

## **2016 STATE OF THE CITY ADDRESS**

### **Introduction**

It is my pleasure to be here with you once again to discuss my favorite subject – the great City of Columbus, Georgia. I want to thank the Chamber for giving us this opportunity to come together in order to share thoughts on our accomplishments, our remaining challenges and our possibilities.

At the outset, I want to thank our partners at the Ft. Benning Maneuver Center of Excellence for being in attendance and for working hand-and-hand with us on preserving and expanding this tremendous military resource for our country and this tremendous economic driver for our region. We also thank you for joining us on our tee-league fields, in our schools, in our church pews, and at our community events. You are our friends and neighbors, as well as our heroes, and we appreciate your presence today.

Likewise, it is good to see our business leaders, education leaders, Young Professionals and faith-based community out in force to hear this special update. We thank you for your engagement and vision. We are dependent on you to help lead us to the next big thing for this city.

I want to recognize the elected and appointed officials who dutifully serve our community, including my colleagues on the Columbus Council who make the tough decisions that allow us to move forward and our executive management team, including our esteemed City Manager, Isaiah Hugley, our City Attorney and Assistant City Attorney, our Deputy City Managers, Department Heads and my Office staff. They lead a mighty force of nearly three thousand consolidated government employees who get up each day committed to working for you so that you need not worry about the civic infrastructure that enables your day and your life. We have a remarkable team and it is my honor and privilege to serve along side of them.

In fact, I will share with you something the media did not fully report. At 7:45 a.m. on Christmas morning, our City Manager and our Emergency Management Team to include Pat Biegler of Public Works, Sandra Hunter of Metra, Deputy City Manager Lisa Goodwin, Riley Land who heads our Emergency Management Team, Robert Futrell of Homeland Security, J.D. Hawk of the Columbus Police Department, Mike Burgess and Donna Newman of our Engineering Department, our partners at Georgia Power and others gathered for a meeting on the severe flooding we were experiencing and that was expected to grow worse. The possibility that we would have to evacuate hundreds of homes in Oakland Park on Christmas morning was discussed. But, because of the expertise of our employees and partners, the city knew precisely where the water would go and how it would likely affect our community. Accordingly, we had the luxury of monitoring the situation while allowing citizens to enjoy their Christmas morning unencumbered by the disruption and worry of evacuation. None of the team members returned home prior to 11:00 a.m., and for most it was much later than that. So, today, for all those public servants who show up and dutifully, yet silently, serve us and

protect us and our property - even on Christmas morning - let's give them a well-deserved round of applause.

### **A Year of Miracles**

This year I would like to talk to you a bit about miracles. 2015 was a year when my faith in miracles was reaffirmed. It wasn't just one, it was several. I think the evidence of these miracles teaches us anew that great things are possible, that even seemingly insurmountable challenges can be overcome. On a personal note, many of you are aware that my undergraduate alma mater, Sweet Briar College, was shockingly announced in March of 2015 to be closing due to proclaimed negative financial and enrollment trends. Yet, thousands of alumnae from around the world marshaled an incredible response to this so-called "done deal." We raised \$28.5 million dollars in 110 days. We converted some \$14 million of that to cash in just 70 days. We went to the Virginia Supreme Court on expedited appeal and won. We engaged the Virginia Attorney General and reached a settlement that required the college stay open, the old board and president resign and new leadership be installed. In four months time from the doomsday announcement that was purportedly etched in stone, the college was back in business, opening in the Fall on time and, now, is on course to welcome one of the largest freshmen classes in the college's history. There isn't an odds maker in Las Vegas that would have given you two bits for the likelihood of that happening – any of it, much less all of it. And, yet it did happen. Contrary to the critics and the pundits and the higher education experts, this remarkable, improbable story unfolded in real life.

I recount for you this seemingly irrelevant matter because I want you to appreciate that a force of people of goodwill can come together to do the impossible. If thousands of women disconnected by geography, age and life circumstance can band together to pull off such a feat in an incredibly short period of time, what can we as a Columbus, Georgia community do if we come together to tackle the improbable?

### **Homelessness - A Community of Compassion and Action**

I tell you what we can do if we come together; we can cure homelessness. Do not laugh or roll your eyes, because we already have in part. The first step in this miraculous occurrence is that city leaders came together several years ago to launch a Ten-Year Plan to End Homelessness. Then, our philanthropic leaders and Columbus Council thought enough of the possibility to invest in its success. The United Way agreed to house the spearheading organization called Home For Good and a tremendous board and group of community stakeholders were brought together devoted to the implementation of the ten-year plan. Then, another miracle occurred. Columbus became one of just 70 cities chosen nationwide to participate in the transformative Zero 2016 campaign to end homelessness by permanently housing those that experience homelessness and by providing the supportive services those individuals and families need to stay housed and safe.

