

2019 SOTC - Naperville, IL; 03/18/2019

Welcome; it's a pleasure to be here today for my fourth State of the City address. Kim (White), thank you for the introduction and your work at the Community Career Center. Your efforts empower job seekers to discover their next career and make a positive contribution to our community.

Thank you to the many people who have made today possible, including Nicki Anderson and her staff at the Chamber of Commerce; the Embassy Suites; Liz Spencer and her staff at NCTV17; Greg Bizzaro and his staff at Jaffee Events; and of course, my wife Julie and our family.

As you can probably tell from the video, this year's speech was inspired by my family's game night tradition. Being Mayor of the now fourth largest city in Illinois is no game. But the spirit of a well-played game — friendly competition, vision, and strategy — does apply to how we run our City. After all, without purpose and vision, our City cannot move forward.

So, let's take a spin around our State of the City Monopoly board today. We'll celebrate how far we've come while looking at what's ahead. I've never given a speech while playing a game, so this should be interesting for all of us. Thankfully, I have technology to move me along.

So, here we go.

Property tax: one of the most talked-about topics in our city and state. Financial stability is one of our main priorities at the City, and with good reason. There are three ways a city can push today's costs off to the next generation. A City can take on debt; we can spend our savings; or we can defer maintenance on assets and infrastructure.

When I took office in 2015, Naperville was doing all three. In fact, we went 13 years without a structurally balanced budget. That's simply not sustainable, and that's not the legacy I — or others — want to leave for our children. It's not good for the future of our City.

We need a strong business environment to provide a robust local economy. In turn, that economy benefits our residents by providing great services, and it provides resources for the schools and parks that make people want to live here.

Since 2015 the City Council has used three principles to guide our financial decisions, and we have proof they're working. When we adopted our principles, we set a goal to reduce our debt by 25 percent in eight years.

We also said we'd replenish our cash reserves to 25 percent of our annual operating budget.

I'm pleased to report that we are on track to meet our goals. Since 2016, we've put away \$33 million in our citywide cash reserves. By the end of this year, we'll have reduced our general corporate debt by 24.5 percent.

That means less debt service payments and more dollars towards services that benefit you, the taxpayer.

And guess what? Today we have the lowest municipal tax rate Naperville has seen in the past 50 years. We also have the lowest rate compared to our benchmark communities within the region.

We've reduced municipal property taxes by 15 percent over the past four years. This means an average homeowner saw almost \$150 in savings on the city portion of their tax bill.

This year we've once again held our tax rate flat. Again, this is the lowest municipal tax rate in 50 years.

By the way, now you can see for yourself where your tax dollars go. In 2018, we launched Open Checkbook, a new online site that lets you see how we're spending your dollars. The site is updated weekly and provides transparency around our finances. I'm proud the rating agencies have noticed, because we were once again AAA bond rated in 2018.

That is great news! It bears repeating: You are part of a triple-A rated community that has the lowest property tax in the region, that's reduced municipal property taxes by 15 percent since 2015, that's reduced debt by over 20 percent, and is replenishing our cash reserves for a rainy day.

What a great job by our City Council!

How about a round of applause for them?

I'd like to thank my partners on the Council for their courage and financial discipline to stick with our principles. It's not fun or glamorous to pay off debt or implement new revenue streams, but that's what leadership is. You can't always do what's popular — you have to do what's responsible.

We must keep looking ahead with clear vision. The decisions we make today influence the outcomes of tomorrow.

A great example is when the Council changed how we fund pensions. In 2017, we selected a more predictable system for funding. It wasn't a decision that made headlines, but it's certainly one of the most important ones we've made in the last four years. We had the courage to address an issue plaguing many communities, and I'm proud that we have one of the best funded pension systems in the state among our benchmark communities.

Moving forward, we're also updating our debt and reserve policies. All of these efforts will protect the long-term financial health of our great City.

Now, let's roll again.

It looks like we've landed on the I-88 corridor. This area is critical in meeting our economic development goals.

An exciting piece of news is that the old Nokia building is now under contract for purchase by GlenStar.

Further down the corridor, Franklin Partners has purchased the old OfficeMax building. The building is now known as The Shuman and is currently being transformed into Class A office space. You may recognize another location along I-88 Franklin Partners reinvigorated: the iconic N building.

