

State of the City Speech 2011

“Sustainable Rockford”

I. Introduction

City Council members, fellow elected officials, community and civic board leaders, fellow citizens and guests, good evening and welcome to the 2011 State of the City Address. It is once again my privilege to examine our past year, review our current opportunities and challenges, and look forward to our year ahead.

These continue to be challenging times. But I am very proud to stand before you tonight as mayor of a city that continues to battle through these tough times as we build our foundation for the future.

We are balancing budgets, working through labor contracts, and investing in our ongoing vision of Excellence Everywhere for Everyone. Despite our challenges, we are proving that we can solve our own problems and capitalize on our own opportunities. We are well on our way toward our vision for our community.

We are strong and we will grow stronger, so long as we act like “owners” who are in charge of our future. We must tell our own story and not be defined by others. We must not act like victims waiting for someone else to save us.

Because here’s the news in case you haven’t heard: we’re on our own!

We’re on our own in most respects and I’m just fine with that. In fact, there are many areas that I’ll cover tonight in which we’d be much better off if our federal and state governments would stop micro-managing and let us manage our own affairs.

This, by the way, is my definition of sustainability, the theme of my speech tonight. Sustainability is not just about energy and the environment. It’s about being a strong, self-reliant, prosperous, community. If it sounds familiar, it should be. That is, in fact, how this community was founded. We were a city of self-reliant, frugal pioneers migrating here from around the world. We used our skills and values to build great businesses and strong families. Somewhere along the way, we, and about 300 million other Americans, grew large, comfortable, and dependent on a lot of others. We spent too much, saved too little, assumed housing prices would always rise, and looked too often for a bailout. We stopped expecting and supporting our children to become employers, and instead, we hoped that someone else would employ them.

But we have a chance to do things a new way. This will involve a lot of the old ways, but with some major advances that will help us to make sure we don’t lose our way again.

I’m proud of this city. It’s a great place with even greater people. But our future sustainability compels us to ask the right questions; to have the right information; and to make sure we have the right people in the room to make the decisions. Each of you, our Rockford citizens and our

regional citizen partners, must be included in making the right decisions. Tonight, we will together examine the information. We will continue the discussion. And we will prepare to make the decisions needed for a sustainable future.

II. Financial Sustainability: A Premise for Excellence Everywhere for Everyone!

We know that we cannot take “Financial Sustainability” for granted. Our financial future continues to be threatened by inherited practices that are simply not sustainable.

We are not alone. Our City challenges reflect the same challenges felt throughout our Country. The Title of a recent, March 6, 2011, New York Times magazine article captured the essence of what so many communities are facing, “Broke Town, U.S.A.” The article mentioned the likes of Vallejo, CA; Harrisburgh, PA; or:

“Hamtramck, Mich., a small city within Detroit’s borders, says it could run out of money next month. Hamtramck has only 90 employees, yet it is saddled with the pensions and health care obligations of 252 retirees. Detroit itself is at risk. Large deficits will mean closing about half of the city’s schools and will push high-school class sizes to 60 students.”

Sound familiar? Indeed, governments at every level and in every State struggle. We feel it more acutely in Rockford than in most places.

In many respects, we have been in transition since the 1970’s. Until the late 1970’s, we were a WWII industrial economy that benefited from the national priorities of our society. The war effort and post war automobile baby boom created a rapidly expanding Rockford economy in which our borders, our schools, our incomes, and our population expanded rapidly. The national priorities also included many programs and approaches such as the “War on Poverty” and our national housing agenda that created central authorities in Washington and Springfield that began to micromanage our local community and subordinate our local decision making power.

Don’t get me wrong. There were many praiseworthy aspects of this work. In fact, many lives were transformed and improved through our national focus on civil rights, labor rights, education, and poverty. But times change. And somewhere along the way, our national efforts to improve our country turned into a practice where the federal and state bureaucracies have seemingly taken over control of our local agenda. Over time, I think we came to accept that Washington and Springfield would decide for us, and take care of us, and we ceded control of our future. As those bureaucracies grew stronger, much of our local civic power grew weaker.

The evidence is all around us that this way of doing business has failed us. Recent census data confirms that many of our City taxpayers have become poorer over the last 10 years and the gap between what our employees make and what their private sector counterparts make has become even wider. As I discussed in detail last year, our public housing system and “War on Poverty” has now become a trap for many who are stuck in a cycle of poverty. And we have created a collective bargaining system where taxpayers have become subordinated to a closed and confusing system that begs for reform.