Long thought to be a challenge with no solution, Columbus, Georgia, through the Zero 2016 Campaign, the Housing First strategy and our community partners, has changed the course of homelessness by permanently housing 86 homeless veterans. In just one year, we have reached the goal of “functional zero” for our homeless veteran population, meaning Columbus has either housed all of its homeless veterans, or has the capacity and services to do so as other homeless veterans are identified. We additionally have housed 55 chronically homeless (non-veterans) in the Zero 2016 Campaign, and are on our way to meeting our second goal of “functional zero” for the chronically homeless, who largely make up the encampments around town, by the close of 2016.

We also have achieved the successful coordination of local homeless feeding ministries, thanks in large part to service providers and faith-based ministries, so that we can transition as a community from the mere sustaining of those experiencing homelessness to a systemized collaboration that builds relationships, connects people with services and provides immediate permanent housing for those in need. Few cities have accomplished such collaboration, and, yet, here we are in the forefront of cities nationally. Folks, that’s a miracle, and it reflects the Columbus, Georgia spirit, ingenuity and teamwork that tells me that anything is possible in this city.

### **Addressing Poverty Through Reversing Blight and Improving Infrastructure**

Much like addressing homelessness, people have assumed for decades or more that poverty is to be tolerated and isolated. There has been little hope of meaningfully addressing poverty on a broad scale. The truth is that addressing poverty on a broad scale is in large part a national macro-economic challenge. On a local level, most assume that addressing poverty requires social, programmatic or faith-based solutions, but the hard truth is that if there is not a broad civic economic and physical infrastructure in which the effect of those programs can take root, you are talking about the arduous task of lifting people out of poverty one person at a time.

When we talk about crime in Columbus, we need to understand that we have made law enforcement improvements through the generosity of the taxpayer’s OLOST proceeds, and those law enforcements improvements have borne fruit. We have had some of the lowest crime rates in the last five years that we have had in fifteen years. And, yet, crime is still too high, so we have to take our fight to the next level. We have to hit crime where it is coming from, and it is largely coming from areas of economic distress and community disintegration – large areas plagued by poverty and disinvestment.

Can we, in this extraordinary Columbus, Georgia community, change the narrative and seek to reverse poverty or, at least, stem its tide? You bet we can.

I suggest, as do others, that cities can build communities where people and the private sector can prosper and where non-profit or faith-based organizations can meaningfully till the field to reverse the effects of poverty. As you have heard me say many times, if we are to be a prosperous city, we simply cannot have large areas of disinvestment where businesses and

families that can leave - do. We have to bring economically diverse populations back to areas previously left behind - and this will not happen overnight. We literally are tasked with recreating the structure needed for neighborhood economies.

We took a major step in doing this in 2014, when after one failed attempt, we adopted the powerful tool of redevelopment districts. We could have accepted the prior failure to pass Redevelopment District powers in 2007 and given up on this prosperity tool. But, instead, we came together and would not allow opportunity to pass us by. And, in December of 2015, the Columbus Council approved the Benning Tech Park Redevelopment District, the county's first such district under its new Redevelopment Powers Authority. The 1232-acre district is expected to bring 1,800 jobs and \$118 million in capital investment to previously under-developed land in a blighted area of our community and to add \$47.5 million in ad valorem value to our digest at full build out. This type of investment could be a game changer for South Columbus and for the city.

And, the momentum to reverse blight and poverty does not look like it will stop there. Council has said it will take up consideration of three other prospective Redevelopment Districts in the New Year, which districts include the proposed City Village-Second Avenue District (once part of the community's highest violent crime area), the long-languishing Liberty-Sixth Avenue District, and the Uptown District, all with the combined potential of adding hundreds of millions of dollars in community building, job creation and capital investment to areas which are currently under-utilized. These efforts could fundamentally shift the growth that has been flowing out of Columbus back into the geographic heart of our city. And, that will be instrumental in helping us bring economic diversity to areas of blight and will aid us in combating the economic and social effects of concentrated poverty.

We are putting other pieces of the prosperity puzzle together, too. In 2015, our Columbus Council approved a long awaited revision to our Metra public transportation bus lines in order to meet the city's present day needs. We added third-shift bus service for those dependent on the bus for getting to and from work, and expanded our Dial-A-Ride service for those with disabilities. This was made possible by the generosity of our citizens through \$22.4 million in TSPLOST funds.