We also welcomed many other businesses to the I-88 corridor last year. Like the Aldi corporate headquarters on Warrenville Road; ServPro on Frontenac Road; and IPT, which is building their new warehouse on Frontenac Road. This land was sold as surplus City property in 2018, and now that land has turned into tax-generating space.

We also welcomed SMS Assist at CityGate. SMS Assist chose Naperville because of our highly skilled workforce.

Speaking of CityGate, we can't wait for the new multi-use arena at CityGate North to open next year. I mentioned this exciting development last year. The developers have met with prospective leagues, clubs and event organizers to refine their plans, and they're committed to keeping this project privately funded. When it opens, it will be the largest sports and entertainment site in DuPage County.

Let's see where our journey takes us next.

Ah, the Electric Company. Which, by the way, turns 120 years old in August.

Back in 1899, Mayor Willard Scott Junior purchased the Naperville Electric Company from its private owner. Over a century later, his vision for a city-owned utility continues to benefit this community.

It's not often that you see utility bills go down, but in Naperville, you are.

You'll see a 7.8 percent decrease in your electric rates over the next three years. This is thanks to cost cutting and new tools that help us better predict cost spikes.

The average residential customer will save \$24 per year. Even better, our rates are once again lower than ComEd's, and our reliability is literally off the charts better than other power providers.

Our utility is also working hard to educate our next generation of customers.

3,500 solar panels will be installed at the Water Utility's Springbrook plant this summer. Once in place, they'll produce enough electricity to power almost 150 homes.

Not only is this the right thing to do for our environment, but it comes at no cost to the City. We were one of four communities in Illinois to receive a solar power plant from our energy provider. Electricity from the panels will go back into our power grid.

As an added benefit, this also provides the City with a great opportunity to teach our children about renewable energy.

On that note, let's roll again.

Looks like it's time to draw a Chance card: "You need some fuel for your CNG fleet. Head to Jefferson Avenue."

Alright – let's see where this takes us.

Last year we selected Trillium to build a compressed natural gas station by our public works building on Jefferson Avenue.

Originally, the City wanted to build this station on our own, but we realized that wasn't the best use of your dollars.

Thanks to partnerships and creativity, construction will happen, only now without using taxpayer dollars.

Our city fleet will use the station and its CNG fuels, which are more environmentally friendly. We'll save money in the long run, because CNG prices are lower than regular fuel. This economic success is possible because we have two local companies who are working with us.

One is Groot, our new garbage and recycling hauler. Last year we entered into a 10-year contract with them.

We knew that we were paying much less for waste collection than other communities, so we expected to see a significant increase in our garbage and recycling costs.

In fact, we were expecting a 15 percent increase, or more, but we negotiated a contract that increased less than 1 percent.

That's a big difference, and a big win for our residents.

Let's roll again.

Community Chest. How fitting on a day like today!

"You realize that a world-class city can't run without the help and support of local, regional, and state partners. Take a moment to thank everyone for their efforts."

Well, this is certainly true. But instead of me saying thank you, I'd like to show you my appreciation. Let's take a look.

You are the reason why Naperville is a world-class city with a world-class reputation.

In fact, we recently learned we were named the best city to raise a family in America by Niche, and they named us the city with the best public schools in the country.

Those accolades don't happen by accident. They are a result of what you do day in and day out.

Can I get another round of applause for everyone featured in the video?

We have several people in the audience today who are retiring from their posts in 2019. I think it's fitting we give them an extra thank you for their hard work and leadership. These seven individuals have collectively given 165 years' worth of effort to this community.

Please stand when I call your name: Electric Utility Director Mark Curran, Emergency Communications Manager Kalah Considine, Deputy Fire Chief Andrew Dina, Executive Assistant to the Mayor Emy Trotz, Executive Assistant to the City Council Reggie Lynch, Naperville Public Library Executive Director Julie Rothenfluh, and DuPage Children's Museum President and CEO Sarah Orleans.

Let's give them all a big round of applause.

Let's see where the next roll takes us.

Free parking. Actually, free parking has been a staple of our city for decades, and finding parking in our downtown should get a little easier this year.

In December, we launched a new Downtown Parking Viewer. It's similar to an app on your phone, and it shows how many spots are open in our parking decks. It even shows parking trends over time to help you plan your visit. And, people are definitely visiting!

Outside of Chicago, Naperville now has the largest economy in the state of Illinois. People spent \$405 million on dining and over \$3 billion shopping in Naperville. We expect to be the top suburban spot once again in 2018.