It is unfortunate that many still look to our nation's capitol or State Capitol hoping that our President or Governor has the solution. My friends, the solution is right here. It's in this room tonight. It's right here in Rockford, Illinois. It is us. In the fast moving, global economy, we simply can't expect to be "taken care of" by Washington or Springfield. If we wait for them to tell us what to do, or do it for us, we will continue to be hobbled and weak. We can do much better. We owe it to ourselves and our history to do things differently. This is what we can do. This is the vision of a sustainable Rockford.

II. A. Budget, Pensions, Collective Bargaining Reform

In fact, we are demonstrating right now that we can be sustainable. I am so proud of the work of our City Council and community in 2010. Not only did we finish the year in the black, slightly ahead of our 2010 Budget projections, we also passed a balanced 2011 Budget, well ahead of the pace of prior years.

I want to thank again the work of our Budget & Finance Advisory Group which began its work in 2009 and continues to support our efforts. This group of community volunteers has assisted the city in finding solutions needed to balance our budgets. We also owe this accomplishment to the hard work of our aldermen, our employees, and to the highly visible process, which invited community involvement and critique.

We have worked to include our Council and community throughout the process. We had tough discussions on the Council floor and some even tougher negotiations with our collective bargaining units.

Collective Bargaining

But I want to thank our AFSCME bargaining unit for approving a new contract with a wage freeze. I want to also thank our Police Union for approving over \$400,000 in concessions.

We must do the same type of work in 2011 as we work to bridge another multi-million dollar projected budget gap in the 2012 Budget. I pledge continued transparency, openness, and collaboration. We will continue to involve our City Council and our community.

Unfortunately, without an agreement with our Fire Union, we now await a decision by an arbitrator on our 2011 wage opener that threatens our budget balance. My frank analysis is that the Fire Union's request for a one-year, 6% wage increase is totally out-of-line with the reality facing our taxpayers. I am further frustrated by arbitration rulings supporting the union's control over critical decisions over resource allocation.

Lack of Management Rights

Most people in this room tonight believe that our Chiefs, the Mayor, and the City Council have the right to determine how many ambulance companies, fire engines, or ladder companies we deploy; or how many detectives we have compared to patrol officers. Tragically, the power to make these decisions has been lost.

Our City taxpayers elect a Council and a Mayor to make tough decisions on resource allocation. Whether our limited funds should go to firefighting, policing, or public works should be the decisions of elected representatives. Our democracy is based on that foundation. When non-elected arbitrators and State laws rob our local democracy of those rights, we experience a modern form of taxation without representation. It is wrong. It needs to change. Our taxpayers have been robbed of the most important thing that controls prices in the private sector: competition.

Legislative Reform Efforts

That is why I have personally pushed for reforms that would give back to our local taxpayers and their elected representatives control over these basic decisions. Our City Council is supporting right now the passage of HB1673, which would require that an arbitrator not consider a city's ability to raise taxes when deciding an arbitration case between a city and their police or fire unions. Call me crazy, but I don't think a non-elected arbitrator, who doesn't even live in our community, should be able to base wage increase on the taxpayers being stuck with a future tax increase! Unfortunately, that is exactly what they get asked to do. *We want the law clarified to specify that "ability to pay" means our taxpayers ability to pay on current revenues not a future tax increase.*

Transparency is the key to bringing rights back to our taxpayers. The reason why arbitrators have gotten so much power and taxpayers so little is that the general public has had no idea what has been going on. The only way we will change the current system is by exposing the system through open and transparent communication and reporting. This is why we will also continue to drive performance improvements within our organization. We report our results and progress in an open partnership with our public. That's what we have been doing with our budget process. That's also how we manage our operations.

II. B. Operations Accomplishments

With all the challenges we have faced, I am especially proud of the work each of our city departments. Make no mistake; these are tough times. But our employees have gone the extra mile to get the job done. Each of our departments have worked with fewer employees and greater expectations from the public. In 2007, our Police Department had 305 sworn police officers, today we have 274. In 2008, our Public Works Department had 200 employees, today they have 167. Each department is operating with significantly fewer employees today than they had two, three, or four years ago. Yet every day, they get the job done and they do it well.

RockStat

I attribute much of our success in maintaining and improving service through our public RockStat reporting and accountability efforts. RockStat continues to help us improve efficiency and communication. Meetings are open to the public and we publish them on television and through the city's web site.

Thanks again to Heartland Church for its continued incredible support for this effort. Heartland Church supports our RockStat efforts, not only by offering the City the use of its facility, but also by providing many hours each month of staff support for professional digital recording and editing of our RockStat meetings. Thanks to those efforts, RockStat meetings are available to view every Friday night on Comcast Channel 17 or they can be downloaded from the City's web site.