We intend to take this investment further into the future as the generations coming up are demanding a public transit system of choice, not just of necessity. Cities that intend to be competitive in the future will not have transit systems that are defined by economic stigma, but will have transit systems defined by the ease and reliability of travel and by the enjoyment of experience. That is the goal here in Columbus – to have a public transit system so accessible, so reliable, and so desirable that someone with options in life will choose to leave the car in the garage in order to enjoy the experience of an excellent public transportation system. And, frankly, that is the same exceptional transit system to which our citizens in need are entitled.

We have done what some said could not be done. We have shaken the myths of the past that lost us the opportunity of Redevelopment Districts the first time around in 2007. We have

begun to bridge the divides created by economic stigma and separation. By bringing together people of community goodwill, faith and vision, we have launched transformative efforts to be a better city. So, don't tell me that we can't do big, difficult, seemingly impossible things in Columbus. Look how far we have come, even while sometimes fighting the head winds of the cynics and the overly skeptical.

### **Fiscal Structure and Budget Management**

Had you told me when I got into this Mayor business that I would be part of a team shepherding the city through some of the most austere times our region has ever seen, I would have believed you because by the winter of 2010, we were well into the Great Recession. If, however, you would have told me that five years later we would be dealing with the same economic stagnation and flat revenues, I don't know that I would have believed that.

I have to commend our Executive Management staff, though, for literally meeting me at the door on my way into office with a list of systemic issues in dire need of change and our Columbus Council who have been willing to adopt these proposed changes. One-by-one we have addressed systemic issues and almost uniformly reversed them to great positive effect. Such progress has been made in getting our house in order. We have largely reformed our budget – attempting to squeeze every bit of inefficiency and duplicative services from our local government system and structure.

Most recently, we have dramatically reduced the cost of our county jail system through an innovative effort led by Superior Court Judge Gil McBride, county officials and community partners. The dilemma of jail overcrowding and its cost dogs many communities, but in Muscogee County officials and community stakeholders have persevered through a recent solution called the Rapid Resolution Initiative, which in just five months has resulted in:

- A 12% decrease in the Jail “pending-felony” population;
- A 5% decrease in the overall jail population;
- The closing of one-wing of the jail;
- A \$514,000 decrease in direct jail costs; and,
- Over \$100,000 in indirect cost savings, such as medical expenses.

Also in 2015, we began the arduous process of reforming police pay through the Police Longevity and Retention Pay Plan in order to address pay compression problems that have developed over the years and we did so using largely existing funds. And, after years of community debate, we have implemented one day a week household garbage pick up, right-sizing our waste management service and deferring some \$450,000 in additional annual costs while increasing recycling, which saves us millions of dollars by increasing the longevity of our existing landfill.

We have moved these mountains in addition to other fiscally responsible steps we needed to take in order to meet the flat revenues of this era. Our other successes are by now well-known:

- Our Pension Reform has saved taxpayers \$3.6 million so far;
- Our employee healthcare reform has saved the taxpayers \$9 million so far;
- The renegotiation of our Medical Center contract has saved us over \$337,000 in its first year;
- The reform of our Worker’s Compensation program has saved us \$400,000 in administrative costs, has reduced claims costs by 60% and has reduced days out of work by 75%;
- The reduction in city subsidies to third-party affiliates has saved us \$876,000;
- The reduction of personnel costs has saved us \$1.34 million through the defunding of unfilled positions; and,
- The long overdue increases in user fees has saved some \$2.5 million in additional drawdown of our General Fund Reserve.

Just these few itemized efforts have saved taxpayers \$15.5 million over the past few years and have reduced the negative impact to our General Fund Reserve by some \$18 million.

Getting serious fiscal policy passed and implemented is like pushing rope – and I don’t care what jurisdiction you are in. So, know that this is real progress we have made, and in a nation and in an era where political solution making is rare to non-existent, we can say that the progress we have made in Columbus over these last several years is, indeed, miraculous.

### **Quality of Life**

As we talk about the amazing things we have accomplished together, we cannot overlook the tremendous quality of life enhancements that have been made in just the last year. Though some who are uninformed laugh at the suggestion that “quality of life” is an economic concept, know that quality of life is an essential counter balance to responsible fiscal policy, particularly in times of stagnation and austerity. Respected economists, investors and civic leaders will tell you that if your community is solely focused on austerity without investment in responsible quality of life projects, your community is one thing and one thing only – dying. In these difficult financial times, it is essential that we do what we can to continue to invest in the infrastructure and vibrancy we need to be a competitive city in the future. So, we partner and compete for grants and study best practices to become more agile in finding strategies to leverage our resources so that quality of life improvements are made.