Part of our appeal is a thriving and vibrant downtown. Next year, we could see streetscape and parking improvements along Jefferson Avenue and Main Street.

The property owners in that area could pitch in for these improvements through a special service area tax. There are many details to work out, but we know that upgrades are critical to keep downtown a premiere destination.

So now that we've enjoyed some free parking, let's see where we go next.

Aurora Avenue.

This street is home to our public safety campus, so this is a great chance to talk about the hard work of our police and fire departments.

On the Police side, the Safer Naper campaign helped us do our part in preventing crime last year. We'll keep sharing more tips this year. And I'm sure Chief Marshall wants me to remind you to lock it or lose it!

I'm proud to say our crime rates continue to fall. Part one crimes, which are some of the most serious offenses, have decreased by 10 percent in the last four years. There are many reasons for that, like our Police Department's proactive presence in neighborhoods. Even demographics and the economy can play a role. But another reason is increased communication.

Our crime rate isn't going up, but our crime communication is. That awareness is vital in continuing the downward trend in these numbers.

So are programs like Connect for Life. Last year, this proactive program connected 15 people struggling with addiction to treatment. The Police also hired a victim advocate to better assist with social services.

These efforts helped Niche name us the Safest City in America last year. More recently, we were named the fifth safest city by SmartAsset and one of the safest college towns by SafeWise.

On the Fire side, the department created a new staffing plan to better serve the community; it's known as "power shifting." Four employees now work a 40-hour work week instead of the traditional one day on, two days off.

They work on the days and at the times when data shows they're the most needed. That helps the Fire Department more efficiently handle calls while also working on training, inspections and public education.

The best part? This better service comes with no additional employees. It's simply using data to shift resources for a better outcome.

Our public safety teams work with each other to reach our mutual goals of safety. This year, both departments will focus on implementing Next Generation 9-1-1, which updates 9-1-1 with today's technology.

Once in place, people can make video calls and even text 9-1-1.

Police and Fire are also working together to address the rising number of mental health calls. That means creating a joint Crisis Intervention Team to provide appropriate response and care in these situations.

Last year, thanks to a three-year grant, Police and Fire partnered with Aurora for scenario training exercises.

That partnership was critical during the tragic workplace shooting in Aurora last month.

Because we had trained together, our personnel were better prepared to assist our neighbors. We never want these scenarios to hit so close to home — but if they do, we stand ready. The grant will keep our teams working together on more complex training scenarios next year. Truly, a community is measured by how safe and secure our citizens feel. I know that with Chief Marshall and Chief Puknaitis at the helm, we're in good hands.

Let's roll again, shall we?

BNSF Railroad — sounds like this is a great time to talk about the future of our train station district. In 2018, we continued the conversation around this area.

We continue to discuss key issues, like the future location of the children's museum, and whether more commuter parking should be part of the plan. But the important takeaway is that we make the most of this city-owned asset.

Why am I so excited about these opportunities? Because they give us the chance to meet the needs of our community right now AND in the future.

We need to provide housing that attracts recent graduates and empty nesters.

Naperville provides a world-class education to the people who will power the next generation of business. But those graduates aren't necessarily staying here.

Why? We need to provide the right environment for them. That includes the right housing, jobs, and entertainment. And that's where 5th Avenue comes in.

Low-maintenance housing near the train and within walking distance to amenities is important.

Just last month, we learned that Naperville is one of the top cities where millennials are buying homes. That's good news, but we can't sit back. The time to act is now.

Because if we don't, these talented graduates will move to larger cities. When we keep our workforce here, we will attract the next generation of businesses. That leads to growth and innovation, and many times that innovation spreads throughout the city and region.

This type of housing benefits empty nesters as well.

With a variety of housing comes opportunities for families to stay together. Children who grew up in Naperville can come back and raise their families here, and their parents can have the joy of watching their grandchildren grow up.

Housing is not a unique challenge to Naperville. Virtually every Mayor deals with housing issues. But we have a unique opportunity because of the city-owned land on 5th Avenue. Wouldn't you all agree that this is an enormous opportunity for our City?

Moving forward, we'll be looking at housing trends citywide by updating our city's land use plan. That includes examining new trends in housing for seniors and millennials and seeing what works for our community.

So, let's see what else we have in store.

Water Works.