Blizzard Response

Perhaps the greatest example of how well city employees can work together and beat the toughest odds has been our response to the recent blizzard. City of Rockford Police, Fire, and Public Works staff worked together to provide our citizens with fire, ambulance, police, and public works services throughout the storm. Our ambulances were running, our plows were doing their best to keep the roads clean, and our police responded to calls throughout the night. When the sun came up the next morning, when many other cities in northern Illinois had closed down, we were still going and our main roads were clear enough for travel.

Much of this credit goes to our Fire Department for organizing a Unified Command effort working with key partners like the County, ComEd, the airport, and the hospitals. We also began a documentation process which allowed us to apply for federal disaster funds.

This city kept working through the night. This city never gave up.

Public Safety

Despite being down 20 sworn officers since 2008, our community experienced another year of overall reduction in Part A crimes leading to a five-year total reduction of approximately 30%. *While we know we have a lot more work to do, that reduction is great news and a result of great work from our Department and this Community!*

We have also continued our work on Geographic Policing Pilot District and expect recommendations **from our Geographic Policing Team this summer**. I applaud the work of the officers from the RPD who volunteered to develop this Pilot District and have worked many hours on this process.

Police-Community Relations

We also continued our work this past year with the Department of Justice on a mediation process that has brought together management and union as well as a diverse group of churches, community organizations, and individuals so that we can build stronger relationships between our community and our police. This process promises significant changes that will help us be better informed by and supported by our community. This has been a long and involved process and I thank everyone that has participated in these discussions: local ministers, the NAACP, LULAC, our police union, aldermen, Police administration, Legal Department and Mayor's Office staff.

Fire Department

The Rockford Fire Department has faced a unique challenge this year. With budget challenges as they are, it has been difficult to maintain our aging fleet of vehicles. This means that maintaining trucks, ambulances, and ladders, needed to maintain the desired level of operations, can be very difficult. We are grateful for their continued great work.

Public Works

Despite being down over 20 employees since 2008, our Public Works Department has found a way to not only maintain but to improve services. They do this through teamwork and persistent analysis of each and every process. From focused initiatives like plowing or pot hole patching or larger projects like the modernization of our water system, this team is studying the details and finding non-traditional solutions that work.

I'd like to take this opportunity to share with you that our Water System Modernization is on track and on budget. As anticipated, the project will be completed in the first Quarter of 2012. The plan has continued with 87 % of the project now completed..

Health & Wellness

Since 2005, we have engaged in a systematic restructuring of our health insurance program designed to improve benefits and reduce costs.

With volunteers from throughout the organization, we continue to push for improving the health of our organization through our City Wellness program.

As a qualification for a discount for our City health insurance premiums, city employees participated in wellness screenings which measured their biometrics such as cholesterol, blood sugar, and blood pressure. 91% of our employees participated in these wellness screenings. The data collected allowed us to gain a better understanding of the health risks associated with our employee population and allows us to better plan and manage health care costs. More importantly, the screenings allowed some employees to recognized that they might be pre-diabetic or may have a health issue that required immediate attention.

We have lowered the cost of medical claims due to unhealthy behavior from 9% in 2005 to 5% in 2009. This is a \$1.1 million hard cost savings; but, more important than dollars, it has saved the lives of real people.

Biggest Loser Challenge

In short, we are taking charge of our future. Right now we have 170 employees or their covered family members taking part in our "Biggest Loser Pound for Pound Challenge. One of those employees happens to be me.

Like the other participants, I have signed up for the twelve week effort which involved an initial “weigh-in” where weight and body mass levels were recorded for comparison. My personal goal is to lose 20 pounds and improve my body mass (BMI) index through exercise. We have speakers and events throughout the twelve week effort and have also been offered discounts at area health club facilities for our participants. While the immediate goal of the program is better health for our employees and setting a good example for our community, we know everyone benefits through reduced health care costs.

This year, we will explore expanding our program in a partnership with Winnebago County to create a Healthy Rockford initiative and take advantage of Rockford’s tremendous health care industry. Not only will this improve our quality life; but, it will also be a source of jobs and economic development.

II. C. More Work Ahead

While we accomplished a lot in 2010, we know we have a busy year ahead. Our Budget work will begin early again as we anticipate another significant budget gap facing us in 2012. Our budget for 2011 contains many one-time savings and revenue opportunities and does not invest in capital equipment for our aging fleet of vehicles. Consequently, our work to reduce the 2012 deficit and develop sustainable operations will depend on the ongoing work of our Budget & Finance Advisory Group and, in particular, the Outsourcing Committee.