For instance, in 2015, Columbus was one of nine cities (out of 538 cities) in the State of Georgia to be named a “Bronze Level Bike Friendly City” by the League of American Bicyclists, while the Columbus Civic Center was named the state’s largest “Silver Level Bike Friendly Business.” It takes cities many years to garner this recognition, but Columbus achieved this status just months after declaring that we were determined to be the State’s first Silver Level city. This could not have been done without our friends at the River Valley Regional Commission, our CCG Planning Department, private individual leaders and local cycling enthusiasts who have

been working hard to connect our existing trails, install protected bike lanes and commence public education efforts so that we can be a best practices city. We, now, are on our way to becoming the state's first "Sliver Level Bike Friendly City" and joining the ranks of Denver, Colorado and other desirable cities in this important quality of life criterion.

Bolstering our goal to be the state's first Sliver Level City is the grant funding Columbus stakeholders obtained through the highly competitive Knight Foundation Civic Challenge, which funding will be used to design a cycling and pedestrian Minimum Grid that will connect the Uptown area with Midtown Columbus. We have initiated another civic relationship with the PATH Foundation to enhance cycling and pedestrian trails throughout the city, so that cycling and walking are not just modes of exercise or recreation, but are modes of transportation.

As the Millennials come of age and begin to dominate the workforce, we must remember that they will set the parameters of what defines a competitive city, and Millennials are insisting on transportation options that prior generations never considered feasible, or even desirable. The fact that we have come this far in the cycling and alternative transportation world in a relatively short period of time with very little financial outlay shows our City's capability to accomplish big things even in the most trying times.

### **Our Immediate Structural Challenges**

Despite these tremendous successes, Columbus, Georgia continues to fight certain structural limitations that hold our city back and keep us from the prosperity we would otherwise be capable of achieving. Based on the remarkable history of this community and on our recent record of success, I know we can address and change these issues, too. It is time to address the remaining elephant in the room, and as you might have guessed, I will use this opportunity and the privilege of the microphone today, to do just that.

Our remaining unaddressed structural challenge is the property tax freeze. A related challenge will be the potential fear or skepticism that will seek to inhibit us from addressing it.

Recently, our reinvigorated Chamber of Commerce has launched a Regional Prosperity Initiative to assess our community competitiveness for jobs and workforce talent and to tackle issues related to poverty, which affect school performance, crime and economic development. What that assessment has found is at the same time sobering and hopeful. First, the sobering news. Know that our Columbus region has had net zero job growth over the last thirty or so years, despite BRAC, Aflac, TSYS, the Bradley Company, Carmike, Synovus, NCR, Pratt-Whitney and other economic engines. We have been outpaced by almost every city of comparable size in a six state region to include Augusta, Rome, Savannah, Huntsville, and Fayetteville, North Carolina. We finished 58th out of 61 metro areas in six states, falling behind all but Albany, Anniston and Gadsden. We have had *de minimus* positive immigration (or population growth) over the last three decades, which is contrary to the explosive growth that has been experienced throughout this six state southeastern comparative.

This is shocking on the one hand because we all can recite chapter and verse on the individual acts of greatness we have achieved together in Columbus: Whitewater, Columbus State University, the River Walk, the revitalization of Uptown and Midtown, BRAC, and hundreds of millions of dollars of infrastructure investment in South Columbus, just to name a few. On the other hand, this long-term economic stagnation should not surprise us at all. We were forewarned.

First, decades ago we allowed fear and isolationism to keep us from what others of the day knew – joining the U.S. Interstate and Highway System would be a long-term infrastructure boon to our economy. We, however, chose the status quo and the economic opportunities passed us by for decades: and, they continue to do so. The growth we have had in Columbus has been in spite of this mistake, and we need to recognize our failure to join the U.S. interstate system as a mistake rooted in fear and unhealthy skepticism - the type of mistake we shall vow never to make again.

When you add to the revelation of our net zero job growth and our negligible population growth the fact that we are significantly outpaced by like-communities in a six state region that also have *no* U.S. interstate access, we have to stop and admit a hard reality to ourselves: the property tax freeze has hurt us, just as the 20% that voted against it from the outset predicted it would, just as studies of similar tax freezes show that they do. Our stagnation has been precisely those negative impacts predicted and proven in other jurisdictions. We have incentivized immobility, meaning people stay in one home longer than they normally would though their life circumstance may dictate another housing choice. We have strangled our local government by not allowing revenues to keep pace with the cost and demand for services of a competitive city. We have discouraged newcomers and upward mobility as those who would buy homes in Muscogee County understand that the Freeze means they will carry a disproportionate burden of property tax costs for at least 14 years. This causes new talent and regional immigration to live beyond our county borders and causes those of means who wish to buy a new home to do so as well - leaving behind the lower income families who have no capacity to move. On average those leaving Muscogee County for surrounding areas earn \$2,500 more per household than those who stay.