This is a great chance to preview some of the exciting projects on our water utility's horizon, like updated meter reading technology.

Why is this beneficial? Because it gives our customers tools to monitor how they use their water. It also gives them a heads up on potential leaks. For the City, more data about our water system lets us manage it better. This saves money in the long run.

We know there's a lot of work to do to implement these tools, but the result will be an improved experience for our customers.

So, let's move on.

Another Chance card: "Naperville has added many new houses and businesses last year, and more development is on the horizon. Share the good news with everyone and go back four spaces to 95th Street to talk about some good news in south Naperville."

Ok. While I'm moving my token, let's pause to look at what's new — and yet to come — in Naperville. Filling vacant commercial spaces is a key priority for us.

When I took office, the City Council adopted the idea of creating the "Path to Yes." That philosophy means the city will do its part to remove barriers that may keep businesses from locating here.

Implementing this mindset has led to many development victories across the City. The most notable was the opening of the Patel Brothers grocery store in the former Menards building. This building

was the poster child of empty big box stores and sat vacant for over 15 years. Now it's a thriving location with a full parking lot and several surrounding stores.

Another great example is Mall of India, which I mentioned from this stage last year. The mall is currently under construction at the old Walmart on Route 59. Plans are to have it open by July.

I'm thrilled that our vacancy rates across the City are below 10 percent today, versus 14 percent in 2015.

But, there are still several locations where we need to concentrate our efforts. That said, I'm extremely excited to announce that the former Dominick's at 95th and Route 59 will soon become an LA Fitness.

Finding new tenants for vacant spaces also supports residential development.

I think a good indication of a well governed and well managed city is whether you have more people moving in than you have moving out. In a state where the population is shrinking, Naperville is STILL a destination city.

Our special census last year showed a gain of almost 6,000 residents.

Again, it goes back to having a well-balanced community. We need to have a variety of housing types to bring in new residents and build our business base.

So, with that, let's roll again.

Here we are at Park Place. This makes me think of what is sure to become one of the best places in town — the Naperville Jaycees Park. We're putting the finishing touches on the park this spring. The space will feature WiFi, seating, and mobile workspace.

Many people and businesses made this park possible by donating over 400,000 dollars — those are private dollars. No taxpayer dollars were used, and they won't be used moving forward.

We also installed solar panels at City Hall. This will help offset the cost of electricity, and those savings will be used to maintain the park, which will be part of our iconic Riverwalk.

I can't help but think of leaders like Mayor Chet Rybicki, who helped bring this treasured pathway to life.

The decision to build the Riverwalk in 1981 was the turning point for our downtown. Rybicki and Jim Moser's devotion to our city made the Riverwalk possible and was reflective of what visionary leadership can do. It's an honor to be able to build on that vision and add to one of our community's greatest legacies.

2018 also saw the addition of Harmony Park to the Riverwalk. Thanks to the Rotary Club of Naperville, now everyone has a chance to make some music at this space near Rotary Hill.

It's another example of what we can do when we roll up our sleeves and work together.

So, let's move on and take another roll of the dice.

Another Community Chest: “You should begin to wrap up your speech before it drags on too long. Give your concluding remarks or pay a penalty.”

Looks like the game is giving me a hint.

You know, in Monopoly, you roll the dice and leave your fate to chance. But games like this are very different from running a city.

Without a clear vision and proper planning, even the best community can falter. That requires leadership, vision, and a desire to take what is already great and keep moving forward.

When we don’t protect our hard-won victories of the past — like great schools and wonderful parks — with resources for the future, we open ourselves up to challenges. In games, you can’t be the only participant — and there are so many participants in Naperville’s story.

There are no winners or losers when we work together, and no one person holds all the answers. As we move through 2019, I encourage you to collect teammates instead of opponents.

I know one man who lived his life devoted to this idea. We’d be remiss not to take a moment to remember Mayor Emeritus George Pradel, who passed away last September. This was a man who pulled everyone together and believed when Naperville won, we all won.

We’re better off for knowing him and for all he gave to this city.

How about we have a nice round of applause in honor of Mayor Emeritus Pradel?

For George Pradel, Willard Scott Junior, Chet Rybicki, and all those who have gone before us, let’s keep moving ahead in their honor.

Innovation, courage, and strong vision is what will move Naperville into the next decade. I am confident we’ll see success in 2019 and beyond.

Thank you for being here today, and for all your contributions to our city.