customers' experiences and bring new customers to public transit.

This is our moment. This is our time.

Trained workers, better connections to jobs, and more entrepreneurs are key to our success and prepare us to succeed in today's complex global economy. But we need to do more from a regional platform.

The concept of regionalism has been around for 15 years, but it's never been more important than now. In the global economy, the unit of competition is the region. In the next 100 days, I will invite my fellow mayors from across the Mid-South to meet with the purpose of considering ways for us to work together on a shared agenda.

We have much more to unite us than to divide us, particularly with issues like transportation, higher education, medicine and health, entertainment and arts, workforce development, emergency preparedness, and law enforcement.

There are decisions on these issues that we should make collectively. Our world is likely to have a new normal, and because of it, we have to find ways to support each other, learn from each other, and work together in bipartisan, boundary-crossing ways so we can compete with other regions around the world rather than with each other.

This is our moment. This is our time.

One key opportunity for the region is to capitalize the potential of Memphis International Airport and to develop the area around it into a job generator and economic engine. FedEx is investing more than \$12 billion into its global hub strategy, and we must make sure that Memphis is always a cornerstone of that strategy.

We do this with a detailed plan to make sure Memphis is a major global gateway city. We are just beginning the logistics revolution, but our place in that revolution is not guaranteed. We have world-class assets, but we have to create a comprehensive plan and organization to leverage so we can compete in a global context we could not even imagine just a few years ago.

In the next 100 days, we will develop a plan of action to make that happen.

This is our moment. This is our time.

Of course, everything that we do depends on the financial strength of city government. We made some difficult financial decisions last year, but in the coming years, the degree of difficulty will only increase.

With the next reappraisal, Memphis' total assessments will decline for the first time in modern history. We also face a major increase in bond payments.

Budget deliberations now are too often finding the best choice from a list of poor options – increasing a tax rate that threatens our competitiveness or cutting services that are the threads holding together the fabric of our citizens' lives.

Already, innovative financing on some major projects like The Pyramid means that we didn't have to spend a dollar of city taxes on that project. The same will be done on the Fairgrounds redevelopment and the Pinch Historic Retail District. We have won a record number of HOPE VI grants that allowed us to end public housing and rebuild neighborhoods, and to do it without any city tax dollars. We have received grants from national philanthropies to attack poverty and handgun violence, build neighborhood-based jobs, and find a prime, new economic opportunity for Memphis.

In the next 100 days, we will develop a five-year strategic management and fiscal program for city government. It becomes the blueprint for future decision-making about operating and debt service expenditures, revenues, capital costs, maintenance costs, staffing, asset management, and OPEB funding.

In other words, the five-year plan requires us to examine the interlocking factors that drive the city budget. In particular, we must find ways to work with our unions to take a look at retiree pension benefits so that pensions will still be there when future employees get ready to retire.

Runaway pension costs are a destabilizing force in city finances, and just as our police officers and firefighters protect us every day, we need them to work with us to protect the future financial health of city government itself. Together, we can create a system that is fair, sensible, and predictable. Most of all, we cannot create a system that pays present benefits simply by shoving them on future employees and taxpayers.

The five-year fiscal plan requires us to put everything on the table, beginning with an unbiased, objective look at the operations and financing of government services. It includes right-sizing government, managed competition, better deployment of our workforce, the location and number of public facilities, better uses of city-owned buildings in prime locations so they generate property taxes, joint service agreements with other public entities, and a comprehensive look at the kind of tax structure that is more equitable to Memphis taxpayers.

While there are no quick fixes, we can make the hard decisions about long ignored infrastructure, investments and incentives that spur our economy and vault Memphis over peer cities, about balancing tax policies and cutting the costs of government by injecting more accountability and performance measurements.

Our aim with the five-year plan is to institutionalize a more creative way of evaluating priorities and funding. It's about marrying the strategic and the tactical, it's forward-thinking, and it's about connecting the dots. Most of all, it's a new way of doing business for the city of Memphis.

This is our moment. This is our time.

These are the major brush strokes for our work in the next 100 days. There is much more, and you'll hear more about them as we move ahead.

To drive this ambitious agenda, I am creating a three-person leadership team that will analyze, plan, and implement the strategies for these priorities that propel us forward. George Little will act as chief administrative officer, Robert Lipscomb will head up strategic planning and policy development, chief finance officer will be engaged to direct our fiscal planning and forecasts.

We will establish a strategic planning and policy development function that will evaluate city projects, recommend city policies, coordinate city grants, and identify strategic opportunities.

As we begin, I acknowledge that our agenda will not be completed in 100 days or in 1,000 days or perhaps not even during this term. Memphis' structural challenges are long-standing and will not be solved without sustained work. And yet, if we abandon the short-term focus of government that too often results in short-term answers, we can address these four priorities and control our own destiny.

Let me say it again, our priorities for the next four years are to create safe and vibrant neighborhoods, grow prosperity and opportunity for all, invest in our young people, and advance a culture of excellence in government.

If you want to know how my days will be spent in the next four years, this is it.

As I come to end my remarks today, I will share a scripture with you from the Book of Proverbs written by Solomon. Those words are simply, "*As a man thinketh in his heart, so is he.*" Quite frankly, the greatest obstacle we face in accomplishing all we set out to do and **in** reaching our highest heights as a city is not tied to what we have in our coffers or even in our capital improvement plans. Our biggest obstacle or motivator is instead what we carry in our hearts and souls for as a "CITY thinketh in its heart, so is she."

Some think in their hearts that we are not to be mentioned among the cities whose profiles hover over our daily lives. Some have adopted the notion that we must solve all of our problems before we can truly celebrate Memphis. For them, every advance is countered with what we have yet to do and accomplish.

For those individuals I say to you that we are not ignoring the challenges we face. We are not hiding our flaws. But we refuse to wait for some future date to celebrate who we are. That time is now. We will sing while we work. We will celebrate who we are before we mark what we have done.

We are bound by an upward hope that encourages us during dark days. We are united around a belief in hard work and reaching goals through a daily grind. We have in our hearts a resilience of spirit that lights this region and inspires the world. And as people of this great city, we will meet every challenge with a soaring optimism and we will celebrate our destinations as well as the journey to get there.

THIS IS OUR MOMENT, THIS IS OUR TIME.