The Outsourcing Committee, lead by City Administrator Jim Ryan, and working with Council members, staff, community advisers, has been working with consulting firm, Baker Tilley. Recommendations from the Committee have gone to City Council and are now being implemented. The report estimates savings of over \$10 million dollars annually through various outsourcing and service delivery alternatives, including the following highlights

- Fleet Leasing (\$2 million in potential savings)
- Ambulance Service (\$1.5 million in potential savings)
- Fire Engine Manning reduction from 4 to 3 (\$5 million in potential savings)

We will work hard this year to evaluate these recommendations so we can continue to provide excellent services while balancing our budget. As I already mentioned, in some cases like the Fire Union’s minimum manning clause, we need either a voluntary concession or a change in State law to give that right back to our taxpayers and their elected representatives. I pledge to you my continued work to help us gain back the right to manage our affairs through the city council process instead of through the State legislature.

III. HUD Sustainability Grant Planning & Governance Process

You’ve heard me complain in past about the “silos” created by the Federal Government’s myriad of confusing and bureaucratic programs. Last year, I discussed that the positive news that some of these federal agencies were beginning to support a more coordinated approach.

As a result of these opportunities, the region's federally mandated Metropolitan Planning Organization, the Rockford Metropolitan Agency for Planning working with our local Economic Development District, sought and was awarded a \$600,000 Sustainability Grant provided by a partnership through HUD, EPA, and DOT. Over the coming months, we will use the grant to develop teams across the two-county region of Boone and Winnebago to help us build both a plan for the future and the governance structure to implement the plan.

We launched that effort on February 26 at a Summit attended by over 130 civic leaders. As I said at the summit, we must unite our political governance structure with our planning goals to achieve results. We must have grass roots "owners" tackling the very local, neighborhood based issues facing our region's families and businesses. Those "owners" must have a time and a place to make their opinions known to elected officials. Then, we must have an accountability and review process where we examine and measure the data to make sure we are progressing.

My request tonight is that our Rockford citizens participate in this process. Our goal is not to reinvent the wheel. If you already participate in a neighborhood or church group, we want to include your organization in the development of our plan and our ongoing efforts to reach our goals by holding each other accountable. To learn more about the process and to get involved check out the web site at www.ourvitalsigns.com.

III. Economic Sustainability

A sustainable Rockford must have a sustainable economy and we must be proactive in making that happen. As I have said before, we can't expect a "job fairy" to visit our community to sprinkle jobs to those who really need one. We must be aggressive. Job availability is directly related to the training, education, and experience of our workforce combined with a great job climate and aggressive marketing. Moreover, while we will continue to look for new jobs from new employers, whether nationally or internationally, the more fundamental opportunity we have to control our own destiny is to grow jobs from within.

This concept involves what should be the familiar notion of supporting and growing local inventors and entrepreneurs. This should sound familiar because that is how most of the large companies that are here were started long ago. In other words, we should expect that Rockford people should create Rockford jobs and we should be attractive to others who want their business to prosper in our positive employment climate.

Industry, Manufacturing, City Market

The great news is that we are demonstrating that we can do just that.

In 2010, we celebrated the opening of the State's first solar panel manufacturing facility right here in Rockford, Illinois. The Wanxiang solar panel assembly plant demonstrates our commitment to international trade and foreign direct investment that creates local jobs.

We also celebrated with Governor Quinn last year the investment of over \$5 million in federal stimulus funding to support the manufacture of parts for the wind industry at Ingersoll Machine

Tools. Talented Rockford companies like Ingersoll are demonstrating their ability to adapt to these new opportunities.

At my quarterly breakfast meetings with local manufacturers I am hearing more good news that local manufacturers are again hiring and looking to grow. With support from our local economic development partners like the RAEDC, we are listening to the needs of these manufacturers as we work to help them prosper. Time and time again, however, I hear the same thing. It continues to be a struggle, despite the challenges in the economy, to find qualified and well-trained workers. This challenge will limit our opportunities to grow from within.

Workforce Training and Business Support & Incubation

To develop opportunities from within, our local EIGER lab continues work through our Economic Development District and a partnership between communities in Southern Wisconsin and Northern Illinois to provide comprehensive entrepreneurial support at every stage of business development. We are sharing resources, facilities, curriculum, training, and collective expertise. The services include technical assistance, global resource development, market diversification, marketing and technology valuation, business retention programs, facilitation of foreign investments, capital needs assessment, and rapid prototyping.

I am also proud that our region's Workforce Investment Board, which I serve as Chairman of the Policy Board along with the County Board Chairs from Boone and Winnebago, is adopting with our local public schools a program called "WorkKeys" from the ACT testing corporation. WorkKeys is a standard test that will allow our students to identify their readiness for the workforce, will identify areas needed for improvement, and will allow our employers to quickly identify where an applicant might best fit within a job growth plan for their place of employment.

Together, our workforce training and business support agencies are helping us prepare and become a sustainable community.