I'm sorry, but no legitimate claim can be made that our property tax freeze is anything but detrimental to this community. Are there families that it benefits? You bet there are. Just under 25 percent of families are benefited because they have owned their home for 14-years or more and are, therefore, on the positive side of the Freeze. The other 75 percent subsidize the 25 percent with starkly higher and disproportionate property taxes. As fewer families stay in one home for longer than 14 years, Muscogee County will become increasingly uncompetitive for population influx and workforce talent.

We now know this: our old way of doing things must be discarded and we must find new ways to thrive. We can no longer cater to the loud, emphatic voices calling for bad, injurious policy, no matter how adamant they are, no matter how respected they otherwise may be. We are at

a crossroads. Each one of you will need to help us in this choice of new policy for a new era – a new policy that will allow us to reap the benefit of our investment and our potential.

When we were kids, positive peer-pressure stopped us from eating the sand in the sand box. Now, as adults and community leaders, positive peer-pressure must be asserted to stop the myths and the fear that has allowed this flawed system to stay in place all these years and cause this damage to our community and our future. It is time to educate ourselves by going to [ThawTheFreeze.com](http://ThawTheFreeze.com), or by going to one of the many community forums on the subject, in order to be prepared to look your in-laws, your golfing buddies, your co-workers, your Sunday School classmates, or your neighbors in the eye and say, “No, sir, we can no longer have this tax system. We can no longer hurt ourselves and stymie our growth.”

The Thaw the Freeze proposal inflicts no harm. If you have the freeze, you will stay in the Freeze system, it will be retired, and no one else can enter it. All new property transfers will vest in a Fair Market Valuation system like the majority of systems around the state and country, but with an increased tax break in the form of a \$20,000 homestead exemption. We cannot allow those who, for the pride of authorship of the original Freeze proposal, or for the sake of extreme ideology or political sport, will attempt to thwart this opportunity for us to get it right and stop the decades long injury the current system has inflicted on us.

In 2015, we received the miracle of broad, though not unanimous, support from the city government, the school board and the Chamber of Commerce to place the “Thaw the Freeze” proposal on the November 8, 2016, General Election ballot. That constitutes a miracle, because I was assured that would not happen, and a handful of folks pledged to me that I could count the attempt dead in the water. That fear-laced prognostication fell victim to those who want a chance to test the voters’ appetite for a better tax system. Now, the issue rests in the hands of our esteemed State Legislative Delegation, nearly all of whom support putting the issue on the ballot so that the citizens can decide for themselves the tax system that will govern their future.

You are hereby deputized to go forth armed with facts and figures and a conviction that we will not repeat the mistakes of the past. I ask that you contact each member of our State Delegation and let them know you desire that this issue be on the ballot. When they do vote to place it on the ballot, I ask that you join us in any and every way you can in advocating for the passage of the ballot initiative to sunset our Property Tax Freeze.

Do not tell me we cannot do this because it is too hard, or too controversial. Just look at what we have accomplished thus far. Just look at the mountains that people of goodwill and commitment have proven we are capable of moving. And, I will tell you that after five-years of forums, debates, meetings and other community discussions on this topic, the people are ready for this change. The Thaw the Freeze proposal is poised to pass. Join us to make certain that it does.

## **Conclusion**

Yes, in Columbus, Georgia we are in the miracle business. It's what makes us great and sustains our hope for the next big challenge. Just like the alumnae of Sweet Briar College that accomplished the unimaginable to change a predestined course, our Columbus leadership and citizens have:

- raised \$100 million in the Columbus Challenge;
- blew a damned-up river back to its natural course;
- revived a lifeless downtown;
- elevated a community college to a prestigious affiliate of our state university system;
- resolved veteran homelessness by reaching our “functional zero”;
- started the process of reversing blight and poverty;
- got our fiscal house in order while largely maintaining demanded city services; and,
- placed our city on a new quality of life plateau.

We have borne witness to civic miracles. Because of our faith that the seemingly impossible is possible, we will find a way forward. We will not tolerate mischief-making or myth-based naysaying to derail our opportunities to change to a more productive course. We each will pick-up the mantle and take responsibility for putting our community's future on solid, more fertile, ground.

Yes, the State of our City is strong, but with your help it will be stronger, yet.