City Market

From its initial concept last Spring to its launch and growth through the Summer, the Downtown Rockford City Market also demonstrated how small businesses can be incubated, fostered, and grown. The Market was born out of the Rock River Development Partnership and is a collaborative effort of several agencies, including the Rock River Development Partnership, On the Waterfront, Inc., Rockford Area Convention & Visitors Bureau, the River District, the City of Rockford, the Rockford Area Economic Development Council, and Smith Charitable Foundation. The City Market not only attracted hundreds of people Downtown on Friday nights spending money in our local economy, it allowed small entrepreneurs and students to test their ideas and develop their skills as small business owners.

With the help of Rock Valley's Small Business Development Center and the Eiger Lab, training was provided so that those small businesses could learn how to grow. I am proud to see that

many of those businesses that began in the market last year are now looking to open their own full-time retail location.

The City Market has been part of a growing focus on the production of “Local Foods” with the area now being home to numerous small farms growing local and organic foods that are sold to area families, restaurants, and grocers. I am proud to say that my own family had a share in one of the Local Foods Co-Ops which guaranteed for us that we would have farm-fresh food each week from local folks that we know. These local, small businesses are further demonstrating our ability to literally “grow our own” future.

With help from the State of Illinois’ River Edge Redevelopment Program, and leadership from the Rock River Development Partnership, the City received a commitment of support in 2010 to help us build an Indoor City Market this year which we hope to have open by this Fall. While the details are still being finalized, the Indoor Market will allow the Market to stay open year-round and provide more opportunities for a vibrant small-business climate to grow. I am very proud of the “do-it-yourself” “can do” attitude that is enabling the Market to succeed. Congratulations and good luck on the coming year!

Quality of Life/Tourism/Promotion

On Friday nights if you were Downtown last Summer, chances are that after visiting the City Market, you crossed the State Street Bridge to head to “Friday Night Flicks” at Davis Park. I want to congratulate our friends at RAVE, the Rockford Park District, and the Element for an outstanding summer of family focused movies and entertainment. Literally, thousands of Rockford area folks enjoyed our riverfront and enjoyed Davis Park through this creative partnership that will continue this year.

And let me thank the entire RAVE Board and staff for the transformation of that organization in 2010. With our partnership with County Board Chairman Christiansen, and the hard work of a volunteer group of advisers headed by civic leader Mike Dunn, we appointed a new board for the MetroCentre in 2010 which transformed the organization into the Rockford Area Venues and Entertainment Authority.

RAVE quickly set in motion steps that led to the hiring of private management firm SMG, which hired a new director, Gordon Kaye. They have been very busy since that transition and have great results to show. It was not easy, but with the support of the board, and in less than a year, SMG has cut staff costs, raised revenues, and lowered expenses. They are meeting their budget goals and on their way to becoming financially independent. And thanks to the corporate support of Harris Bank and another partnership with the Rockford Park District, RAVE brought more family fun to Davis Park this winter for the Harris Bank Winter Wonderland.

Building off the success of such partnerships like Friday Night Flicks last year, on the first Friday of each month, from 5 p.m. to midnight, a collaboration between The ELEMENT and downtown businesses feature a variety of music, food and visual art in downtown Rockford. The element brings together artists, entrepreneurs, and professionals integrating marketing to support creative jobs and a high quality of life for our community.

The Element has joined forces with the Rockford Area Arts Council and Rock Valley College to launch “The Business of Art” which provides classes designed to help creative artists and professionals to become economically strong small businesses.

Just this week, the Rockford City Council also approved a new agreement with the Rockford Area Convention and Visitor’s Bureau. The agreement came after a year of discussions and thanks to the combined leadership of City Administrator Jim Ryan, Alderman Ann Thompson-Kelly, and Bureau Director John Groh and his board.

Our City’s Budget challenge has forced us all to look long and hard at how we do business. The new agreement actually decreases the direct funding coming from the City Council to the RACVB; however, the agreement provides an additional challenge match for the Bureau for obtaining funds from regional partner communities. We know that our tourism assets help the entire region to thrive and now we are building a financial and governance model for the RACVB that will support regional strategies and investment in these great assets. The type of agreement we reached with the RACVB can be a model for many other non-profit and government partnership agreements in the future.

IV. Joint Task Force on Intergovernmental Cooperation

We have so many areas that we now are pursuing for greater efficiency through collaboration. Last year at the State of the City Address, I discussed the launch of the Joint Task Force on Intergovernmental Cooperation which was initiated by Chairman Christiansen and myself. I am proud that we have made significant progress in this effort.

With the help of our community advisers, we have identified numerous areas of cooperation and partnership. We will be announcing shortly numerous teams involving elected officials, community experts, and staff members from numerous departments. We have decided on several initial areas of study including Fleet Management & Maintenance; 911 and 311 intake and dispatch; Permitting, Plan Review/ Inspections & Enforcement; Public Housing; and Cooperative Policing.

Thanks to financial support from the Leadership Council of the RAEDC, we hired local civic leader, Mike Dunn, as Regional Director of Governmental Affairs to help facilitate our project planning and develop a consensus agenda for our State and Federal advocacy.

Poverty Reduction & Public Housing Reform:

While each of the areas of cooperation are important to our community’s future, I want to touch on one area tonight in detail which I spent considerable time in my speech last year. That is, public housing and the ongoing paradox that our country’s War on Poverty has created, as I said last year, a “public ‘safety net’ [that] has become for many a “web” keeping them stuck in poverty.” As I have said, “we penalize those who get married or get a job because their rent goes up and they may lose eligibility. The incentives are wrong but we don’t have the local authority to change the rules, which are set by Congress.”

This approach has resulted in many members of our community left dependent. This is not sustainable and has to change. That is why I continue to push for public housing reform. Despite some disagreements between our City and County Housing Authorities, the RHA and WCHA are now meeting and their efforts will be joined by community leaders and elected representatives to support a coordinated approach. We will jointly pursue the common goal of reducing government-induced poverty and improving the chances for prosperity for our whole community.

V. Call to Action

Rebuilding Rockford/Road Referendum

A sustainable city invests in itself, takes care of its physical assets like roads bridges and pathways, and invites investment that will create a dividend for State and Federal partners. I am proud that we are exercising those practices to be a sustainable city through our Rebuilding Rockford, voter approved referendum from 2007. Since the passage of the referendum in 2007, and through our City Council approved Capital Plan for 2011, we will have invested nearly \$70 million in local voter approved funds, combined with nearly \$20 million in Federal Motor Fuel Tax funds, and leveraged that with over \$96 million in other State and Federal funds for our community.

This means a major project like the rebuilding of Morgan Street Bridge can happen; this means that West State Street and South Main Streets can get rebuilt. This means that by the end of 2011 have created the equivalent of over 1700 full time jobs. We no longer beg for the State or Federal governments to take care of our assets, we are able to go to them with plans demonstrating how their investments in Rockford will deliver jobs, revenue, and success for all of us.

In 2007 when we were asking for our citizens to support passage of the Rebuilding Rockford Referendum, we made a lot of promises. Tonight, I can tell you that we kept our promises.

- We have improved over 62 miles of streets, beyond the 51.3 miles we promised.
- We promised property tax relief and we will have \$19.29 million in reductions.
- We promised that we would start investing in storm water management, and we have over \$5 million in neighborhood storm water investment and another \$8 million in leveraged funds.
- We promised a “pay as you go” road maintenance program and that is exactly what we have done to eliminated borrowing costs that drove up our cost of maintaining our roads.
- We promised to leverage more State and Federal funds and our combined work through 2011 will mean over \$96 million in leveraged funds!
- We promised to eliminate the city vehicle sticker and it is still gone.

- We promised that 100% of the 1% sales tax would go into our local public infrastructure and that is exactly what we did.

This is also why our City Council and our Rebuilding Rockford citizen leaders are asking for the continuation for another five years of our efforts. By asking our citizens to approve our plans again, we are demonstrating our faith in our voters being part of our local democracy and recognizing that its up to us to approve the best plan to maintain and build our own assets. We have to pay for our roads some way, and it is great to see that our voters have recognized that eliminating debt and reducing interest costs is the better way to go. This is a sustainable practice that can work for us because it involves each of us deciding how we will take care of our community assets. I greatly appreciate the trust placed in our city and look forward to continuing that work with another successful voter-approved referendum this Spring.

Public Schools

When I was elected Mayor in 2005, I ran on a platform of getting involved in our Rockford Public Schools. Now, more than ever, I know that **“as go our schools, so goes the city of Rockford.”** There is no greater influence on our job market, our crime rate, our tax base, and our overall sustainability than our educational infrastructure. That is exactly why our City Council and staff have ongoing work for truancy eradication, charter schools, student and teacher safety, school policing, traffic safety, and Alignment Rockford.

Charter Schools

I am proud of the work that we were able to do supporting our charter schools. Our charter schools are public schools, but are just one part of our public school system. Charters were supported by a wide range of our community including business organizations like the RAEDC and the Chamber of Commerce as well as minority leaders and parents.

Our charter schools today are giving parents choice and they are placing an appropriate pressure on the rest of the District's schools to raise the bar for performance. The majority of the children at Rockford's three public Charter Schools are minority children whose families have chosen their charter school with the hope of giving their child the best chance of success. And the results so far have been promising.

Test scores at our public charters have demonstrated that these public schools can bring great results for children. At Galapagos Charter, for instance, every single grade level saw over 300% improvement in the 2009-2010 MAP scores between the start and end of the school year. And at CICS Patriots Charter, due to their success in improving MAP scores in their first-year, they anticipate closing the achievement gap for every one of their students in both reading and math by the 2014-14 academic year.

The truth is, however, that there are many district schools that offer similar examples of success that can and should be emulated in the rest of the District. Unfortunately, instead of expanding or replicating those schools, many of those schools have been on the recent “chopping block” for closure such as Montessori, Washington, Haskell, and Barbour. While I am pleased that those

schools will not be closed, I am puzzled as to why those high performing schools ever made it to the possible cut list. Instead of considering closing these high performing schools, our community should be considering how we can expand those schools to expand the opportunities for all children to benefit from programs that work. I know personally that our daughter was on the waiting list for Montessori for two years before an opening occurred. How many children never get the chance to attend our highest performing schools?

School Closures

At a minimum, as I said in my two minutes allowed for public speaking at this week's school board meeting, our community should have the opportunity to offer our ideas of what criteria should be used to fix our budget holes and, if schools need to be closed, we should have the chance to suggest a criteria for closure and make sure everyone knows that criteria.

What we do know is that "performance" has not been part of the criteria and I stand here tonight baffled. Only in government it would seem that "performance" would have no criteria on what parts of your business you shut down. I can't stand here tonight as a father, a husband, and a mayor and suggest that it makes any sense at all to suggest that this community shut down its best schools and programs, under any logic, especially in the face of an independent review that shows a \$22 million discrepancy in our District's revenue projections.

When our schools work, we are a more attractive community. Many of thousands of families who have migrated out of the Rockford School District will come back if we improve.

Can you imagine a hospital following the same logic of not evaluating performance? The conversation might go something like this, "Thanks for considering our hospital for your upcoming heart surgery. We're not quite sure how our budget looks, so to be safe, we've terminated our five best surgeons."

Are you kidding me? Who does this?

The simple fact is that no one from the district has asked me or the city staff nor the County Board Chair or any community members as far as I can tell for our thoughts on the impact of these school closings.

No one has asked how the closed buildings could cause a reduction in property values, or how they might be re-used, or how we might mitigate blight which would follow an empty neighborhood school building.

What type of logic has lead us down this path? The idea that our only choice is to shut down schools or pass a balanced budget is a false choice. We spent two years talking about zoned schools before taking a vote. Now we've closed schools after about two weeks with no real options or discussion offered.

Community and Schools

District 205 does not exist in a vacuum!

Without the COMMUNITY, there is no school district.

Without STUDENTS, there is no school district.

Without TAXPAYERS, there is no school district.

As a partner with the district, the community must be at the table. There must be a credible process. There needs to be a common understanding of the deficit. We need to know the criteria for school closings.

We need to know how we can help!

We have good people in our community. We have good teachers; good staff; good organizations; and good corporations.

Unfortunately, our involvement with the District has been sporadic, shifting from board to board, and superintendent to superintendent and that covers just the three different school administrations we've had since i was elected in 2005.

I am told that over the last 20 years, we've had 13 different superintendents. It is unfortunate, but the policies and practices and partnerships between the city, the community, and our schools have varied dramatically over that time.

We can't turn away our people or harden their hearts through a closed process, murky rationale, confusing criteria, and misplaced accusations.

I am a proud partner of Alignment Rockford, but even that effort will be limited without a consistent governance connection between the BOE, City, and County. Without that connection, we will continue our cycle of of blame and failure.

School Governance Reform

I know that we went through a difficult and divisive time in Rockford especially with the desegregation law suit. I understand and respect how important and hard fought was the election of school board members by sub-district.

But if we are to save ourselves and sustain our community then we have to look at the outcome, at the performance: High truancy, poor test scores, low graduation rates and little hope for many of our young Black men.

These are the facts. It's wrong. It's shameful and it makes me sick to watch it happen.

That's why I am asking all of Rockford to join me in a discussion of a new model, to explore ideas that have worked elsewhere.

I say lets look at what is good in Rockford. We have good people. We have good kids. We have people who care. We have much much more love in Rockford than hate.

For the sake of us all, let's put away the blame and failure game. Let's be accountable to each other as we celebrate our abilities.

Raise your hand if you want the schools to improve, if you want to try something different!

I laugh when I hear people say that I want to "take over the schools". No, I just want to sleep at night knowing I did all I could for my city, our children, and the future of our children.

And to those that say we have to keep the system going, I ask what has to happen for us to give it up, face the facts, and try a new approach?

Now is one of those times when community members are calling out for change.

Now is one of those times when, despite the fact that the office of "mayor" has no official role in running our schools, parents, business leaders, and the media want to know where stands the mayor.

My position is not new. I have held these beliefs since before I was elected.

Sustainability is about having local control over our future. A sustainable Rockford owns its problems and creates its solutions. Sustainable schools have to be part of sustainable neighborhoods. They must be schools and neighborhoods that integrated into the fabric of each other. Sustainable schools must have families, community members, and social and government institutions seen as supportive parts of a holistic education.

I ask you, is that what we have today?

State Legislative Reform Needed

Unfortunately, our current form of governance, is holding us back.

We have turned political authority over to a board system that lacks the political strength to run the largest government body in the region.

We have the illusion of an effective democracy but how can you have democracy without accountability? We do not vote for the school board president but he or she seems to run things. Yet, by definition, the board can only act as a unit. They can't individually pass policy, budgets, or programs.

So, who exactly is in charge? What person do we hold accountable?

I am held accountable for crime, unemployment, and poverty. But do we seriously think that a mayor and a city council can sustain substantial improvements in lowering crime, creating jobs,

and reducing poverty without our public schools driving and supporting the success of our children?

While it is true that entire seven-member “board” collectively has authority over the schools, in practice it simply doesn’t work. When no individual has accountability over the whole district, we continue to see finger pointing and chaos.

Simply put, we can’t keep doing the same things over and over and expect a different outcome.

We must own our schools through the board of education and stop waiting for superman.

Whomever is sitting in the Mayor’s Office of the City of Rockford should be legally required to be involved in our schools and held accountable for the success or failure of our schools.

This is why I am calling for a change in State law that would give communities like Rockford the ability to make a local choice on how we wish to govern our schools.

Over the past year, I have been in discussion with mayors from other Illinois cities as well as with State legislative leaders. I have asked for reactions and input on the prospect of doing things differently with the goal of improving results and accountability to voters by including city leadership in school governance.

For background on options, I would refer you to a research paper from Illinois State University’s *Center for the Study of Education Policy* entitled, *Mayoral School Leadership and Integrated Governance*. The paper examines a variety of models and reviews research on the options. It’s a good place to start researching our options. Let me read to you an excerpt from that paper:

...analysis reveals the following findings:

- *an appointed school board raises student achievement in reading and mathematics, especially in the lowest-performing schools.*
- *improved financial status by reducing administrative expenses...and*
- *Mayors have considerable influence with municipal and business leaders as well as state officials, and thus are better positioned to promote and coordinate educational interests than isolated school boards and/or superintendents.*

Here’s the bottom line, I am asking for State legislation that would allow our local citizens to determine how we run our schools. Under this new approach, we should be able to place the question of how we govern our schools on a local referendum so that you, our voters, could decide whether you are happy with the way things are going now or whether you would like a different approach.

I believe in us, our goodness, and our ability to unite; because, *As go our schools, so goes our city!*

Call to Action: Embry-Riddle University

As for higher education, you have heard me speak in the past on the critical need for our community to become a “College Town.” I pointed to the statistics showing the much lower unemployment rate in those communities anchored by colleges and universities.

Our “City University” vision has gained real ground in 2010 when Embry-Riddle Aeronautical University announced its plans to develop a third campus.

I’ve heard folks say, we on earth would Embry-Riddle be considering Rockford. It is no accident that Embry-Riddle is interested in Rockford. When I hear questions locally from folks wondering why they would be interested, it tells me that we need to remind our own community of our strengths. We need to believe in ourselves. We need to see the things that Embry-Riddle sees.

Here’s what our manufacturer’s have been doing, what they’ve been saying, and what Embry-Riddle sees... (Run Video).

I am also very proud of this community’s efforts to support the “Rock the Air” scholarship campaign and petition drive. With the support of hundreds of individuals and corporations, our “Rock the Air” scholarship program is nearing its \$1 million goal with just about a week to go. If you have not pledged yet, please make that pledge tonight in the lobby of our Coronado or at home from the Internet. Thank you again to the Community Foundation and all of our partners who have made this effort possible.

V. Conclusion

To be sustainable and self-reliant, we must end the cycle of co-dependency and enabling that has pervaded our community since the 1970’s.

As I have said before, we can’t look to the State or Federal Governments to “save us.” They have their own problems to solve. Frankly, let’s hope those other governments get out of the way and allow us to take charge of our own future.

We have already begun the change. We are making great progress. We are becoming the future we want to see.

This is why we are here. And this is why Embry-Riddle should be here. This is why they are “Welcome” here.